

## RESOLUTION 22.03.07-2

A RESOLUTION AMENDING RESOLUTION 13.01 A RESOLUTION AMENDING CITY WATER RATES AND TO APPROVE A SURCHARGE APPLICABLE TO USERS OF THE CITY'S WATER 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 water system, to amend the rates for the sale of water 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 water 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 water 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 Drinking Water Improvement Project (C462026-02), Drinking Water improvement Project (C462026-03), and Drinking Water Improvement project (C462026-04), 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 Section 1; subsection 2, subsection 3, subsection 4, and subsection 5 will be added to read as follows:


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

1. Each resident and commercial customer shall pay a minimum monthly fee of Eighteen dollars (\$18.00) plus Five dollars and forty cents (\$5.40) per cubic unit of water used per month. A cubic unit is equal to 100 cubic feet.
2. Two dollars and fifty-five cents (\$2.55) of the minimum monthly fee shall be classified as the Surcharge for the Drinking Water Improvement Project (C462026-02). One dollar and twenty cents (\$1.20) of the minimum monthly fee shall be classified as the Surcharge for the Drinking Water improvement Project (C462026-03), and Five dollars (\$5.00) of the minimum monthly fee shall be classified as the Surcharge for the Drinking Water Improvement project (C462026-04), 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 Drinking Water 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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