Resolution No. 2016-072

A RESOLUTION ESTABLISHING A SURCHARGE FOR THE
EAST RAPID CITY WATER USERS REGION

WHEREAS the City of Rapid City has secured financing from the State of South Dakota to expand its water service system to allow the City to provide water service to the area shown on Exhibit A; and

WHEREAS the City and the State have entered into an agreement that details the financing package and the requirements of the parties; and

WHEREAS the financing package includes State grant funds, State SRF loan funds, and City utility support funds; and

WHEREAS, the City intends to recoup SRF loan funding component through the imposition of a surcharge; and

WHEREAS the City of Rapid City desires to impose the surcharge until such time as the SRF loan funds are recovered.

NOW THEREFORE, BE IT RESOLVED by the Common Council of the City of Rapid City that a surcharge be charged to certain water accounts as follows:

1. All new water accounts opened following approval of this Resolution that serve property in the service area shown on Exhibit A, attached hereto and incorporated herein by this reference, shall be subject to the surcharge.

   a. The property shown on Exhibit A as “East Rapid City Water Users Region (4230 acres)” shall be subject to the surcharge.

   b. Accounts serving property within this area that were opened prior to this Resolution shall not be subject to the surcharge unless the account-holder has agreed to such surcharge in a written agreement.

2. The amount of the surcharge shall be Sixty-five Dollars ($65.00) per month.

3. The surcharge shall be noted on each water bill, and shall be paid in addition to all other water rates and charges established by the Municipal Code.

4. Failure to pay the surcharge shall subject an account holder to disconnection of water service, in addition to all other remedies available to the City by law.

5. This monthly surcharge shall continue to be billed and collected until such time as the SRF loan funds to be recouped by the City have been collected. Once the funds have been recouped, the surcharge will be removed from the next billing cycle.
BE IT FURTHER RESOLVED by the Common Council of the City of Rapid City that the Finance Office is directed to establish a separate object code within the Water Enterprise Fund in which surcharge payments received shall be deposited and tracked at least annually.

BE IT FURTHER RESOLVED by the Common Council of the City of Rapid City that this Resolution is found and determined to be necessary for the immediate preservation of the public peace, health, and safety, and for the support of the municipal government and its existing public institutions, an emergency exists, and this Resolution shall take effect immediately upon its passage and publication according to law.

DATED this ___ day of __________________, 2016.

CITY OF RAPID CITY

___________________________________
Mayor

ATTEST:

__________________________________
Finance Officer

(seal)