

**RESOLUTION 22.03.07-1**

**A RESOLUTION AMENDING RESOLUTION 14.06 AMENDING SEWER RATES AND TO APPROVE A SURCHARGE APPLICABLE TO USERS OF THE CITY'S WASTEWATER SYSTEM**

WHEREAS, The Parker City Council believes that it is necessary and in the best interest of the City of Parker, in order to pay all costs for the operation and maintenance of the sewer system, to amend the rates for the collection and disposal of wastewater provided by the City of Parker; and

WHEREAS, Section 8.0103 of the Parker Municipal Ordinances gives the Parker City Council the authority to revise sewer rates by Resolution of the Parker City Council; and

WHEREAS, the City has determined that it is necessary to make certain modifications and improvements to the City's wastewater system; and

WHEREAS, in order to pay for a portion of the cost of such improvements, including engineering costs, legal and financing costs, and other costs related to the Wastewater Improvement Project (C461026-02), Sanitary Sewer improvements Project (C461026-03), Wastewater Lift Station project (C461026-04), and the Sanitary Sewer Improvement Project (C461026-05), the City Council has determined that it is necessary and advisable to adopt a surcharge pursuant to SDCL 9-40-15 (the "Surcharge") to repay the costs associated with the Project, including but not limited to the pledging of the Surcharge to the South Dakota Conservancy District in order to finance the Project (the "Bonds").

NOW, THEREFORE, BE IT RESOLVED by the Parker City Council that subsection 2 will read as follows:

**SECTION 1.** The sewer rate structure will be as follows:

1. Residential service shall be set at a minimum charge of \$24.34 per month for those users who use 0-1 units\* of water per month or less, plus 75 cents per cubic unit of water used.

Residential service shall be \$29.34 per month for those users who use between 2-10 units\* of water per month plus 75 cents per cubic unit of water used.

Residential service shall be \$34.34 per month for those users who use above 10 units\* of water per month plus 75 cents per cubic unit of water used.

Commercial service shall be set at a minimum charge of \$26.34 per month for those users who use 0-10 units\* of water per month or less plus \$1.75 per cubic unit of water used.

Commercial service shall be \$30.34 per month for those users who use between 11-20 units\* of water per month plus \$1.75 per cubic unit of water used.

Commercial service shall be \$34.34 per month for those users who use above 21 units\* of water per month plus \$1.75 per cubic unit of water used.

Sewer rates will be established based on water consumption averages for the months of April and October. \*A cubic unit is equal to 100 cubic feet.

2. Six dollars (\$6.00) of the minimum monthly fee shall be classified as the Surcharge for the Wastewater Improvement Project (C461026-02). Two dollars and fifteen cents (\$2.15) shall be classified as the Surcharge for the Sanitary Sewer improvements Project (C461026-03). Two dollars and fifty cents (\$2.50) of the minimum monthly fee shall be classified as the Surcharge for the Wastewater Lift Station project (C461026-04). And Four dollars and seventy-five cents (\$4.75) of the monthly fee shall be classified as the Surcharge for the Sanitary Sewer Improvement Project (C461026-05). The Surcharge rates shall be subject to adjustment from time to time by resolution of the City as necessary to repay the Project financing, in accordance with any loan agreements to be entered into the by City of and the State of South Dakota Conservancy District.
3. The revenues collected from the Surcharges shall be segregated from all other funds of the City and shall be pledged to secure the Bonds and shall be used for no purpose other than for repayment. The Bonds shall be payable solely from and secured solely by such segregated revenues, and not form the general revenues of the Wastewater System to make payments on the Bonds, but any moneys so advance shall be repaid from Surcharge collections within one year of the date of such advance.
4. The Surcharges shall automatically expire without the necessity of further action of the city upon retirement or full defeasance of the Bonds.
5. This Resolution is necessary for the immediate preservation of the public peace, health and safety, and support of the municipal government and its existing institutions and shall take effect immediately upon the passage and publication thereof pursuant to SDCL 9-19-13.

**SECTION 2.** This rate change is effective beginning with the April 1, 2022 bills due April 20, 2022.

Adopted this 7<sup>th</sup> day of March, 2022.

  
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Ron Nelson, Mayor

ATTEST:

  
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Adam Jans, Finance Officer

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