

5. STATUTORY EXEMPTION INFORMATION

Important information regarding your rights as a property owner to qualify for a statutory exemption from required connection to the District's proposed Region C wastewater collection system (the Project).

The District would like to take this opportunity to give notice of and further describe a statutory exemption and a statutory suspension from required connection to the Project for which you may qualify provided certain specific conditions are met. Before describing them, however, please review the following summary of the District's legal obligation to require connections to the Project:

The District may require a property located in the District's territory to connect to the Project's sewer system in accordance with Indiana Code Section 13-26-5-2, if:

- (1) the property produces sewage or similar waste;
- (2) depending upon the circumstances, the structure discharging the sewage or similar waste is within 300 feet of the Project's main sewer line, (300 feet from the property line if located on a body of water); and
- (3) the District meets certain statutory notice requirements before the date of the contemplated required connection.

I. THE LARGE PARCEL EXEMPTION

Indiana Code 13-26-5-2.6 provides that the District may not require the owner of a property (as described in section 2(8) of the same chapter) to connect to the Project if:

1. the property is located on at least ten (10) acres;
2. the owner can demonstrate the availability of at least two (2) areas on the property for the collection and treatment of sewage that will protect human health and the environment;
3. the waste stream from the property is limited to domestic sewage from a residence or business;
4. the system used to collect and treat the domestic sewage has a maximum design flow of seven hundred fifty (750) gallons per day; and
5. the owner, at the owner's expense, obtains and provides to the district a certification from the local health department or the department's designee that the system is functioning satisfactorily.

LaGrange County Regional Utility District P.O. Box 270 116 E. Wayne St. LaGrange, IN 46761
(260) 499-6349 www.lagrangecountywatersewer.com email: lcrsd@locl.net

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II. THE NEW SEPTIC TANK SOIL ABSORPTION SYSTEM EXEMPTION

Indiana Code Section 13-26-5-2.5(b) provides that you, as a potentially-affected property owner, may qualify for an exemption from being required to connect to the Project's system if:

1. you or the previous owner of your property installed a septic system within the last ten (10) years;
2. the septic system was new at the time that it was installed;
3. the septic system was approved in writing by the local health department;
4. you provide the District with your written notice of potential qualification for the exemption and your desire to claim the same within sixty (60) days of the date of this letter, which serves as notice of such exemption; and
5. you, at your own expense, obtain and provide to the District, within one hundred twenty (120) days of the District's receipt of your written notification of potential exemption, a certification from the local health department (or the department's designee) that the septic system is functioning satisfactorily.

The initial new septic system exemption is limited to ten (10) years beginning on the date your new system was installed ("Initial Exemption"), therefore, if your septic system is more than ten (10) years old, you are not eligible for the Initial Exemption.

If you qualify for the Initial Exemption, then you may be able to qualify for two (2) additional five (5) year exemptions upon the expiration of the Initial Exemption. However, if you later fail to qualify for any of the previously mentioned exemptions, then you will be required to connect to the sanitary sewer system at your expense.

While you may be eligible for an exemption from the connection requirement, there are at least four advantages to connecting your property to the sewer system as part of the Project:

1. Property value: The experience in this District and other regional sewer districts has been that the value of real property goes up significantly when the owner connects the property to a public sewer and ceases to use a private septic system.
2. Enhanced quality of life: Property owners who rely on septic systems frequently are limited in the amount of water they may use because their septic systems can process only so much flow each day. That limitation, in turn, restricts the use of such conveniences as garbage disposals, dishwashers, and washing machines or the number of people who can occupy a

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- property. Connection to a public sewer system usually eliminates those restrictions and allows the owner to enjoy his or her home to a greater degree or for longer periods of time.
3. Environmental Benefit: The impact of connection on nearby bodies of water is apparent almost immediately. The lakes, rivers, and streams from which we draw our drinking water or in which we fish, swim, and play become clearer within weeks of a project's completion.
 4. Significantly reduced up-front costs to Property Owner: Septic systems fail and exemptions expire. When either occurs, the property owner will be required to connect to the Project. At that point, he or she will face significant costs. These will include:
 - (a) the purchase of a District-approved sanitary sewer system
 - (b) the cost to install the system and related equipment
 - (c) the cost to connect the structure to the Project
 - (d) the costs to disable and abandon the old septic system.

Property owners who connect to the system as part of the Project at its completion only pay the a small application/permit fee and the cost to connect the sewage-producing structure(s) to the new sewer system and to disable and abandon the old septic system. The other costs are included in the construction cost of the Project, financed by the District, and are included in the monthly sewer rate over many years.

In conclusion, please understand this letter serves as the District's official written notice that you, as a potentially affected property owner:

1. **may be required to discontinue the use of a septic tank soil absorption system;**
2. **may qualify for an exemption from the requirements to discontinue the use of such septic system; and**
3. **must follow certain statutory procedures to qualify for and successfully claim an exemption.**

Should you wish to claim either such exemptions, you must meet certain criteria and follow additional statutory notice requisites as described above.

For additional information regarding the District's authority to require property owners to connect to the Project's sewer system, the applicable statutory exemption, and procedural requirements to obtain an exemption, you will find a link to the applicable Indiana Code Sections 13-26-5-2 and 2.5 on our web site at LaGrangeCountyWaterSewer.com. Please reference sections 2 and 2.5.

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