

**CITY OF HOBART, INDIANA
SANITARY DISTRICT BOARD OF COMMISSIONERS**

RESOLUTION NO. 2018-01

**A RESOLUTION OF THE SANITARY DISTRICT BOARD
OF COMMISSIONERS OF THE CITY OF HOBART,
INDIANA, PLEDGING CERTAIN SANITARY DISTRICT
REVENUES, AND ALL MATTERS RELATED THERETO**

WHEREAS, the Board of Sanitary Commissioners (the “Board”) of the Hobart Sanitary District (the “Sanitary District”) of the City of Hobart, Indiana (the “City”), has heretofore established, constructed, and financed its sewage works, and now owns and operates such sewage works pursuant to Indiana Code 36-9-25 (the “Sewage Works”); and

WHEREAS, the City has heretofore adopted the provisions of IC 8-1.5-5 establishing the Storm Water Management District of the City (the “Storm Water District”), to be governed by the Board of Directors of the Storm Water District (the “Storm Water Board”), and established, constructed and financed a municipal storm water system for the purpose of providing for the collection and disposal of storm water throughout the Storm Water District (the “System”), and now owns and operates the System pursuant to IC 8-1.5-5, as amended; and

WHEREAS, the Storm Water Board has caused an investigation to be made of certain areas within the Storm Water District and finds that it is necessary to acquire, construct, rebuild, repair, extend and improve the System and equipment, to include, without limitation, any or all of the following projects:

- (i) Cressmoor/Villa Shores/Hillman Heights Trunk Storm Sewers – The construction of trunk storm sewers from approximately 37th Ave. and Wisconsin St. to approximately W. 39th Ave. and Ridgelawn Dr. to alleviate flooding and provide an outlet for future storm sewer projects in the area;
- (ii) 3rd St. Bridge Replacement – The reconstruction of the 3rd St. Bridge over Lake George/Deep River to reduce flood elevations and facilitate lake access which will provide a new bridge that will be wider and higher than the existing bridge;
- (iii) Elimination of Lift Station No. 2 – The construction of a gravity sewer from Harbor Club Dr., along Lake Park Avenue, and through the proposed Cressmoor Estates Subdivision to connect the influent pipe of Lift Station No. 2 to the HSD gravity system and decommission Lift Station No. 2;
- (iv) Main Lift Station Improvements – Improvements to the HSD’s Main Lift Station that may include replacement pumps, replacement VFD controls, repairing or replacing the wet well sluice gate, adding ingress/egress systems to the wet well and pump room, and adding a generator;
- (v) Crestwood/Mundell Inflow and Infiltration Elimination – Rehabilitation of the existing sanitary sewer system upstream of the Sanitary Sewer Overflow (SSO) located at the north end of South Lake Park Ave. on Lake George;

- (vi) South Side Sanitary Sewer Phase II – Construction of the infrastructure required to provide sanitary sewer service along the future Arizona St. south of 61st Ave. and the adjacent petroleum pipelines;
- (vii) Grand Blvd. Storm Sewer –Construction of a storm sewer from the intersection of Grand Blvd and 83rd Ave. north to US-30 to alleviate flooding at that intersection;
- (viii) Replacement or Elimination of Lift Station No. 4 – Replacement of the existing lift station and force main or the elimination of it through a gravity sewer or by combing it with another lift station;
- (ix) Replacement or Elimination of Lift Station No. 5 – Replacement of the existing lift station and force main or the elimination of it through a gravity sewer or by combining it with another lift station; and

any other necessary appurtenances, related improvements and equipment, to serve the Storm Water District (collectively, the “Project”) and the Storm Water Board has determined that it is necessary for the public health and welfare and will be of public utility and benefit to construct the Project; and

WHEREAS, the Storm Water Board has adopted a bond resolution as of the date hereof (the “Storm Water Bond Resolution”) providing for the construction and equipping of the Project and the financing thereof through the issuance of storm water management district revenue bonds in an aggregate principal amount not to exceed Fifteen Million Seven Hundred Fifty Thousand Dollars (\$15,750,000) (the “Storm Water Bonds”) payable solely from revenues of the Storm Water District; and

WHEREAS, the City, acting for and on behalf of the Sanitary District, has previously issued the Sanitary District Revenue Bonds of 2012 (the “2012 Bonds”) pursuant to Resolution No. 2012-05, adopted by the Board on October 10, 2012 (the “2012 Bond Resolution”) which 2012 Bonds are presently outstanding in an aggregate principal amount of \$3,271,000 ; and

WHEREAS, because the completion of the Project will provide a direct benefit to the Sanitary District, the Board desires to pledge an amount of Net Revenues (as defined in the 2012 Bond Resolution) of the Sanitary District annually in an amount not to exceed \$100,000 (the “Pledged Amount”) as set forth herein to the payment of the principal of and interest on the Storm Water Bonds, provided such pledge shall be junior and subordinate in all respects to the pledge of the Net Revenues to the payment of the principal of and interest on the 2012 Bonds and any bonds issued hereafter on parity with the 2012 Bonds (collectively, the “Senior Bonds”); and

NOW, THEREFORE, BE IT HEREBY RESOLVED by the City of Hobart, Indiana, Sanitary District Board of Commissioners as follows:

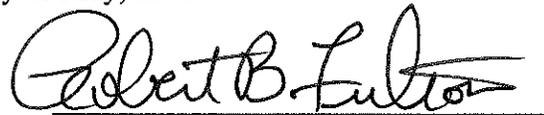
1. Pursuant to IC 9-1-14-4, the Sanitary District hereby pledges the Pledged Amount to the payment of the principal of and interest on the Storm Water Bonds; provided, however, such pledge of Net Revenues shall be junior and subordinate to the payment of principal of and interest on the Senior Bonds. Subject to the prior lien of the Senior Bonds, on each January 1

and July 1 during the period in which the Storm Water Bonds remain outstanding, the Sanitary District shall transfer to a fund or account of the Storm Water District one-half of the Pledged Amount which shall be used solely by the Storm Water District to pay the principal of and interest on the Storm Water Bonds. The pledge described herein shall remain in place during the period the Storm Water Bonds remain outstanding pursuant to the terms of the Storm Water Bond Resolution.

2. Any officer or member of the Board, or any official, employee or representative of the City of Hobart, Indiana, is hereby authorized, empowered and directed, on behalf of the Sanitary District, to take any other action as required or appropriate to effectuate the foregoing Resolutions, and any actions heretofore made or taken be, and hereby are, ratified and approved.

3. This Resolution shall be in full force and effect from and after its adoption.

ALL OF WHICH is adopted as the Resolution of the City of Hobart Sanitary District Board of Commissioners on this 22nd day of May, 2018.


Robert B. Fulton, President

ATTEST:


Phillip E. Gralik, P.E. Secretary