

**For Immediate Release:**

May 20, 2014

**City of Beech Grove takes legal action against Franciscan Alliance**

*Persistent 'impermissible flow' of storm water from former hospital site into sanitary sewers placing undue burden on taxpayers, infrastructure*

*(Beech Grove, Ind.)* The City of Beech Grove announced today that it has filed a lawsuit in Marion Superior Court against Franciscan Alliance, Inc. for persistent, impermissible flows of storm water into the city's sanitary sewer system at the former St. Francis Hospital site, which is a direct violation of city ordinance and a public health hazard.

Beech Grove owns and operates a separate sewer system which collects wastewater from residential and industrial users in specific sanitary sewers. The system also collects storm water in storm sewers. The city's ordinances specifically prohibit storm water from entering sanitary sewers. Violators are subject to a fine of \$1,000 per day, with each day's violation constituting a separate offense.

As set forth in the complaint, clear flows indicative of storm and surface water and drainage have been observed on the former St. Francis Hospital site flowing into the sanitary sewers outside of the hospital. The hospital buildings were vacated by Franciscan Alliance in 2012, and as a result, little to no water was utilized at the site.

A local engineering firm retained by Franciscan Alliance in 2013 determined that with the water turned off, more than 30,000 gallons of water per day were being dumped from the former St. Francis Hospital site into the city's sanitary sewer system.

Despite the city's ordinance allowing city inspectors the "right to inspect" such public infrastructure concerns, Franciscan Alliance refused the city's request to inspect the site until Feb. 28, 2014, when the city conducted an inspection over the objection of Franciscan Alliance. As alleged in the complaint, the city and its engineers noticed clear flows of water going into the sanitary sewers. They also noticed sump pumps in the basement of the former St. Francis Hospital pumping water from the basement out of the building and into the city's sanitary sewers.

On April 28, the city installed flow meters, due to public health and economic concerns. Water continues to flow into the sanitary sewers.

Impermissible flows can overwhelm sanitary sewers, leading to basement backups. The complaint alleges that Franciscan Alliance's impermissible discharges into the sanitary sewers can cause and has caused backups of raw sewage and storm water into the basements of homes surrounding the St. Francis Hospital site.

The city also outlined in the complaint its concern that potential contaminants could be transported to neighboring properties if proper precautions are not taken, based on Franciscan Alliance's stated intention to dispose of the site in ways that could include some type of "as-is" sale, redevelopment or demolition. The city is similarly concerned about evidence that Franciscan Alliance has dumped hazardous waste into the city sewers for years.

"It has always been our intention to work with Franciscan Alliance to resolve these issues," said Mayor Dennis Buckley, "but our first obligation is to the taxpayers of Beech Grove. It is simply irresponsible to ask them to pay to treat this water and to live with raw sewage backing up in their basements, while placing an undue burden on our city's infrastructure. We hope Franciscan Alliance is willing to do their fair share and to partner with us in resolving these very important public health and economic concerns."

The City's lawsuit cites four counts, and makes specific requests of Franciscan Alliance:

- *Count I: Ordinance Violation (Impermissible Flows)*. The City requests that Franciscan Alliance be fined \$1,000 for each day's violation.
- *Count II: Ordinance Violation (Reimbursement for Inspection and Monitoring)*. The City requests that Franciscan Alliance be ordered to reimburse the City for the costs of its investigation, including the reasonable costs of monitoring and sampling flows.
- *Count III: Public Nuisance*. The City requests an order enjoining Franciscan Alliance for illegally discharging flows into the sanitary sewers, to abate any causes of those illegal discharges and the transport of any contaminants, and to pay for the city's reasonable attorneys' fees.
- *Count IV: Unjust Enrichment*. The City requests reimbursement from Franciscan Alliance for causing the City to convey flows from the St. Francis Hospital site to the Citizens Energy Group for treatment without compensating the City.