

**HOBART SANITARY DISTRICT BOARD OF COMMISSIONERS
HOBART STORM WATER MANAGEMENT DISTRICT BOARD OF DIRECTORS
JOINT RESOLUTION No. 2016-02**

**A Resolution Amending HSD-HSW Joint Resolution No. 2016-01
Establishing a Cost-Sharing Program for Users Affected by the Low Pressure
Sanitary Sewer Project and HSD Resolution 2014-02 Adopting Policy on
Financing of New Sanitary Sewer Connections Rules and Regulations**

WHEREAS, the Board of Commissioners (“Board”) of the City of Hobart Sanitary District (“District”) and the Board of Directors of the City of Hobart Storm Water Management Department (“Department” and collectively, “Districts”) which are comprised of the same persons pursuant to law, has jurisdiction over and acts as governing body for the District and Department; and

WHEREAS, the Board has jurisdiction over waste water collection and treatment within the area comprised by the Hobart Sanitary District and over storm water management within the City; and

WHEREAS, on May 13, 2015, the Board authorized the letting of contract for the construction of a low-pressure sanitary sewer system project to serve the area of the Districts including Michigan Avenue, Kelly Street and East Cleveland Avenue; and

WHEREAS, the project consists of the installation, at each affected home, of a grinder pump that will be connected by a pipe approximately 1¼ inches in diameter to a 2 inch diameter low pressure sewer main installed in the street; and

WHEREAS, the Board undertook the project to address the contamination of storm water discharges in the area by untreated sewage due to the high incidence of failed septic systems and the unavailability of an existing sanitary sewer; and

WHEREAS, the Board previously determined that assessing new users of the Sanitary District in this area for the full cost of the project, including tap-in fees, would be prohibitively expensive, and the Board, through its adoption of HSD-HSW Joint Resolution No. 2016-01 established a Cost-Sharing Program for Users Affected by the Low Pressure Sanitary Sewer Project providing for a division of costs for each property owner of 20%, with 80% being paid by the District; and

WHEREAS, the Board desires to adopt Amendments to its Policy on Financing of New Sanitary Sewer Connections Rules and Regulations previously adopted through HSD Resolution No. 2014-02, to make such cost-sharing arrangement and other Rules pertinent to said low-pressure system part of a new Amended Policy on Financing of New Sanitary Sewer Connections Rules and Regulations, and to approve and adopt a form of Financial Assistance Agreement for use with the low-pressure system financial assistance program.

THEREFORE, BE IT RESOLVED by the joint Board of Commissioners of the City of Hobart Sanitary District and Board of Directors of the City of Hobart Storm Water Management Department, that:

1. The Board of the Districts approve and adopt the Policy on Financing of New Sanitary Sewer Connections Rules and Regulations, with Exhibit A attached, all of which is attached hereto and made a part hereof as Exhibit 1, said Policy to constitute an amendment and restatement of that Policy previously adopted by HSD Resolution 2014-02 on December 10, 2014; and

2. The Board of the Districts approve and adopt the Financial Assistance Agreement for Connection to East Side Low-Pressure Sanitary Sewer Disposal System attached hereto and made a part hereof as Exhibit 2.

3. The Board of the Districts reaffirm all other provisions of HSD Resolution No. 2014-02 and HSD-HSW Joint Resolution No. 2016-01 which are not amended by or in conflict with this Resolution.

ALL OF WHICH is adopted as the Resolution of the joint Board of Commissioners of the City of Hobart Sanitary District and Board of Directors of the City of Hobart Storm Water Management on this 26th day of May, 2016.



ROBERT B. FULTON, President

ATTEST: 

PHIL GRALIK, P.E., Secretary

EXHIBIT 1

HOBART SANITARY DISTRICT

POLICY ON FINANCING OF NEW SANITARY SEWER CONNECTIONS RULES AND REGULATIONS (as amended through May 26, 2016)

Section 1. Authority. This Policy on Financing New Sanitary Sewer Connections has been adopted and made effective by action of the City of Hobart (“City”) Sanitary District Board of Commissioners and Storm Water Management Department Board of Directors (“Board”) through its Joint Resolution No. 2016-01, adopted on March 9, 2016, as subsequently amended by Joint Resolution No. 2016-04 (collectively “resolution”), and the provisions of I.C. §36-9-25-42 (“statute”). The Board reserves the right to alter or amend these Rules and Regulations at any time with or without prior notice to any user, applicant or grantee.

Section 2. Statement of Policy. Subject to the statute and the resolution, the Board declares that it is the policy of the Hobart Sanitary District (“District”) to render financial assistance to qualified property owners of buildings connecting for the first time to the public sanitary sewer collection system of the District, or for the first time to a newly relocated sanitary main sewer. Said policy is established to remedy or prevent a menace to the public health and welfare, to reduce or ameliorate the inflow and infiltration into the collection system from obstructed, damaged, or inadequate private sanitary sewer service lines, to prevent the pollution of streams or bodies of water, and to regulate and prevent sanitary sewage discharges into private dwellings. Such financial assistance shall, in every case, be subject to the application of the limits and conditions specified in the resolution, the statute and these Rules and Regulations.

Section 3. Definitions. The following terms shall have the meaning specified throughout these Rules and Regulations:

3.01. Applicant. A person or legal entity (corporation, limited liability company, partnership, or trust) who submits a written application for financial assistance by the District to construct and install a new sanitary sewer connection and lateral.

3.02. Best Management Practices or “BMPs.” The principals, standards, techniques, materials and methods specified by the Storm Water Ordinance and the regulations of the State of Indiana or the United States, or generally recognized among engineering professionals for the prevention of storm water inflow and infiltration, and the prevention of pollution of streams and bodies of water by storm water run-off or discharge.

3.03. Contractor. The qualified person or legal entity, designated by the District through its selection process, who will supply the labor and materials to complete the project.

3.04. Coordinator. The official of the District designated by the Board to administer and manage the application approval process, project completion, inspection and application of financial conditions provided under these Rules and Regulations.

3.05. Engineer. The City Engineer, Assistant City Engineer, or a consulting engineer, designated by the District to render engineering advice and consultation on any issue arising with respect to the design or implementation of a project.

3.06. Flood Plain Ordinance. The provisions of §§154.270 through 154.277 of the Municipal Code of the City of Hobart.

3.07. Lateral. An existing or new private sanitary sewer service line connecting a building with the public sanitary sewer collection system. This term includes, as to low-pressure sanitary sewer systems, the pit, grinder, pump and connecting lines necessary to connect and integrate the building's sanitary sewage disposal requirements with the District's collection system.

3.08. Project. The scope of work, including all labor and materials, to construct and install a new sanitary sewer lateral and connection.

3.09. Property Owner. The person, persons, or legal entity or entities possessing the fee simple title to the real estate occupied by a building subject to service by or served by a lateral and which is the subject of an application or project under these regulations.

3.10. Qualified Property Owner. A property owner whose project application has been approved under Section 7 of these Rules and Regulations.

3.11. Storm Water Ordinance. The provisions of §§152.001 through 152.999 of the Municipal Code of the City of Hobart.

Section 4. Administration of Program. The Policy on Financing New Sanitary Sewer Connections shall be administered by the Coordinator. The Coordinator shall receive all applications, advise potential applicants on the approval process, determine whether an applying property owner is qualified to receive financial assistance, submit the proposed project to the contractor for estimate, confer, when necessary, with the engineer or other officials of the City, coordinate the work of the contractor, inspect or arrange for inspection of the finished project, and obtain the required payments, payment records, and distributions of funds. The Coordinator shall report to the Board and the City Engineer on the progress of each project at the Board's regular meetings, and shall periodically provide the Board with such written reports as it may request.

Section 5. Covered Expenses. The District may, through this policy, provide financial assistance to qualified property owners for the following costs and expenses of a project, and no others:

a. Labor and equipment to carry out excavation to the extent necessary to construct and install a new lateral where no prior lateral existed to connect the property to the sanitary sewer system of the District, or for the purpose of constructing and installing a new lateral to connect a property with existing sanitary sewer service to a newly relocated main sanitary sewer or new or re-located low-pressure sanitary sewer disposal line.

b. Labor, materials and equipment necessary to construct and install the new lateral sewer pipe and connection to the main sewer line. The method of construction and installation and the extent of construction and installation shall be solely determined by the Coordinator in consultation with the City Engineer, property owner, contractor and engineer.

c. Labor, materials and equipment necessary to backfill any excavation required to construct and install the new lateral sewer pipe and connection to the main sewer line including repair or replacement of sidewalks, driveways and other appurtenances necessarily removed or damaged in the course of the project. That portion of the project consisting of the repair of streets and public thoroughfares damaged by the project shall be done solely at the District's expense.

d. Inspection and testing of the work in progress, and of the finished work.

Section 6. Application. A person or legal entity desiring to obtain financial assistance to construct and install a new lateral where no prior lateral existed to connect the property to the sanitary sewer system of the District, or for the purpose of constructing and installing a new lateral to connect a property with existing sanitary sewer service to a newly relocated main sanitary sewer shall file a written application with the Coordinator on a form prescribed by the District, and submit such supporting documents as the Coordinator may reasonably require. Said form of application shall request, at a minimum, the following:

a. The name, address and contact information of the applicant. If the applicant is an organization or other legal entity, the name and address of the authorized principal or officer thereof, and the date and place of incorporation, formation or registration of the organization in the State of Indiana;

b. The legal description, assessor's property number and common address of each parcel of real estate occupied by the building served by the lateral sought to be constructed and of each parcel in which said lateral will be located;

c. The name and address of the property owner of each such parcel, together with documents evidencing such ownership. Such documents may include a recent property tax duplicate for each such parcel, a memorandum of title or title commitment by a reputable title insurer which is dated not more than ninety (90) days prior to the filing of the application, or an original or certified copy of a recorded deed of conveyance demonstrating ownership by the

applicant or the applicant's principal or organization which is dated not more than ninety (90) days prior to the filing of the application;

d. A narrative statement of the reasons for seeking assistance including the condition of the septic system of the property and any existing sanitary sewer lateral, the presence of any sump and/or sump pump, and whether the downspouts or perimeter drains are connected, in whole or in part, to the sanitary sewer system of the District;

e. A statement, if available, of whether the property is located within 300 feet of a sanitary sewer main including the main low-pressure system line;

f. If the applicant is not the property owner of each parcel of real estate occupied by the building to be served by the lateral sought to be constructed and of each parcel in which said lateral is to be located, the written consent of the property owner of each such parcel, including the owner's agreement to be bound by the application, these Rules and Regulations, and the determinations of the Coordinator (subject only to any right of appeal available under Section 14);

g. The applicant's and property owner's agreement to pay the cost of participation in the project if required by the Resolution or these Rules and Regulations;

h. A statement of the current zoning classification for such parcels under the City of Hobart Comprehensive Plan, any drainage or storm water collection, detention or discharge requirements which apply to such parcels by action of the City Plan Commission or Board of Zoning Appeals. If any such parcel is subject to a PUD zoning classification, a copy of the PUD ordinance applicable to each such parcel, and a copy of the approved plat thereof;

i. The signature of the applicant certifying that he or she has read these Rules and Regulations and agrees to be bound thereby, and that the statements contained in the application and its supporting documents are true under the penalty of perjury;

j. Such other information as the Coordinator may reasonably require in order to evaluate the application;

Section 7. Preliminary Approval and Proposal for Work. The Coordinator shall review the submitted application and supporting materials, confer with the applicant, property owners, engineer and other City officials as necessary, inspect the property which is the subject of the application and make a preliminary determination as to whether the property owner qualifies for assistance under the Policy on Financing New Sanitary Sewer Connections, the nature and extent of the construction and installation of the new lateral, and any special conditions which should be attached to the project, other than those general conditions specified in Section 8 hereof. In rendering his or her determination, the Coordinator shall, in addition to the information contained in or submitted with the application, take into account:

- a. the need of the property to obtain service from the sanitary sewer system and the proximity of the property to the existing or proposed sanitary sewer main, together with the relative cost and ease of construction and installation of the new lateral;
- b. the requirements of any site-related conditions imposed by the Plan Commission or Board of Zoning Appeals, the zoning classification for the parcels affected, the PUD conditions, if applicable, and the requirements of the City Storm Water and Flood Plain Ordinances;
- c. whether the proposed construction and installation of the lateral is consistent with or contributes to best practices (BMPs) for storm water management at the site of the proposed project;
- d. whether the proposed project is consistent with any Storm Water Management Plan or other plans adopted by the District;
- e. the financial resources of the District appropriated to and available for the project.

In the event the Coordinator determines that the applicant qualifies for assistance under the Resolution and these Rules and regulations, he or she shall thereupon request the District's designated contractor to provide to the Coordinator a full written proposal, based on the terms, conditions, rates and schedule of charges contained in the general program contract between the District and the Contractor, to supply the labor, tools, equipment and materials to complete the excavation, construction and installation of the new sanitary lateral and connection to the sanitary sewer main to the extent authorized by the Coordinator. In cases where the District is bearing the entire cost of construction and installation of the new lateral and connection to the main sewer line, he may proceed to have the District commence and complete the work after having obtained the property owner's agreement to enter the premises and perform the work. In all other cases, upon review and tentative approval of the proposal by the Coordinator, the Coordinator shall submit the proposal to the applicant and property owner. In the event that the applicant and property owner agree to the proposal, then the Coordinator shall prepare and submit the form of agreement provided for in Section 9 hereof to the applicant and property owner for execution.

Section 8. Conditions of Participation. The District will provide financial assistance to the property owner of a building for work necessary to connect the building to the sanitary sewer system of the District subject to the following conditions:

- a. Financial assistance, if provided, shall apply only to buildings to be connected to the Hobart Sanitary District collection system.
- b. Such financial assistance is limited to funds appropriated by the Board for the program. Funding levels may be changed or eliminated based on the District's annual review of the program.

c. Prioritization of applications shall be at the sole discretion of the District. For purposes of prioritizing applications, the District may consider the severity of the problem, costs for corrective measures, time constraints, future work that may be applicable to that location, coordination with other work to be performed by the City at such location, and such other considerations as the District deems necessary.

d. Financial assistance shall be provided to property owners to construct and install a new lateral where no prior lateral existed to connect the property to the sanitary sewer system of the District, or for the purpose of constructing and installing a new lateral to connect a property with existing sanitary sewer service to a newly relocated main sanitary sewer or new or re-located low-pressure sanitary sewer disposal line and for no other purpose under the program described in these Rules and Regulations and the Resolution. The financial assistance to be provided shall consist of the following:

1. For new laterals and connections required to replace failed septic systems or where the property is located within 300 feet of a sanitary sewer main line pursuant to §53.002 (H) of the Hobart Municipal Code (HMC):

The District will pay 50% (fifty percent) of the cost of covered expenses under Section 5 of these Rules and Regulations, exclusive of the District's tap-in fee, provided that, the property owner agrees to contract the work in accordance with Section 9 of these Rules and Regulations, within 90 days of the written order to connect issued by the District. After the elapse of ninety (90) days from the written order to connect issued by the District, the District will pay 25% (twenty-five percent) of the cost of covered expenses under Section 5 of these Rules and Regulations, exclusive of the District's tap-in fee, provided that, the property owner agrees to contract the work in accordance with Section 9 of these Rules and Regulations.

2. For new laterals and connections required to connect a property with existing sanitary sewer service to a newly relocated main sanitary sewer:

The District will pay 100% (one hundred percent) of the cost of covered expenses under Section 5 of these Rules and Regulations, provided that, the property owner agrees to execute an agreement with the District in accordance with Section 9 of these Rules and Regulations.

3. For new laterals (including installation and provision of pit, grinder, pump and connecting lines) required to connect a property in the East-Side low-pressure sanitary sewer service area (East Cleveland Avenue, Kelly Street and Michigan Avenue, only) to a newly installed low-pressure sanitary sewer disposal system:

The District will pay 80% (eighty percent) of the cost of covered expenses under Section 5 of these Rules and Regulations, inclusive of the District's tap-in fee, provided that, the property owner agrees to sign an agreement with the District's

designated contractor in accordance with Section 9 of these Rules and Regulations, within 90 days of the written order to connect issued by the District.

d. A property owner participating in the financial assistance program must complete and submit a signed Application and Agreement as provided in these Rules and Regulations.

e. Applicants and property owners receiving financial assistance must comply with the District's Private Property Infiltration and Inflow Removal Program. This means that the property owner must disconnect any downspouts, perimeter drains and sumps, including sump pumps, from any pipe or tile which may lead to the sanitary sewer.

f. The financial assistance program will be evaluated annually, and the District may change or eliminate the program at any time, with or without notice in advance.

g. The District accepts and admits no responsibility or liability of any kind by reason of its adoption of the resolution and the establishment of this financial assistance program, the approval of a property owner for financial assistance, its provision of services to install and construct the property owner's lateral and sanitary sewer connection, or by reason of a sewer backup occurring upon any premises within the jurisdiction of the District.

h. Any lateral, sanitary sewer connection, low pressure system including pipes, pit, grinder and other equipment installed or provided with financial assistance under these Rules and Regulations shall become the sole responsibility of the property owner and his or her successors or assigns from and after one (1) year after the completion of the project for a particular property. The District or project contractor will warrant materials and labor for one (1) year after the completion of the project for a particular property. Such warranty shall be exclusive of incidental or consequential damages, and excludes warranties of merchantability and fitness for a particular purpose, such warranties being specifically disclaimed.

Section 9. Form of Agreement. No applicant or property owner may receive any financial assistance under these Rules or Regulations without having executed an agreement in writing between the applicant and property owner and the District which shall be referred to as the "Financial Assistance Agreement." Said agreement will contain the following terms, conditions, covenants and other provisions:

a. Agreement of the parties to the performance of the scope of work specified by the Coordinator and included in the proposal of the Contractor;

b. Performance of the work by the Contractor in accord with its proposal, at the proposed contract price together with any provisions for extras, unforeseen conditions, and other items;

c. Access to the premises of the property owner by the Contractor's personnel, District personnel, and others required by the District for the purpose of performing, inspecting or testing the work, and a provision indemnifying and holding the District, its officials, employees and representatives harmless from and against any claim for injury to the property or

person of the Contractor, its employees or sub-contractors, or any other person or entity by reason of any dangerous condition of the property owner's premises, or act or omission of the property owner, applicant, or those acting for or at their direction;

d. Representation that the applicant and property owner have read these Rules and Regulations, agree to be bound by them and that they shall be deemed to constitute a part of the Financial Assistance Agreement;

f. Agreement that, in the case of a project described in Section 8 (d) (1) above, the District shall be responsible for the payment of no more than fifty percent (50 %) of the project costs which shall consist of the total price of the Contractor's work for the items described in Section 5 above, and that the Property Owner shall pay fifty percent (50%) thereof;

g. In the case of a project described in Section 8 (d) (1) above, agreement by the Property Owner to deposit a sum of money equal to an amount determined by the Coordinator, but in no event less than fifty percent (50%) of the total amount of the Contractor's proposed price for the work, with the District prior to the issuance of Notice to Proceed to the Contractor, and subject to increase in the course of the project in the event the project costs increase due to unforeseen conditions and extras, or for any other reason;

h. In the case of a project described in Section 8 (d) (3) above, agreement by the Property Owner to pay a sum of money equal to an amount determined by the Coordinator, but in no event less than twenty percent (20%) of the total amount of the Contractor's proposed price for the work, through the payment alternatives and under the terms for each described in Exhibit "A" attached hereto and made a part hereof.

i. Provision for the return of excess amounts deposited by the property owner, if necessary, and the provision for the collection of amounts in addition to the deposit if necessary, together with the agreement to grant to the District an equitable lien on the parcels to secure any sums due and unpaid by the property owner under the agreement;

j. Allowance of attorney fees and expenses of litigation to the prevailing party in any proceeding to enforce the provisions of the agreement;

k. A provision whereby the Property Owner waives, releases and discharges the District from any claim of liability by reason of any sanitary sewer backups or any consequence of the property owner's participation in the Financial Assistance Program including but not limited to the District's determination of the scope of work, selection of the contractor to be utilized, implementation and completion of the work, or the owner's eligibility, participation or funding priority in the program.

l. Such other provisions as the Board or Coordinator shall deem necessary or desirable.

Section 10. Financial Requirements; Payments. In the case of a project described in Section 8 (d) (1) above, the property owner shall pay a sum equal to fifty percent

(50%) of all project costs which may include, in addition to the price of the Contractor's work, any extras, charges for additional labor or materials for unforeseen conditions, costs of testing and inspection of the work, and other direct charges, all of which shall be referred to collectively as the "project cost." The District shall pay no more than fifty percent (50%) of the project cost. In the case of a project described in Section 8 (d) (2) above, no such deposit is necessary. In the case of a project described in Section 8(d)(3) above, the property owner shall pay a sum equal to twenty percent (20%) of all project costs which may include, in addition to the price of the Contractor's work, any extras, charges for additional labor or materials for unforeseen conditions, costs of testing and inspection of the work, and other direct charges, all of which shall be referred to collectively as the "project cost." The total amount paid by the District for Financial Assistance Program projects in any fiscal period shall not exceed the sum appropriated and authorized by the Board for that period. The Coordinator shall supervise the provision of the necessary vouchers, progress affidavits and billings to the Clerk-Treasurer of the City, and the issuance of checks in payment for the work and any other amounts due to the District or property owner hereunder.

Section 11. Notice to Proceed. Upon execution of the Financial Assistance Agreement by the property owner, and the receipt of the deposit of property owner's funds required under that agreement, or the completion and execution of documents binding the Owner to a financing alternative provided for in Exhibit "A" if applicable, and Sections 9 and 10 of these Rules and Regulations, the Coordinator shall issue written notice to the Contractor to proceed with the work.

Section 12. Inspections. With respect to projects approved for the Financial Assistance Program, the Coordinator shall inspect the building served or to be served by the lateral at the point of its connection, shall inspect the progress of the work by the Contractor in each Financial Assistance Program project, and inspect the final work, conducting or assisting in the conduct of tests of the new lateral or low pressure line. Such inspections or tests may be conducted, at the Coordinator's sole option, by a sub-contractor or consultant, and the cost of same shall be borne by the property owner and District in the same proportions as in the work of the Contractor.

Section 13. Audit and Examination of Records. The Property Owner, Applicant, Contractor or any sub-contractor to the District, in relation to any Financial Assistance Program Project approved and funded under these Rules and Regulations, shall produce and allow inspection of any records of payment, work contracted and performed, inspections and related documents in the possession of such party upon request by the District, the State Board of Accounts, or any other agency of the State of Indiana or the United States.

Section 14. Appeal. An applicant or property owner aggrieved by a determination of the Coordinator under these Rules and Regulations may appeal to the Board by making a written request to the President of the Board, detailing the grounds for appeal, requesting relief, and providing copies of any supporting documents. The Board will hear such appeal at its next regularly scheduled meeting, and shall notify the appellant applicant and property owner of the date, time and place thereof in writing. The applicant and property owner may appear and make a presentation to the Board in support of the appeal. The Board may hear

the Coordinator or other persons in connection with the issues raised. The Board shall determine such appeal and give written notice of its action to the applicant and property owner. Such action shall be final and binding upon the applicant, property owner and District.

Section 15. Amendment. These Rules and Regulations may be amended only in writing, by an instrument duly adopted and approved by the Board.

Section 16. Governing Law; Conflicts. These Rules and Regulations shall be construed and governed by the laws of the State of Indiana. In the event of conflict in any provision with the resolution or statute, the conflicting provision of the resolution or statute shall prevail.

Section 17. Severability. The provisions of these Rules and Regulations shall be severable. In the event that any section, subsection, term or condition of these Rules and Regulations is determined by a court of competent jurisdiction to be void or unenforceable, then the remaining provisions shall remain unaffected, and shall continue to be applied to the fullest extent practicable.

Exhibit A

Low Pressure Sanitary Sewer: Cleveland Ave./ Michigan Ave./Kelly Street

May 2016

PROJECT COSTS (each property):

Tap Fee:	\$ 1,330.00
Grinder Pump:	2,900.00
Contractor:	<u>6,975.00</u>
Total:	\$11,205.00

Sanitary District Share (80%):	\$8,964.00
Resident's Share (20%):	\$2,241.00

PAYMENT OPTIONS:

Full Payment: Check, Cash, Money Order or Cashier's Check, in the amount of \$2,241.00 payable to the Hobart Sanitary District, c/o Clerk-Treasurer's Office, 414 Main Street, Hobart, IN 46342

Credit /Debit Cards: (Visa / Mastercard / Discover) A Convenience Fee of 3.0% is charged by the credit card processing center. There is a minimum fee of \$3.00 for all transactions under \$100.00. Credit card payments for this project are taken only in the Clerk-Treasurer's office, Mon-Fri 8:00 am-4:30 pm. Total cost (including the 3% fee of \$67.23) if full payment is made at one time: \$2,308.23

Promissory Note: 12 equal monthly installments including 8% interest per annum (interest total \$98.29):

Monthly installment: \$194.94

Total payments: \$2,339.29

LAKE COUNTY ECONOMIC DEVELOPMENT EMERGENCY GRANT PROGRAM

Maximum \$5,000.00 assistance per single family owner occupied dwelling. Total household income must be less than the 50% low-income limits set by H.U.D. for Lake County. For more information please contact Lake County Economic Development at 219-755-3225 or visit their website at <http://www.lakecountyin.com>

RESIDENT CHECK LIST:

- Consider payment options outlined above. If a Lake County Emergency Grant is preferred, contact LCED at 219-755-3225 to begin the process for grant assistance.
- Complete the Application for Financial Assistance and schedule an appointment with Mr. Tim Kingsland at 219-942-3619 or email at tkingsland@cityofhobart.org.
- Bring application documents, payment in full or documents from Lake County (if applicable) to appointment with Mr. Kingsland.
- After meeting with Mr. Kingsland, please contact Boyd Construction, 219-942-3215, to make an appointment to sign a contract and to set date for construction.

EXHIBIT 2

HOBART SANITARY DISTRICT

Financial Assistance Agreement for Connection to East Side Low-Pressure Sanitary Disposal System

THIS AGREEMENT is made and entered into on the _____ day of _____, 2016 by and between the Sanitary District of the City of Hobart, Indiana (“District”), a political subdivision and special taxing district of the State of Indiana by and through its authorized signatory, and _____ (*Name of Owner(s)*) the owner or owners (“collectively “Owner”) of improved real estate commonly described as (*insert property address*) _____, Hobart, Indiana 46342 (“the “property”).

1. The above-referenced property owner is required, under the rules and regulations of the Hobart Sanitary District and the ordinances of the City of Hobart, to connect to a low-pressure sanitary waste disposal system made available to serve the property, which includes the installation of pit, grinder, and connecting lines required to replace failed septic systems and to prevent pollution of ground water and streams and because the property is located within 300 feet of a sanitary sewer main (low-pressure system) pursuant to §53.002 (H) of the Municipal Code of the City of Hobart. .

2. Pursuant to the Hobart Sanitary District’s policy on financing of new sanitary sewer connections for the East Side Low-Pressure Sanitary Disposal System rules and regulations, the Hobart Sanitary District will pay 80% (eighty percent) of the cost of covered expenses under Section 5 of said Rules and Regulations, inclusive of the District’s tap-in fee, provided that, the property owner signs an agreement with the District’s designated contractor in accordance with Section 9 of said Rules and Regulations, within 90 days of the written order to connect issued by the District.

3. The undersigned owner or owners of the above-described improved real estate hereby request financial assistance from the District to defray the cost of installation of a new sanitary sewer lateral line or low-pressure system connection from the sewer main to the connection in the property, include all expenses covered by said Rules and Regulations. The District hereby grants such assistance upon the following terms;

a. The District will pay not more than eighty per cent (80 %) of said covered charges, such payment to be made directly by the District to the Contractor.

b. The undersigned owner agrees to sign an agreement with the designated contractor of the District in accordance with §9 of said rules and regulations;

c. The scope of work to be performed by the contractor shall be specified by the District Coordinator and included in the agreement with the Contractor;

d. Performance of the work by the Contractor shall be in accord with its agreement, at the proposed contract price together with any provisions for extras, and unforeseen conditions;

e. The owner grants access to the premises of the property owner by the Contractor's personnel, District personnel, and others required by the District for the purpose of performing, inspecting or testing the work, and, further, agrees to indemnify and hold the District, its officials, employees and representatives harmless from and against any claim for injury to the property or person of the Contractor, its employees or sub-contractors, or any other person or entity by reason of any dangerous condition of the property owner's premises, or act or omission of the property owner, applicant, or those acting for or at their direction.

f. The Owner represents that the Owner and applicant have read said Rules and Regulations, agree to be bound by them and that they shall be deemed to constitute an integral part of this Financial Assistance Agreement;

g. The Owner agrees that, the District shall be responsible for the payment of an amount not to exceed eighty percent (80%) of the covered project charges which shall consist of the total price of the Contractor's work for the items described in Section 5 of said Rules and Regulations, and that the Property Owner shall pay the balance thereof.

h. The Property Owner is granted a loan by the District to the extent of the 20% of the covered charges under said Rules and Regulations for which the Owner is responsible, in an amount equal to \$ _____, which shall be paid in no more than twelve (12) equal monthly installments, without interest. Owner shall pay the first installment in the amount of \$ _____ at the time of execution of this Agreement. The District shall issue Notice to Proceed to the Contractor upon receipt of the first monthly installment from the Property Owner;

i. The owner agrees that the amount loaned by the District shall be subject to adjustment for change orders due to meet unforeseen conditions. In such case, the District shall give written notice of same to the owner when construction is concluded, and the remaining monthly installments on the loan will reflect the newly adjusted amount. All payments to the contractor shall be made by the District. The monthly payments due and owing shall be billed by the City Clerk-Treasurer to the Owner, and the owner shall pay each installment when due, but in no event more than fifteen (15) days after the date of the billing. Owner grants to the District an equitable lien on the property to secure any sums due and unpaid by the property owner under this agreement.

j. Reasonable attorney fees and expenses of litigation may be recovered by the prevailing party in any proceeding to enforce the provisions of this agreement.

k. The Property Owner waives, releases and discharges the District from any claim of liability by reason of any sanitary sewer backups or any consequence of the property owner's participation in the Financial Assistance Program including but not limited to the District's determination of the scope of work, selection of the contractor to be utilized, implementation and completion of the work, or the owner's eligibility, participation or funding priority in the program.

1. After a period of one year from and after the completion of construction of the lateral, the Owner is solely responsible for the maintenance, operation and repair of the low pressure system for any reason. The Owner is also solely responsible at all times for the cost of electrical service for the grinder and any pumps required to operate its low-pressure system connection.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above written.

HOBART SANITARY DISTRICT
("DISTRICT")

Authorized Signatory

OWNER

OWNER

Name Printed

Name Printed