

**BEFORE THE  
NATURAL RESOURCES COMMISSION  
OF THE  
STATE OF INDIANA**

**IN THE MATTER OF:** )  
 )  
**PETITION FOR RATE INCREASE** ) **ADMINISTRATIVE CAUSE**  
**BY HOOSIER HILLS MARINA** ) **NUMBER: 23-SP-041**

**REPORT OF HEARING OFFICER WITH PROPOSED FINDINGS  
AND RECOMMENDATIONS TO THE U.S. ARMY CORPS OF ENGINEERS BY THE  
NATURAL RESOURCES COMMISSION**

**1. Petition for Rate Increase by Hoosier Hills Marina:**

On December 17, 2023, Victor A. Polen submitted a request for a rate increase to the Department of Natural Resources (Department) and to the Natural Resources Commission on behalf of Hoosier Hills Marina. Hoosier Hills seeks an average rate increase of 2.41%. Hoosier Hills’ last rate adjustment was effective in the 2023 season.

Polen cited the fact that the consumer price index was approximately 8% for 2022 and approximately 4.2% has impacted the costs from maintenance, staff and supplies. The Marina has experienced cost increases in things such as electrical supplies, floats, and structural components. Labor costs for the Marina increased by over 25% in 2022/2023 due to increased salary to promote retention in a tight labor market, and higher recruitment costs. Insurance rates continue to increase by 10% annually.

The Marina’s new electrical systems are all ground-fault protected. The Marina Wi-Fi was updated in in 2022 and new electrical installation for the Marina’s oldest dock has been installed. New kitchen equipment was installed in 2023.

Polen’s request for Rate Increases is attached hereto as *Exhibit A*.

**2. Scope of Review**

Requests for rate establishment or increase are evaluated by the Commission following the procedures outlined in Information Bulletin #20 (Fifth Amendment) (IB #20), as posted in the *Indiana Register* at [20170524-IR-312170263NRA](#) on May 24, 2017.

Hoosier Hills timely submitted its Petition before January 1 of 2024 for proposed rates to be implemented in 2025 as required in IB #20,

**3. Hearing Officer Assignment and Notification to Renters**

Pursuant to Section 3 of IB #20, Elizabeth Gamboa was assigned as the hearing officer on February 12, 2024 due to the resignation of the prior hearing officer, Billie Franklin. Polen was notified of the change in hearing officers.

IB #20 requires the lessee to provide written notice to each slip renter as follows:

B. By March 1, the lessee shall provide written notice, by personal delivery, U.S. first class mail, or by electronic mail, to each slip renter or buoy renter that the lessee is requesting a rate establishment or increase associated with slips or other mooring facilities, including buoys and docking stations. The notice shall include the proposed rates and advise the renter that a rate hearing will be scheduled only upon submission of requests for rate hearing by ten percent (10%) of the renters within fifteen (15) days ... The lessee shall also provide the renter with the hearing officer's electronic mail address. Not later than March 15, the lessee shall provide the Hearings Division with a copy of the notice and a listing that includes the names of persons notified and the method of service under this paragraph....

C. By March 1, the lessee shall post written notice in a conspicuous location at the lessee's business office of a request for rate establishment or increase associated with accommodations, lodging, and houseboats, including floating cabins. The notice shall include the proposed rates and advise the public that a rate hearing will be scheduled only upon submission of twenty-five (25) individual requests for rate hearing to the hearing officer by personal delivery, U.S. first class mail sent to the address of the Hearings Division as provided in section 2(A)(ii) of this bulletin, or by electronic mail sent to the hearing officer not later than March 15. The lessee shall also provide the public with the hearing officer's electronic mail address.

In 2023, all marina operators were informed that HEA 1623-2023 could require that marina rates be established in administrative rule. Legislation was introduced in the 2024 General Assembly that would exempt the marinas from the

requirements of HEA 1623-2023. By email dated February 12, 2024, the operators were informed of the 2024 legislative proposal and were granted an extension of time in which to complete the notification requirements pending the outcome of the 2024 legislation. Hoosier Hills was notified on March 11, 2024 that marina rates had been exempted from the requirements of HEA 1623-2023 and that the ratemaking process would continue pursuant to IB #20. Polen was given until April 1 to provide the required notice to renters and until April 15, 2024 to provide the Commission with verification.

Polen provided an affidavit confirming that all slip renters were notified of Hoosier Hills' proposed fees on April 4, 2024. The notice identified the deadline for submitting comments or requesting a public hearing along with the mailing address and email address for submitting comments or requests.

**4. Public Hearing and Comments**

Pursuant to IB #20, section 3, a public hearing is scheduled on proposed rate increased only upon submission of requests for a rate hearing by ten percent of the renters within fifteen days of the notice sent to renters. The Commission did not receive any requests for a rate hearing, and none was held.

**5. Comparable Analysis and Department Recommendation**

Upon receipt of a ratemaking request from a marina, the Department's Division of State Parks is responsible for analyzing the rates of comparable marinas. *IB#20, Sec.3(E)*. Polen provided rates from the following marinas as comparable to Hidden Hills: Conley Bottoms; Patoka Lake Marina; Fourwinds Resort & Marina (Monroe Reservoir); Kents Harbor Marina; Morse Marina; and Two Herons. On June 24, 2024, Brandt Baughman, Deputy Director Department of Natural Resources Division of State Parks, provided a report of the Division's evaluation of Hoosier Hills' petition. The Department's report is attached hereto as ***Exhibit B***. As indicated in the Department's report, the Division of State Parks determined the request by Hoosier Hills "to be reasonable and justified based on comparable marina rates." Baughman recommended the rate request proceed forward with approval.

**6. HEARING OFFICER ANALYSIS**

Each of the marinas identified by Polen as comparable marinas are located within 400 miles of Hoosier Hills and therefore qualify as comparable marinas under IB #20, Section 2(B).

Where, as here, a request seeks rate increases of over two percent (2%) for which no public hearing is required, the hearing officer, in consultation with the Department, will prepare a written report to the Commission, which includes written findings and a proposal to the Commission for recommendations to the U.S. Army Corps of Engineers. *IB #20, Section 3(H)*.

After taking all of the information into account, the Hearing Office recommends all of the rate increases requested by Polen on behalf of Hoosier Hills Marina be approved. After the Hearing Officer presents findings and recommendations to the Commission, the Commission may recommend approval or disapproval of the requested rate or recommend a rate in an amount less than the rate requested by the lessee. The Commission’s “recommendation for favorable consideration of a rate establishment or increase shall not be withheld unless, in the opinion of the Commission, the rates proposed exceed the fair market rates charged by operators of other similar privately-owned resort developments comparable to the project in the area.” *IB #20, Section 5*.

With the foregoing analysis, the Hearing Officer presents *Exhibit C*, as the proposed findings and recommendations of the Commission to the U.S. Army Corps of Engineers.



DATE: June 28, 2024



17 December 2023

Ms. Tessa Manuel  
Division of State Parks  
Department of Natural Resources  
Indiana Government Center South  
402 West Washington Street, Room W298  
Indianapolis, IN 46204

Dear Tessa,

Per Information Bulletin #20 (Fifth Amendment) May 24, 2107; this is my request for Rate Increases to become effective for the 2025 Season (1/1/2025). The request represents a 2.41% increase on average across the docks.

Hoosier Hills Marina last received a rate adjustment for the 2023 and did not have a rate request for 2024 thus, it will be 2 years since our increase provided this is approved and implemented. Note the 2023 Increase did NOT include an increase for the A Dock, it was a carryover from 2022 and Permanent Establishment.

The rationale for the rate increase includes the CPI running around 8.0% for 2022 and annually 4.2% for 2023. The CPI impacts the costs for maintenance, staff, supplies etc. The Marina has experienced significant cost increases in maintenance items such as electrical supplies, floats and structural components. Some of these components are up more than 50%. Labor costs for the Marina has increase over >25% for 2022/2023 due to the need to increase compensation for labor retention, higher recruitment costs and the extremely tight labor market.

Insurance costs for all Marinas continues to grow driven by Inflation of material costs and natural disasters driven by Climate Changes. We are seeing 10% yearly increases in Insurance costs!

Our Investment in Growth and Maintenance continues. In 2022 we installed a New A Dock Houseboat Dock which puts us in a unique comparator having the ONLY Concrete Houseboat Dock and with slips up to 100' in the Region! All new electrical systems are Ground Fault Protected. In 2022 we updated the Marina WIFI and completed new electrical installation for our oldest dock, AA Dock! We have also implemented Solar Lighting in our Parking area. New Kitchen Equipment incorporated in 2022 and 2023!

It is important to point out that our covered docks are all concrete and at a level above most of the comparators. Our open slips are modern structures but, with significant age that requires high levels of maintenance. The condition of these docks would also be equivalent to the comparators for like docks.

The proposed rates are listed in a table at the end of this letter.

Amenities Recap:

Dockside water; including winter water for the Houseboat Slips  
Shorepower- GFP for all new docks since 2018  
Close loading and unloading zone (we have an advantage over all the comparators for access)  
Restroom facilities including showers; maintained throughout the winter  
Paved parking lot and expanded gravel lot  
24hour closed circuit video/security system (we are equal to or advantaged over all the comparators with our new state of the art system that covers the marina area)  
Store/Service/Dealer convenience (Kent's Harbor has the smallest store but, they leverage a sales/service site separate from the Marina. We have more offerings available in our Marina and also offer sales/service for pontoon boats, outboard motors, generators etc. Our store compares well with our offerings to the other marinas)  
Pump-out availability at the slip for Houseboats and Gas Dock for others.  
WINTER pumpouts offered monthly for A Dock Customers  
Propane refill station  
WIFI - WIFI was implemented on the docks effective October 2021 and improved in 2022 with new enhancements planned for the 2024 season for A-Dock  
Laundry- Open throughout the winter  
Restaurant- with expanding menu and new Bar Area  
Ramp access (Equivalent to Conley's but, advantaged over Kent's)  
Hydro-hoist Dealer and Certified Installer  
Westerbeke Generator Dealer  
Obrien Watersports Dealer  
Concierge Service  
Boat Dealer/Service Offerings

Summary of amenities: we have advantages in several areas. The Idle Zone Restaurant also has expanded the menu and our volume has increased accordingl.

Pricing Analysis:

Slip rates incorporate many features: Location, facilities, dock construction, size, covered or uncovered, shorepower, water, pumpout availability etc. Rates do not follow a linear path for length as they tend to stairstep up due to the structure required for larger slips and higher loads for the electric service. Covered slips cost significantly more to install than open slips and rates tend to be more than 2x the rate of an open slip.

All of our docks have encapsulated flotation. All of our covered docks have concrete walkways and our open docks have wood decking. The wood decking does require significantly more maintenance.

We have installed the first in Indiana Ground Fault Protected Dock when we built our new D-Dock and all new docks since. We now have the new F-Dock which is Ground Fault Protected and the expanded B-Dock incorporated GFP as well. This reduces the risk of an electrical shock danger around this dock and puts Hoosier Hills Marina in a Premium Segment for dock technology. The new A Dock is also has Ground Fault Protection for every slip.

## AGENDA ITEM #14

### Closing:

We have 356 Slips impacting 337 customers and are requesting an increase on all slips except the PWC Port Spaces.

Comparator Data is attached however, note: More and more Marinas are not publishing their rates. We are one of the few Marinas that continue to post our rates on our website.

This increase is to keep our rates as close to inflation as possible to enable continued investment in the facility. I believe I have addressed all of the required criteria identified in the Bulletin. One final comment on the rates; even though we show a higher than normal increase in Transient Slip Rates; we did not offer Transient Slips for 2022 nor 2023 due to availability thus, there would be no customer impact at this time. We have submitted that as an adjustment to align more appropriately with those facilities that offer one night moorage. Additionally, we will be investing in slips or this purpose in the future.

Please contact me for any questions.

Emailed-

Victor Polen  
Hoosier Hills Marina  
10306 East Lick Fork Marina Road  
Celestine, IN 47521  
812-678-3313

cc. Scott Allen- NRC-Division of Hearings

attachments:

Rate Request Summary  
Comparator Marina Table

AGENDA ITEM #14

<u>Rate Description</u>	<u>Current</u>	<u>2025 Proposed</u>
14 x 36 Covered	\$3,710.00	3850
14 x 30 Covered	\$3,180.00	3285
12 x 30 Covered	\$3,100.00	3200
10 x 30 Covered	\$2,800.00	2900
12 x 24 Covered	\$2,520.00	2570
16 x 36 Double Berth Open	\$2,080.00	2150
14 x 36 Double Berth Open	\$1,880.00	1950
30' Open	\$1,560.00	1600
24' Open	\$1,200.00	1230
30' Open End Slip	\$1,600.00	1650
24' Open End Slip	\$1,250.00	1280
Personal Watercraft**	\$300.00	300
18x60/80 Hybrid	\$4,600	4690
20x80	\$5,800	5910
24x100	\$7,500	7650
20x80/100 Hybrid	\$6,500	6630
18x60/80 Hybrid	\$5,200	5300
18x50/70 Hybrid	\$4,950	5050
100' end	\$7,700	7850
60' end	\$4,800	4900
Overlength Fee per foot	\$75	100
Daily Slip**	\$30.00	30
Daily Slip w/ Electricity**	\$40.00	40



# AGENDA ITEM #14

Rate Description	Current	2025 Pro d	% Change	Conley Bottoms	Potokalake	Four Winds	Kents Harbor	Geist Marina	Morse Marina	Two Herons
14 x 36 Covered	\$1,710.00	3850	3.77%	4975....	4715 (40')	6609	na			4500
14 x 30 Covered	\$1,180.00	3285	3.30%	4100	na	na	na			3600
12 x 30 Covered	\$3,100.00	3200	3.23%	3700	2800 (28')	5342	na			3400
10 x 30 Covered	\$2,800.00	2900	3.57%		na	na	na			na
12 x 24 Covered	\$2,520.00	2570	1.98%	2875	2600	3676 (10'wide)	na	3910	3815	3100.....
16 x 36 DoubleBerth Open	\$2,080.00	2150	3.37%	na	2600 (36')	4319	4105			na
14 x 36 DoubleBerth Open	\$1,880.00	1950	3.72%	na	na	3941	3840			na
30'open	\$1,600.00	1600	2.56%	na	1800 (28')	3916	3390			2100
24'open	\$1,200.00	1230	2.50%	1400	1600	2944	2610	2460	2040	1950
10'OpenEndSlip	\$1,600.00	1650	3.13%		1800(28')	3916	3390			2100
24'OpenEndSlip	\$1,250.00	1280	2.40%	1400	1400	2944	2610	3055	2650	1950
Personal Watercraft**	\$300.00	300	0.00%			725		1355	1190	575
18x60	\$4,600	4690	1.96%	3650....	3900....	7779	7955"....			na
20x80	\$5,800	5910	1.90%	5600....	5500....	9225	8880			na
24x100	\$7,500	7650	2.00%	6100.7125....	7500....		11100			na
20x80/100 Hybrid	\$6,500	6630	2.00%							
18x60/80 Hybrid	\$5,200	5300	1.92%							
15x50/70 Hybrid	\$4,950	5050	2.02%							
100' end	\$7,700	7850	1.95%							
60' end	\$4,800	4900	2.08%							
Overlength Fee per foot	\$75	100	33.33%				91.5			80
Daily Slip..	\$30.00	30	0.00%		30		50.3			
Daily Slipw/Electcticity..	\$40.00	40	0.00%		na		61			
	\$72,375.00	\$74,115.00	2.40%							

\* DoubleBerth  
 ... Wooddocks, doubleberth, not really comparable (Conley Bottoms also includes parallel slips next to wall ways)  
 ... 70' slip at Kents/28' slip at Two Herons  
 ... 40' and 50' prices  
 ... Calculated using their overlength fee  
 NOTE: All SLIP COMPARISON ATTEMPTED TO SELECT THE SAME EQUIVALENT SIZE EXCEPT WHERE NOTED



Indiana Department  
of Natural Resources

Eric Holcomb, Governor  
Daniel W. Bortner, Director

June 24, 2024

Elizabeth Gamboa  
Indiana Natural Resources Commission  
Division of Hearings  
100 North Senate Avenue, Room NI03  
Indianapolis, IN 46204

RE: Hoosier Hills Marina  
Rate Increase Request  
Administrative Cause No. 23-SP-041

Dear Ms. Gamboa,

The Division of State Parks acknowledges receipt of the petition submitted by Hoosier Hills Marina, requesting slip rate increases.

After careful review, the Division finds these requests to be reasonable and justified based on comparable marina rates.

The Division recommends the rate request petition proceed forward with approval.

If you have questions or require additional information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "B. Baughman", written over a white background.

Brandt Baughman, Deputy Director  
Indiana Department of Natural Resources  
Division of State Parks

cc: Tessa Manuel, Concessions & Contract Manager  
Christie Sorrels, Business Services Manager  
FILES - MARINA LEASE/NRC

**BEFORE THE  
NATURAL RESOURCES COMMISSION  
OF THE  
STATE OF INDIANA**

**IN THE MATTER OF:** )  
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**PETITION FOR RATE INCREASE** ) **ADMINISTRATIVE CAUSE**  
**BY HOOSIER HILLS MARINA, LLC** ) **NUMBER: 23-SP-041**

**FINDINGS AND RECOMMENDATIONS TO THE U.S. ARMY CORPS OF  
ENGINEERS BY THE NATURAL RESOURCES COMMISSION**

**A. Findings:**

1. The scope of the informal review accorded by the Natural Resources Commission (the “Commission”) in Information Bulletin #20 (Fifth Amendment) (“IB #20”) is addressed to petitions for rate increase or rate establishment at marinas and related facilities on properties owned or leased by the Department of Natural Resources (“Department”).
2. Although the Department may appropriately exercise whatever rights provided in a ground lease with respect to marina facilities, as well as any other rights provided by law or in equity, the scope of review provided in IB #20 is limited to the subject of the petition for rate increase. The Commission ultimately recommends action on the petition to the U.S. Army Corps of Engineers (“Corps”) and Corps may either accept or reject the recommendation.
3. The Hearing Officer is required to make a written report to the Commission for requests for rate increases. The report must include written findings with respect to the requested rate increase and a proposal to the Commission for recommendations to the Corps in determining the rate request for Hoosier Hills Marina (“Hoosier Hills”).
4. In its Petition, Hoosier Hills requested rate increases from 0% to 3.7%, with an average increase around 2.41%. While the requested increases are substantial, they remain below market rates for comparable marinas.
5. In determining whether to recommend that a rate increase be granted, the Department is to analyze similar facilities and compare rates with those sought by the Petitioner. The consideration of rates charged by comparable marinas is fundamental to determining the propriety of proposed rate increases. The preponderance of information in the record indicates that the rate increases proposed by Hoosier Hills effective in 2025 will bring Hoosier Hills’ slip rates in line with rates charged by comparable marinas with similarly sized slips.

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6. A Hearing Officer's or the Commission's recommendation for rate increase by the shall not be withheld unless the rates proposed exceed the fair market rates charged by operators of other similar privately-owned resort developments comparable to the project in the area.
7. Further, the Commission exercises its authority to recommend approval of the rate increases as requested by Hoosier Hills.
8. The requested rate increase are within the industry range and supportable. The rates approved by the Commission are set forth in the attached table, which includes all rates previously established as well as the rates recommended for approval through this action.

**B. Proposed Recommendation:**

The Natural Resources Commission recommends to the U.S. Army Corps of Engineers that the rates as set forth in the attached table be approved for existing facilities at Hoosier Hills Marina.

DATED: \_\_\_\_\_

\_\_\_\_\_  
Bryan Poynter, Chair  
Natural Resources Commission

## AGENDA ITEM #14

### Commission Slip Rate Recommendation

<b>COMPREHENSIVE RATE LIST</b>		
<b>HOOSIER HILLS MARINA SLIP SIZE &amp; DESCRIPTION</b>	<b>CURRENT RATE</b>	<b>COMMISSION RATE RECOMMENDATION for IMPLEMENTATION JANUARY 1, 2025</b>
14' x 36' single berth, covered	\$3,710.00	\$3,850.00
14' x 30' single berth, covered	\$3,180.00	\$3,285.00
12' x 30' single berth, covered	\$3,100.00	\$3,200.00
10' x 30' single berth, covered	\$2,800.00	\$2,900.00
12' x 24' single berth, covered	\$2,520.00	\$2,570.00
16' x 36', double berth open	\$2,080.00	\$2,150.00
14' x 36', double berth open	\$1,880.00	\$1,950.00
30' double berth, open	\$1,560.00	\$1,600.00
24' double berth, open	\$1,200.00	\$1,230.00
30' double berth, open	\$1,600.00	\$1,650.00
24' double berth, open	\$1,250.00	\$1,280.00
18' x 60'/80, hybrid (A-Dock)	\$4,600.00	\$4,690.00
20' x 80' (A-Dock)	\$5,800.00	\$5,910.00
24' x 100' (A-Dock)	\$7,500.00	\$7,650.00
20' x 80'/100, hybrid (A-Dock)	\$6,500.00	\$6,630.00
18' x 60'/80, hybrid (A-Dock)	\$5,200.00	\$5,300.00
18' x 50'/70, hybrid (A-Dock)	\$4,950.00	\$5,050.00
100', end (A-Dock)	\$7,700.00	\$7,850.00
60', end (A-Dock)	\$4,800.00	\$4,900.00
Overlength fee per foot (A-Dock)	\$75.00	\$100.00