

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

RESOLUTION NO. _____

**DECLARATORY RESOLUTION OF THE SANITARY
DISTRICT BOARD OF COMMISSIONERS OF THE CITY
OF MICHIGAN CITY, INDIANA, APPROVING OF THE
EXTENSION OF SEWAGE WORKS SERVICES TO A
PORTION OF THE TOWN OF LONG BEACH, INDIANA,
AND ALL MATTERS RELATED THERETO**

WHEREAS, pursuant to IC 36-9-25, as amended (the “Act”), the Board of Commissioners (the “Board”), governing body of the Sanitary District of the City of Michigan City, Indiana (the “District”), has heretofore established, constructed and financed its sewage works, and now owns and operates said sewage works pursuant to the Act; and

WHEREAS, the Town Council of the Town of Long Beach, Indiana (the “Town”) previously adopted Resolution No. 2020-005 on June 30, 2020, requesting that a portion of the Town, generally located along the north and south side of Lake Shore Drive in the Town and consisting of approximately 330 properties, be incorporated into the District (the “Town of Long Beach Project Area”) for purposes of the District undertaking a project to provide sewage treatment services to the Town of Long Beach Project Area to alleviate failing septic issues in the Town of Long Beach Project Area; and

WHEREAS, the Board adopted Resolution No. 1424-20 on August 26, 2020, determining pursuant to Indiana Code 36-9-25-14(b) to include the Town of Long Beach Project Area in the District; and

WHEREAS, the Board has been considering (i) the installation of approximately 12,500 lineal feet of 8-inch, 10-inch, and 12-inch diameter gravity flow sanitary sewer and associated manholes, and public side laterals; (ii) installation of three (3) new wastewater lift stations (West, Middle, and East) and associated force main; (iii) capacity improvements to the existing Shoreland Hills Lift Station; (iv) installation of a parallel force main from Shoreland Hills; and (v) associated restoration including pavement replacement and site restoration, and other related and necessary improvements to provide for the collection and transporting of wastewater generated in the Town of Long Beach Project Area (the “Project”); and

WHEREAS, the Board expects the costs of the Project will be funded by revenue bonds issued by the District evidencing a loan the District expects to receive from the State Revolving Fund loan program which revenue bonds would be payable solely from revenues received by the District constituting a local capital charge from the owners of properties and users located in the Town of Long Beach Project Area (the “Local Capital Charge”); and

WHEREAS, the Board has caused to be general plans for the Project and has caused to be prepared estimated costs of the Project and such plans and specifications for the Project, together with a plat showing the general scope of the Project and the location and bounds of real property

which will be affected by the Project, and the engineer's estimate of the costs thereof, are on file at the Administration Building of the Sanitary District located at 1100 East 8th Street in the City, which plans, specifications and cost estimates can be inspected by any interested person; and

WHEREAS, the Board has upon previous investigation found that Lake Michigan borders the Town of Long Beach Project Area and is likely to suffer pollution by the discharge therein of sewage, drainage or other harmful matter and that it is necessary for the public health and welfare and of public utility and benefit to construct and maintain sewage works to prevent the pollution of Lake Michigan, and now determines that providing for the construction and operation of the Project will further these purposes; and

WHEREAS, the Board now determines that providing for the construction of the Project and the financing thereof through the issuance of its sanitary district special revenue bonds in one or more series payable solely from the Local Capital Charge in an aggregate principal amount not to exceed Thirteen Million Dollars (\$13,000,000) (the "Bonds") will be of public utility and benefit and will further the public purposes set forth in the Act.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF THE SANITARY DISTRICT OF THE CITY OF MICHIGAN CITY, INDIANA, AS FOLLOWS:

1. The Board finds that Lake Michigan bordering the Town of Long Beach Project Area is likely to suffer pollution by the discharge of sewage, drainage and other harmful matter from the sewage and drainage systems currently existing and operating in the Town of Long Beach Project Area.
2. The Board hereby finds, determines, and declares that it is reasonable and necessary for the protection of the public health and welfare of the inhabitants of the Town of Long Beach Project Area and the District generally, and will be of public utility and benefit, to proceed with the construction of the Project. The Board hereby adopts the general plans prepared for the Project.
3. The estimated cost of the Project, including incidental expenses in connection with the Project and the costs of issuing the Bonds to finance the Project, is an amount not to exceed Thirteen Million Dollars (\$13,000,000). The Bonds that may be issued to finance the Project shall be payable solely from the Local Capital Charge.
4. The Board hereby authorizes publication of a Notice of the Adoption of this Resolution and the fact that plans, specifications, and estimates have been prepared and may be inspected by the public. The notice shall state that the Board will conduct a public hearing at which the Board will receive or hear remonstrances from persons interested in or affected by the proceedings or the Project, and after which the Board will take final action determining the public utility and benefit of the Project and confirming, modifying and confirming, or rescinding this Resolution.
5. The Board hereby declares its intent, pursuant to Treas. Reg. §1.150-2 and IC 5-1-14-6(c), that costs incurred by or on behalf of the District in financing costs of the Project be reimbursed from the proceeds of the Bonds.

6. In conjunction with the consideration of this Resolution, the Board has or will introduce a Resolution providing for the establishment of rates and charges (the "Rate Resolution") to be paid by the owners of real property and users in the Town of Long Beach Project Area for the service to be provided by the Project. The Board hereby authorizes a public hearing on the adoption of such Rate Resolution at which the Board will receive and hear remonstrances of persons affected by the proposed rates and charges and final action ratifying and confirming or rescinding said Rate Resolution.

7. Any officer or member of the Board, or any official, employee, or representative of the City of Michigan City, Indiana, is hereby authorized, empowered and directed, on behalf of the 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.

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

ADOPTED AND APPROVED THIS ____ day of May, 2022.

Timothy D. Smith, President

ATTEST:

Holt Edinger, Secretary