

REGULAR MEETING.

COUNCIL CHAMBER, CITY OF INDIANAPOLIS, IND.,

Monday, June 3, 1918.

The Common Council of the City of Indianapolis met in the Council Chamber, Monday evening, June 3, 1918, at 7:30 o'clock in regular session, President Louis W. Carnefix in the chair.

Present: The Hon. Louis W. Carnefix, President of the Common Council, and eight members, viz.: Messrs. Kirsch, Peake, Willson, Miller, Schmidt, Furniss, Pettijohn and Brown.

Mr. Peake moved that the reading of the Journal be dispensed with. Carried.

Mr. Willson moved to correct the Journal of May 20, 1918, on page 224, line 4, by inserting after the word "Noes," the word "carried." Carried.

COMMUNICATIONS FROM THE MAYOR.

May 23, 1918.

*To the President and Members of the
Common Council.*

Gentlemen:

I have this day signed and delivered to George O. Hutsell, City Clerk, the following ordinances:

- Special Ordinance No. 7;
- General Ordinance No. 37.

Yours truly,

CHARLES W. JEWETT.

May 24, 1918.

*To the President and Members of the
Common Council.*

Gentlemen:

I have this day signed and delivered to George O. Hutsell, City Clerk, the following ordinances:

Special Ordinance No. 13;
 Appropriation Ordinance No. 11;
 General Ordinance No. 30;
 General Ordinance No. 31;
 General Ordinance No. 33.

Yours truly,

CHARLES W. JEWETT.

May 27, 1918.

*To the President and Members of the
 Common Council.*

Gentlemen:

The Mayor has signed and delivered to George O. Hutsell, City Clerk, the following ordinances:

General Ordinance No. 24, signed May 21, 1918;

General Ordinance No. 34, signed May 27, 1918.

Yours truly,

C. S. WALLIN,
Secretary to Mayor.

REPORTS FROM CITY OFFICERS.

From City Controller:

June 3, 1918.

*To the President and Members of the Common Council of the City of
 Indianapolis, Indiana.*

Gentlemen:

I hand you herewith a request from the Board of Public Works asking for the passage of an Ordinance for the sum of Four Thousand Seventy Dollars and Eighty Cents (\$4,070.80), for the purpose of paying bills, debts and obligations which accrued against various funds of the Department of Public Works in the year 1917, and were unpaid December 31, 1917.

I enclose you herewith an Ordinance calling for the above amount and recommend its passage.

Yours very truly,

R. H. BRYSON,
City Controller.

June 3, 1918.

*Mr. Robert H. Bryson, City Controller,
 City Hall, City.*

Dear Sir:

I am directed by the Board of Public Works to ask you to request the

Common Council to pass the accompanying ordinance appropriating money for unpaid bills of 1917.

Yours truly,

W. F. CLEARY,
Clerk, Board of Public Works.

June 3, 1918.

To the President and Members of the Common Council of the City of Indianapolis, Ind.

Gentlemen:

I hand you herewith a communication from the Board of Public Works requesting the appropriation of the sum of Two Hundred and Fifty Dollars (\$250.00) to the fund known as "Street and Alley Openings and Vacations."

This appropriation is made necessary on account of an error made by the Barrett Law Department in the collection of the above amount from the City Treasurer's Straight Payment Fund when in fact it should have been paid to the Treasurer out of the above-named fund.

I inclose you herewith an Ordinance for the same and recommend its passage.

Yours very truly,

R. H. BRYSON,
City Controller.

June 3, 1918.

*Mr. Robert H. Bryson, City Controller,
City Hall, City.*

Dear Sir:

I am directed by the Board of Public Works to ask you to request the Common Council to pass an ordinance appropriating \$250.00 to reimburse your office for an erroneous payment.

Yours truly,

W. F. CLEARY,
Clerk, Board of Public Works.

From the Chief of Police:

May 29, 1918.

To the Members of the City Council, City of Indianapolis, Ind.

Gentlemen:

After due consideration and study of Special Ordinance No. 11, now in the hands of a committee of your body, I am forced to reach the conclusion that it is deficient and inadequate in many respects and does

not meet the situation for which it was intended. I am convinced that in its present form the ordinance has weaknesses which might render it without the proper strength.

Therefore, after consultation with Inspector Streit and Supervisor of Detectives Kinney, both of whom are in touch with and thoroughly familiar with conditions, I beg to submit copies of another ordinance which, in our opinion, will effectually meet the conditions at which the other ordinance was aimed and will prove of great value to the police department in the effectual enforcement of law.

I have asked Mr. Russell Willson to present the ordinance for your consideration.

Yours very respectfully,
 GEO. V. COFFIN,
Chief of Police.

REPORTS FROM STANDING COMMITTEES.

From the Committee on Finance:

Indianapolis, Ind., June 3, 1918.

To the President and Members of the Common Council of the City of Indianapolis, Indiana.

Gentlemen:

We, your Committee on Finance, to whom was referred Appropriation Ordinance No. 14, 1918, entitled An Ordinance appropriating money for the purpose of paying the contractor the amount which the benefits of the Illinois Central Railroad Company were reduced by its appeal to the Superior Court of Marion County from the assessment of the Board of Public Works, in the matter of Improvement Resolution No. 8843 by the Board of Public Works of the City of Indianapolis, providing for a main sewer in and along West Street, and the old channel of Pogues Run, from a point fifty feet south of McCarty Street to White River, beg leave to report that we have had said ordinance under consideration, and recommend that the same do pass.

J. P. BROWN,
 W. B. PEAKE,
 S. A. FURNISS,
 RUSSELL WILLSON,
 J. E. MILLER.

Indianapolis, Ind., June 3, 1918.

To the President and Members of the Common Council of the City of Indianapolis, Ind.

Gentlemen:

We, your Committee on Finance, to whom was referred Appropriation Ordinance No. 13, 1918, entitled An Ordinance appropriating the sum of

Thirty-six Hundred and Forty Dollars (\$3,640.00) to the Department of Finance and fixing a time when the same shall take effect, beg leave to report that we have had said ordinance under consideration, and recommend that the same do pass.

J. P. BROWN,
W. B. PEAKE,
S. A. FURNISS,
RUSSELL WILLSON,
J. E. MILLER.

Indianapolis, Ind., June 3, 1918.

To the President and Members of the Common Council of the City of Indianapolis, Indiana.

Gentlemen:

We, your Committee on Finance, to whom was referred Appropriation Ordinance No. 12, 1918, entitled An Ordinance appropriating the sum of Thirty-eight hundred Dollars (\$3,800.00) to the Department of Public Safety, and fixing a time when the same shall take effect, beg leave to report that we have had said ordinance under consideration, and recommend that the same do pass.

J. P. BROWN,
S. A. FURNISS,
J. E. MILLER,
W. B. PEAKE,
RUSSELL WILLSON.

From the Committee on Public Works:

Indianapolis, Ind., June 3, 1918.

To the President and Members of the Common Council of the City of Indianapolis, Indiana.

Gentlemen:

We, your Committee on Public Works, to whom was referred Resolution No. 3, 1918, beg leave to report that we have had said resolution under consideration, and recommend that the same do pass.

W. B. PEAKE,
J. P. BROWN,
G. G. SCHMIDT,
RUSSELL WILLSON,
J. E. MILLER.

From the Committee on Public Safety:

Indianapolis, Ind., June 3, 1918.

To the President and Members of the Common Council of the City of Indianapolis, Indiana.

Gentlemen:

We, your Committee on Public Safety, to whom was referred Resolution No. 2, 1918, beg leave to report that we have had said resolution under consideration, and recommend that the same do pass.

RUSSELL WILLSON,
J. P. BROWN,
S. A. FURNISS,
LEE J. KIRSCH,
J. E. MILLER.

Mr. Willson moved that the report of the committee be concurred in. Carried.

From the Committee on Public Safety:

Indianapolis, Ind., June 3, 1918.

*To the President and Members of the
Common Council.*

Gentlemen:

We, your Committee on Public Safety, to whom was referred Special Ordinance No. 11, 1918, being entitled "An Ordinance Defining a War Loafer; Providing Penalties for the Punishment of Those Found Guilty of So Being; Granting Courts the Right to Suspend Sentences in Certain Contingencies; Defining What Constitutes Prima Facie Evidence as to Employment, and Fixing a Time for Its Taking Effect," beg leave to report that we have had said ordinance under consideration and recommend that the same be amended as follows:

By striking out the word "emergency" in Section 1, and inserting in lieu thereof the words "state of war";

By striking out of lines five and six of Section 2 the words "the daylight hours" and inserting in lieu thereof the words "his or her time";

By striking out all of Section 2 after the word "places" in line seven of said section, and adding in lieu thereof the words "stores, shops, factories, clubs, pool rooms, depots, stations, barns, lumber yards, storage houses, warehouses, stockyards, garages, or any place of business or residence of another."

By striking out of lines six and seven of Section 3 thereof the words "without visible means of support."

By striking out of line nine of Section 3 thereof the words "in the six months last past has made" and inserting in lieu thereof the words "is making."

By striking out of line thirteen in Section 3 the words "the daylight hours" and inserting in lieu thereof the words "his or her time."

By striking out of line twenty-two in Section 3 the words "in the county jail or workhouse."

By striking out of Section 3 thereof, beginning in line fifteen, the words "and who, in the last preceding six (6) months has not performed manual labor sufficient so that the remuneration thereof has equaled the probable cost of the food consumed by said person."

By changing the word "employees" in Clause B, of Section 3, to read "employers."

By changing the words "Indianapolis Star" to read "Indianapolis Commercial."

And that said ordinance, as so amended, do pass.

RUSSELL WILLSON,
J. P. BROWN,
J. E. MILLER,
LEE J. KIRSCH,
S. A. FURNISS.

Mr. Willson moved that the report of the committee be concurred in. Carried.

From the Committee on Public Health and Charities:

Indianapolis, Ind., June 3, 1918.

To the President and Members of the Common Council of the City of Indianapolis, Indiana.

Gentlemen:

We, your Committee on Public Health and Charities, to whom was referred Special Ordinance No. 12, 1918, entitled An Ordinance, changing the name of North Drover Street to Patterson Street, beg leave to report that we have had said ordinance under consideration, and recommend that the same be passed.

S. A. FURNISS,
J. E. MILLER,
LEE J. KIRSCH,
DR. O. B. PETTICORN,
RUSSELL WILLSON.

Mr. Furniss moved that the report of the committee be concurred in. Carried.

Mr. Brown moved that the reports of the Finance Committee on Appropriation Ordinances No. 12, 1918, No. 13, 1918, and No. 14, 1918, be concurred in. Carried.

Mr. Peake moved that the report of the Committee on Public Works on Resolution No. 3, 1918, be concurred in. Carried.

From the Committee on Law and Judiciary:

Indianapolis, Ind., June 3, 1918.

To the President and Members of the Common Council of the City of Indianapolis, Indiana.

Gentlemen:

We, your Committee on Law and Judiciary, to whom was referred General Ordinance No. 35, 1918, entitled An Ordinance defining "Breach of the Peace," providing a penalty for the violation thereof and fixing a time for its taking effect, beg leave to report that we have had said ordinance under consideration, and recommend that the same do not pass.

G. G. SCHMIDT,
J. E. MILLER,
W. B. PEAKE,
J. P. BROWN,
RUSSELL WILLSON,
DR. O. B. PETTIJOHN.

Mr. Schmidt moved that the report of the committee be concurred in. Carried.

From the Committee on City's Welfare:

Indianapolis, Ind., June 3, 1918.

To the President and Members of the Common Council of the City of Indianapolis, Indiana.

Gentlemen:

We, your Committee on City Welfare, to whom was referred Special Ordinance No. 6, 1918, entitled An Ordinance authorizing the sale of certain personal property now in possession of the Board of Public Safety and providing a time for taking effect of same, beg leave to report that we have had said ordinance under consideration, and recommend that the same be passed.

LEE J. KIRSCH,
S. A. FURNISS,
W. B. PEAKE,
J. P. BROWN,
G. G. SCHMIDT.

Mr. Kirsch moved that the report of the Committee be concurred in. Carried.

INTRODUCTION OF APPROPRIATION ORDINANCES.

By City Controller :

Appropriation Ordinance No. 15, 1918.

An ordinance appropriating Four Thousand Seventy Dollars and Eighty Cents (\$4,070.80) to the Department of Public Works for the purpose of paying bills, debts and obligations which accrued against various funds of the Department of Public Works in the year 1917 and were unpaid on December 31, 1917, and fixing a time when the same shall take effect.

Be it ordained by the Common Council of the City of Indianapolis

SECTION 1. That there be and is hereby appropriated to the Department of Public Works, out of funds for the City of Indianapolis, for the purpose of paying bills, debts and obligations which were made, created or accrued against various funds of said Department of Public Works and were unpaid on December 31, 1917, and for the several funds as herein set forth, the total sum of Four Thousand Seventy Dollars and Eighty Cents (\$4,070.80), as follows :

1. Auto Maintenance and Repair Fund.....	\$ 953.49
2. City Hall Maintenance Fund.....	345.32
3. Sweeping and Cleaning Streets and Alleys Fund---	33.94
4. Street Repair Asphalt Accounts Fund.....	108.26
5. Sewer Construction and Repair Fund.....	139.50
6. Bridge Construction and Repair Fund.....	11.84
7. Tomlinson Hall Accounts Fund.....	869.30
8. Blank Books, Printing and Advertising Fund.....	116.90
9. Appraisers, Payment of	930.00
10. Electric, Gas and Vapor Lights Fund.....	562.25

\$4,070.80

SEC. 2. *Whereas*, the unexpended balance remaining in the various funds above mentioned for the year 1917 lapsed at the end of 1917, and no appropriations for the items above mentioned have been made, an emergency exists and this ordinance shall be in full force and effect from and after its passage.

Which was read a first time and referred to the Committee on Finance.

By City Controller :

Appropriation Ordinance No. 16, 1918.

An ordinance appropriating the sum of Two Hundred and Fifty Dollars (\$250.00) to and for the use of the Board of Public Works and fixing a time when the same shall take effect.

Be it ordained by the Common Council of the City of Indianapolis, That the sum of Two Hundred and Fifty Dollars (\$250.00) be and the same is hereby appropriated to the Board of Public Works for the fund known as "Street and Alley Openings and Vacations."

This ordinance shall be in full force and effect from and after its passage.

Which was read a first time.

Mr. Schmidt moved that the rules be suspended and Appropriation Ordinance No. 16, 1918, be placed upon its passage.

By unanimous consent of the Common Council Robert H. Bryson, City Controller, addressed the council and explained Appropriation Ordinance No. 16, 1918.

The roll was called and the motion to suspend the rules carried by the following vote:

Ayes, 9, viz.: Messrs. Kirsch, Peake, Willson, Miller, Schmidt, Furniss, Pettijohn, Brown, and President Louis W. Carnefix.

Mr. Peake called for Appropriation Ordinance No. 16, 1918, for second reading. It was read a second time.

Mr. Peake moved that Appropriation Ordinance No. 16, 1918, be ordered engrossed, read a third time, and placed upon its passage. Carried.

Appropriation Ordinance No. 16, 1918, was read a third time and passed by the following vote:

Ayes, 9, viz.: Messrs. Kirsch, Peake, Willson, Miller, Schmidt, Furniss, Pettijohn, Brown, and President Louis W. Carnefix.

Mr. Schmidt moved that the rules be suspended and Appropriation Ordinance No. 15, 1918, be placed upon its passage.

The roll was called and the motion to suspend the rules failed to carry by the following vote:

Ayes, 8, viz.: Messrs. Kirsch, Peake, Willson, Miller, Schmidt, Furniss, Brown, and President Louis W. Carnefix.

Noes, 1, viz.; Mr. Pettijohn.

President Carnefix referred Appropriation Ordinance No. 15, 1918, to the Finance Committee.

INTRODUCTION OF GENERAL AND SPECIAL ORDINANCES.

By Mr. Carnefix:

Special Ordinance No. 14, 1918.

An ordinance, ratifying, confirming and approving the contract entered into on the 19th day of April, 1918, between the City of Indianapolis, by and through its Board of Public Works, and approved by the Mayor, and A. Underwood, for the renting of certain mules for the city's use.

Whereas, Heretofore, To-wit, on the 19th day of April, 1918, the City of Indianapolis, by and through its Board of Public Works, with the approval of its Mayor, entered into the following contract and agreement with A. Underwood, to-wit:

CONTRACT.

This Agreement, made and entered into this 19th day of April, 1918, by and between the City of Indianapolis, Marion County, State of Indiana, by and through its Board of Public Works, party of the first part, hereinafter designated as "City," and A. Underwood, of Marion County, Indiana, party of the second part, hereinafter designated as "contractor," *Witnesseth,*

That Whereas, said Board of Public Works did on the 27th day of March, 1918, adopt Resolution No. 232, containing complete drawings and specifications for contract for the renting of mules for the city's use, and caused a notice to be published for two weeks, once each week in *The Indianapolis Star*, a newspaper of general circulation, published in such city, informing the public and contractors of the general nature of the contract to be let, and the fact that drawings and specifications were on file in the office of said Board, and calling for sealed proposals

for such work, until ten o'clock A. M., April 10, 1918, said day being not earlier than ten days after the first of said publications, and

Whereas, among the various sealed proposals received was a proposal from said contractor in due form to rent mules to said city as required by said resolution and specifications, for the sum of Eighty-two and One-half (82½) Cents per day for each mule, which the Board found was a satisfactory bid, and the lowest and best bid received, and therefore awarded said contract to the party of the second part, the contractor herein.

Now Therefore, It is hereby agreed by and between the parties hereto that :

First. The parties hereto hereby agree to all of the terms, stipulations and specifications contained in said notice and specifications, and hereby make the same a part of this contract, which notice and specifications read as follows :

"NOTICE TO CONTRACTORS

"Sealed proposals for renting to the city of Indianapolis mules for use in the Street Cleaning Department will be received by the Board of Public Works of the City of Indianapolis until 10 o'clock a. m. April 10, 1918, at which hour the bids will be publicly opened and read.

"Each proposal shall be indorsed 'Bid for Mules' and shall bear the name of the bidder and the date of its presentation.

"All bids shall be filed with the clerk of the Board of Public Works on or before the day and hour mentioned above and stated in the advertisement, and no proposal presented after this time will be accepted.

"The price must be stated in words and figures.

"Each bidder is required to deposit with his bid a certified check on a reputable bank doing business in the City of Indianapolis for an amount not less than Five Hundred Dollars (\$500.00). In case no bid is accepted, this check will be returned to the bidder; but if one of the bids is accepted, and the bidder shall refuse or neglect to enter into a contract with the City of Indianapolis within five (5) days from the time he shall have been notified of the acceptance of the same, said check shall be forfeited to the City of Indianapolis as ascertained and liquidated damages for failure so to do.

"Persons, firms or corporations submitting proposals shall show to the satisfaction of the Board of Public Works that they are able to furnish the number of mules required in the accompanying specifications promptly and on demand of the Board of Public Works. Otherwise their bids will not be considered.

"Bids will be received on thirty (30) or more mules, to be sixteen (16) hands high or over, and weighing at least 1,300 lbs. each, and

on sixteen (16) or more mules to be fifteen and one-half ($15\frac{1}{2}$) hands or more high and weighing at least 1,100 lbs. each.

"All mules must be serviceably sound, city broke and fit for the work to be done, and shall pass the inspection of the superintendent of the Street Cleaning Department and the city veterinary surgeon. A record of the condition of each mule shall be made, the mule numbered and described, and the condition certified to by both the superintendent of the Street Cleaning Department and the city veterinary surgeon. These descriptions shall be kept in a record book, and the entry as made must be certified to as correct by the contractor before the mule shall be accepted.

"The above number of mules shall be delivered to the city barns newly shod on or before May 1, 1918. The mules will be used continuously from May 1 to September 1, 1918. Whenever the Board of Public Works shall not require a certain number of mules the board shall notify the contractor in writing, giving the contractor five (5) days in which to take away the mules.

"On failure of the contractor to take away the mules within the specified time the Board of Public Works will deduct One (\$1.00) Dollar per day for each mule from any moneys due the contractor for failure to remove such mules after the time stipulated in the notice.

"The city agrees to feed, shoe and care for all mules rented and shall also be responsible for damages to any mules by accident, except the act of God, and in case of the death of any mule as the result of an accident, the city shall pay the original cost of the mule, less one-half ($\frac{1}{2}$) the amount the mule has earned during the existence of the contract.

"The city will pay full time for all mules furnished, except when the contractor is notified of the incapability of the mules, in which case the contractor will replace said mules at once by mules of like height and weight. In case the contractor shall fail to replace mules within forty-eight (48) hours after receiving written notice, the board will deduct five (\$5.00) Dollars per day for each mule until the mules are replaced.

"All mules delivered by the contractor shall be in good condition and suitable for the work of the Street Cleaning Department.

"No charge shall be made for Sundays and other legal holidays, unless the mules are worked, in which case the contractor shall be notified of the number so used. A Sunday or legal holiday will be construed to be a period of twenty-four (24) hours, ending 6 p. m. on the day of the Sunday or holiday.

"Sealed proposals shall state a price per day for each mule furnished in accordance with the foregoing specifications, stipulations and conditions.

"The city agrees to pay the amount due each month on this contract on the 10th day of the following month.

"The contractor must carry insurance on all mules furnished the City of Indianapolis.

"The contractor shall maintain an office in the City of Indianapolis, where notice may be delivered. Notices delivered to said office shall be deemed to be of the same force and effect as if served on the contractor in person.

"Adopted on this 27th day of March, 1918.

"SCHUYLER A. HAAS, President,

"GEORGE LEMAUX,

"THOS. A. RILEY,

"Board of Public Works.

"The Board of Public Works reserves the right to reject any and all bids."

Published on March 28, April 4, 1918.

Second: That said contractor hereby covenants and agrees to rent to the City of Indianapolis for use in the Street Cleaning Department, thirty or more mules, at the option of the city, to be sixteen hands high or over, and weighing at least 1,300 pounds each, and sixteen or more mules, at the option of the city, to be 15½ hands or more high, and weighing at least 1,100 pounds, for which the city agrees, upon the faithful performance of all the conditions set out in this contract, to be performed by the contractor, to pay to said contractor the sum of Eighty-two and One-half (82½) Cents per day for each mule furnished in accordance with this contract, and said specifications herein set out and agreed to. It is agreed that payment shall be made on the 10th day of each month for all mules furnished during the preceding calendar month.

Third: That said contractor is to execute a bond to the City of Indianapolis in the penal sum of Ten Thousand Dollars, with surety to be approved by said Board of Public Works conditioned upon the faithful performance of this contract by said contractor.

In Witness Whereof, said parties hereunto set their hands this 19th day of April, 1918.

Approved April 19, 1918.

SCHUYLER A. HAAS,
GEO. LEMAUX,
THOMAS A. RILEY,
Board of Public Works.

Approved April 19, 1918.

CHARLES W. JEWETT,
Mayor.

Accepted April 19, 1918.

A. UNDERWOOD,
Bidder.

And Whereas, said contract has been submitted by said Board of Public Works of the City of Indianapolis to the Common Council of said city for its action thereon, *therefore*

SECTION 1. *Be it ordained by the Common Council of the City of Indianapolis*, That the foregoing contract and agreement made and entered into this 19th day of April, 1918, by the City of Indianapolis, by and through its Board of Public Works, with the approval of its Mayor, with A. Underwood, be and the same is hereby in all things ratified, confirmed and approved; the cost incurred by the city under its contract to be paid out of the funds heretofore appropriated to the Board of Public Works for its Street Cleaning Department.

This ordinance shall take effect and be in full force from and after its passage.

Mr. Peake moved that the rules be suspended and Special Ordinance No. 14, 1918, be placed upon its passage.

The roll was called and the motion to suspend the rules carried by the following vote:

Ayes, 9, viz.: Messrs. Kirsch, Peake, Willson, Miller, Schmidt, Furniss, Pettijohn, Brown, and President Louis W. Carnefix.

Mr. Peake called for Special Ordinance No. 14, 1918, for second reading. It was read a second time.

Mr. Peake moved that Special Ordinance No. 14, 1918, be ordered engrossed, read a third time and placed upon its passage. Carried.

Special Ordinance No. 14, 1918, was read a third time and passed by the following vote:

Ayes, 9, viz.: Messrs. Kirsch, Peake, Willson, Miller, Schmidt, Furniss, Pettijohn, Brown, and President Louis W. Carnefix.

INTRODUCTION OF MISCELLANEOUS BUSINESS.

From the Public Service Commission of Indiana:

Indianapolis, May 31, 1918.

File 3869.

*Mr. George Hutsell, City Clerk,
Indianapolis, Indiana.*

Dear Sir:

The Indianapolis Water Company has filed its petition with the Public Service Commission of Indiana for authority to increase its water rates in the City of Indianapolis.

The case has been assigned for hearing at 10 a. m., Thursday, June 13, Room 122½ State House.

The Commission is desirous of having full publicity given to the petition and hearing, with the view that everyone interested may have an opportunity of being heard.

Copy of the petition may be had upon request.

Yours very truly,

PAUL P. HAYNES,
Commissioner.

STATE OF INDIANA.

BEFORE THE PUBLIC SERVICE COMMISSION OF INDIANA.

In the matter of the application of Indianapolis Water Company to revise and increase water rates, No. 3868.

Filed May 18, 1918.

CARL H. MOTE,
Secretary.

To the Public Service Commission of Indiana:

The petitioner, the above-named Indianapolis Water Company, respectfully represents and shows:

1. The petitioner is a corporation organized under the laws of the State of Indiana, with its principal office and place of business in the City of Indianapolis, in said State.

2. The petitioner is a public utility engaged in the business of supplying water to the said City of Indianapolis and its inhabitants, and as such public utility, it is subject to the laws of the State of Indiana, and particularly the Shively-Spencer Utility Commission Act.

3. That in a certain proceeding before the Commission entitled "In the Matter of Valuation of the Property of the Indianapolis Water Company and Determining Rates—1400," the Commission under date of March 15, 1917, made and promulgated its finding and order, reducing petitioner's rates as they had theretofore been established, and ordered the petitioner to put into force on or as of May 1, 1917, the schedule of rates fixed and contained in said finding and order.

4. In and by said finding and order the Commission found the value of the company's property for rate-making purposes at not less than

\$9,500,000, allowed a rate of return of 7% upon such valuation, and an annual depreciation charge of 8-10%, or \$76,000; estimated operating expenses at \$224,465, and taxes \$158,000; that the needed revenue was in the sum of \$1,133,465; that the schedule of rates fixed would not bring the needed revenue during the first year of operating under such rates, but presumed that the operations of the company over a series of years would bring an average annual return equal to the needed annual revenues of the company.

5. In compliance with the Commission's finding and order, petitioner on the first day of May, 1917, put into force the schedule of rates as aforesaid, and since said date has continuously operated under said schedule.

6. That the net corporate income of the company for the twelve months' operation ended April 30, 1918, was \$264,203.56, which, compared with the twelve months' period ended April 30, 1917, of \$344,824.27, shows a decrease in the amount of \$80,620.71. The depreciation charge in the period ended April 30, 1918, was \$8,690, less than in the same period ended April 30, 1917. Using the 1917 figures for depreciation, the decrease in net corporate income was \$89,310.71. The gross revenue in the 1918 period decreased in the amount of \$39,886.43; non-operating revenues decreased \$4,963.26; operating expenses increased \$29,302.59; interest on funded and floating debt increased \$5,080.63; taxes increased \$10,077.80.

A comparative statement of the earnings in said period, with the percentages of increase and decrease, is as follows:

	12 Mos. Ended Apr. 30,		Incr. or Decr.	
	1918.	1917.	Amount.	%
Operating income:				
Operating revenues -----	\$1,055,866.20	\$1,095,752.63	\$39,886.43	3.6
Operating expenses -----	284,039.81	254,737.22	29,302.59	11.5
Net operating revenues_-\$	771,826.39	\$ 841,015.41	\$69,189.02	8.2
Taxes -----	172,000.00	161,922.20	10,077.80	6.2
Net operating income be- fore deducting deprecia- tion -----	\$ 599,826.39	\$ 679,093.21	\$79,266.82	11.7
Depreciation -----	76,643.32	85,333.32	8,690.00	10.2
Net operating income_-\$	523,183.07	\$ 593,759.89	\$70,576.82	11.9
Non-operating revenues ----	17,186.91	22,150.17	4,963.26	22.4
Net earnings -----	\$ 540,369.98	\$ 615,910.06	\$75,540.08	12.3

Deductions:

Interest on funded debt---	274,374.26	270,628.19	3,746.07	1.4
Interest on floating debt---	1,792.16	457.60	1,334.56	291.7
Totals -----	\$ 276,166.42	\$ 271,085.79	\$ 5,080.63	1.9
Net corporate income----	264,203.56	344,824.27	80,620.71	23.4

7. That under the finding and order of the Commission, referred to above, it was found that the company was entitled to a return of 7% on a valuation of \$9,500,000, or a total annual return of \$665,000. Said valuation was fixed as of December 31, 1916. Additions and betterments have been made to the property of the company since said date at an actual cost of \$241,244, which, added to valuation found by the Commission, makes a total value of the company's property for rate-making purposes—\$9,741,244, and the annual return at the rate fixed by the Commission—\$681,877.08. The net earnings or annual return in the period ended April 30, 1918, amounted to \$540,369.98, or \$141,517.10 less than the reasonable return under the Commission's finding. Petitioner believes that the valuation placed upon petitioner's plant and property in the Commission's finding and order is inadequate and too low; that same could not be replaced at this time for less than \$17,500,000; that the fair value for rate-making purposes is not less than \$12,000,000; that on a value of \$12,000,000, with a 7% rate of return, the company is entitled to an annual return of not less than \$840,000, or approximately \$300,000 in excess of the return for the period ended April 30, 1918.

8. That the operating expenses of the company at this time show increases over those of the period ended April 30, 1918, due to general increases in labor, materials and sundries, and your petitioner believes that its operating expenses for the period ending April 30, 1919, will show an increase of at least 20%, and that increases in Federal taxes will be not less than \$28,000. Your petitioner believes that there will be no increase in its gross revenues, as notwithstanding all of its efforts during the period ended April 30, 1918, to increase its business and its revenues, there was a decrease in operating revenues of approximately \$40,000. Petitioner believes that for the period ending April 30, 1919, its net earnings or return will approximate \$456,000, or about \$225,000 less than it is entitled to under the Commission's finding, and \$384,000 less than the company believes it is entitled to on the fair value of its property. These estimates make no allowance for an increase in depreciation reserve, referred to in paragraph 10. The petitioner estimates the results of its operations for the twelve months ending April 30, 1919 (depreciation unchanged), as follows:

Operating income:	
Operating revenues -----	\$1,055,866.20
Operating expenses -----	340,000.00
<hr/>	
Net operating revenues -----	\$ 715,866.20
Taxes -----	\$ 200,000.00
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Net operating income before deducting deprecia- tion -----	\$ 515,866.20
Depreciation -----	76,643.32
<hr/>	
Net operating income -----	\$ 439,222.88
Non-operating revenues -----	17,186.91
<hr/>	
Net earnings -----	\$ 456,409.79
Deductions:	
Interest on funded debt -----	274,374.26
Interest on floating debt -----	1,792.16
<hr/>	
Total -----	\$ 276,166.42
Net corporate income -----	180,243.37

9. That the net earnings above shown approximate 4 67-100% on the value of the company's property as fixed by the Commission, and the net corporate income approximates 3 6-10% on its capital stock. That on a 7% rate of return, the said earnings are on a basis of valuation of approximately \$6,500,000, or a value \$3,250,000 less than the value fixed by the Commission, and \$5,500,000 less than the value which petitioner believes to be the fair value of its property for rate-making purposes.

10. Your petitioner is advised and believes that the allowance for depreciation in the Commission's order is too low, and should be increased to an amount not less than \$100,000; that Federal taxes will be increased, and an allowance for taxes in the period ended April 30, 1918, should be not less than \$200,000; that its operating expenses will be not less than \$340,000; that it should be permitted to earn at a rate of not less than 7% on a valuation of not less than \$12,000,000, or a net return in the amount of \$840,000. It, therefore, avers that for the successful operation of its property, the following sums of money are necessary:

Return on investment -----	\$840,000
Operating expenses -----	340,000
Depreciation -----	100,000
Taxes -----	200,000
<hr/>	
Total -----	\$1,480,000

That the operating revenues of the company under the present schedule of rates will not exceed \$1,056,000, and that additional revenue is, therefore, required in the amount of approximately \$424,000.

11. Petitioner avers that neither the gross or net revenues or income of petitioner under existing rates are or will be such as in law it is entitled to earn and receive, and the only recourse open to it is to obtain the authority of this Commission to increase its rates or such ones or classes thereof, as in the opinion of the Commission, will be in the general public interest, to such an amount and to such an extent in the aggregate, as will enable petitioner to pay its operating expenses and taxes, maintain its depreciation reserve, and receive a reasonable return on the value of its property.

Wherefore, your petitioner prays that the Public Service Commission of Indiana fix a date for such hearing on this petition as the law may require, and as to the Commission shall seem proper; that the Commission cause to be given such notice of the pendency hereof, as to the Commission shall seem proper; that the Commission make such investigation of the facts set forth in the petition as to the Commission shall seem proper; and that upon due consideration hereof, the Commission make an order declaring that petitioner's existing rates are unreasonably low, inadequate and insufficient, and authorizing and empowering the petitioner to put into force a revised and increased schedule of rates or a surcharge on the present rates which will produce sufficient gross and net revenues as the Commission may, upon investigation, determine the petitioner is entitled to receive.

INDIANAPOLIS WATER COMPANY,

By-----

Vice-President.

Secretary.

STATE OF INDIANA
COUNTY OF MARION

ss:

C. L. Kirk and -----, being duly sworn according to law, depose and say that they are respectively Vice-President and Secretary of Indianapolis Water Company, the petitioner above named, and that the facts set forth in the above and foregoing petition are true as they verily believe.

Sworn to and subscribed
before me this --- day
of May, A. D., 1918.

Which was read.

President Carnefix announced the appointment of Messrs. Willson, Peake and Miller as a committee to proof read the Journal after each meeting.

Mr. Miller moved that a committee be appointed to call on the Board of Public Works and investigate why certain streets are not sprinkled. Carried.

President Carnefix appointed Messrs. Miller, Furniss and Pettijohn on this committee.

ORDINANCES ON SECOND READING.

Mr. Brown called for Appropriation Ordinance No. 12, 1918, for second reading. It was read a second time.

Mr. Brown moved that Appropriation Ordinance No. 12, 1918, be ordered engrossed, read a third time and placed upon its passage. Carried.

Appropriation Ordinance No. 12, 1918, was read a third time and passed by the following vote:

Ayes, 9, viz.: Messrs. Kirsch, Peake, Willson, Miller, Schmidt, Furniss, Pettijohn, Brown, and President Louis W. Carnefix.

Mr. Brown called for Appropriation Ordinance No. 13, 1918, for second reading. It was read a second time.

Mr. Brown moved that Appropriation Ordinance No. 13, 1918, be ordered engrossed, read a third time, and placed upon its passage. Carried.

Appropriation Ordinance No. 13, 1918, was read a third time and passed by the following vote:

Ayes, 9, viz.: Messrs. Kirsch, Peake, Willson, Miller, Schmidt, Furniss, Pettijohn, Brown, and President Louis W. Carnefix.

Mr. Brown called for Appropriation Ordinance No. 14, 1918, for second reading. It was read a second time.

Mr. Brown moved that Appropriation Ordinance No. 14, 1918, be ordered engrossed, read a third time, and placed upon its passage. Carried.

Appropriation Ordinance No. 14, 1918, was read a third time and passed by the following vote:

Ayes, 9, viz.: Messrs. Kirsch, Peake, Willson, Miller, Schmidt, Furniss, Pettijohn, Brown, and President Louis W. Carnefix.

Mr. Peake called for Resolution No. 3, 1918, for second reading. It was read a second time.

Mr. Peake moved that Resolution No. 3, 1918, be amended to read as follows:

RESOLUTION NO. 3, 1918.

Be it Resolved, That the Common Council of the City of Indianapolis, Indiana, go on record as opposing any increase on water rates in the City of Indianapolis, Indiana.

Be it Further Resolved, That the Council do pledge to the Corporation Counsel its fullest support and co-operation in contesting the petition now on file with the Public Service Commission of the State of Indiana, and urges that no effort or expense be spared in defeating such petition.

Carried.

Mr. Peake moved that Resolution No. 3, 1918, be adopted as amended. Carried.

Resolution No. 3, 1918, was read a third time and adopted by the following vote:

Ayes, 9, viz.: Messrs. Kirsch, Peake, Wilson, Miller, Schmidt, Furniss, Pettijohn, Brown, and President Louis W. Carnefix.

Mr. Willson called for Special Ordinance No. 11, 1918, for second reading. It was read a second time.

By unanimous consent of the Common Council, George V. Coffin, Chief of Police, addressed the Council and discussed Special Ordinance No. 11, 1918.

Mr. Willson moved that Special Ordinance No. 11, 1918, be amended as recommended by the committee. Carried by the following vote:

Ayes, 9, viz.: Messrs. Kirsch, Peake, Willson, Miller, Schmidt, Furniss, Pettijohn, Brown, and President Louis W. Carnefix.

Mr. Willson moved that Special Ordinance No. 11, 1918, be ordered engrossed as amended, read a third time and placed upon its passage. Carried.

Special Ordinance No. 11, 1918, was read a third time and passed by the following vote:

Ayes, 9, viz.: Messrs. Kirsch, Peake, Willson, Miller, Schmidt, Furniss, Pettijohn, Brown, and President Carnefix.

Mr. Willson called for Resolution No. 2, 1918, for second reading. It was read a second time.

Mr. Willson moved that Resolution No. 2, 1918, be adopted. Carried.

Resolution No. 2, 1918, was read a third time and adopted by the following vote:

Ayes, 9, viz.: Messrs. Kirsch, Peake, Willson, Miller, Schmidt, Furniss, Pettijohn, Brown, and President Carnefix.

Mr. Furniss called for Special Ordinance No. 12, 1918, for second reading. It was read a second time.

Mr. Furniss moved that Special Ordinance No. 12, 1918, be ordered engrossed, read a third time and placed upon its passage. Carried.

Special Ordinance No. 12, 1918, was read a third time and passed by the following vote:

Ayes, 9, viz.: Messrs. Kirsch, Peake, Willson, Miller,

Schmidt, Furniss, Pettijohn, Brown, and President Louis W. Carnefix.

Mr. Schmidt called for General Ordinance No. 35, 1918, for second reading. It was read a second time.

By Mr. Schmidt:

Mr. President:

I move you that General Ordinance Number 35 be stricken from the files. Signed: G. G. SCHMIDT.

The roll was called and General Ordinance No. 35, 1918, was stricken from the files by the following vote:

Ayes, 9, viz.: Messrs. Kirsch, Peake, Willson, Miller, Schmidt, Furniss, Pettijohn, Brown, and President Louis W. Carnefix.

Mr. Kirsch called for Special Ordinance No. 6, 1918, for second reading. It was read a second time.

Mr. Kirsch moved that Special Ordinance No. 6, 1918, be ordered engrossed, read a third time and placed upon its passage. Carried.

Special Ordinance No. 6, 1918, was read a third time and passed by the following vote:

Ayes, 9, viz.: Messrs. Kirsch, Peake, Willson, Miller, Schmidt, Furniss, Pettijohn, Brown, and President Louis W. Carnefix.

On motion of Mr. Kirsch, the Common Council, at 10:33 o'clock p. m., adjourned.

Louis W. Carnefix

President.

ATTEST:

G. G. Schmidt

City Clerk.