

RESOLUTION NO. 2019-23

RESOLUTION OF THE CITY OF HARRISBURG, SOUTH DAKOTA TO REVISE THE SURCHARGE IMPOSED ON USERS OF THE CITY'S DRINKING WATER SYSTEM IN ORDER TO REPAY A SURCHARGE REVENUE BOND IN THE ORIGINAL PRINCIPAL AMOUNT OF \$1,714,327.

WHEREAS, on August 19, 2013, the City Council adopted Resolution No. 2013-12 (the "Surcharge Resolution") to impose a surcharge on all customers of the City's drinking water system (the "System") in order to secure repayment of a bond originally issued on April 26, 2007 in the original principal amount of \$1,714,327 (the "Borrower Bond") to South Dakota Conservancy District (the "District") pursuant to the terms of the Loan Agreement of the same date (the "Loan Agreement");

WHEREAS, the Surcharge Resolution established a monthly surcharge of \$1.12 per one thousand gallons of water used to all classes of customers;

WHEREAS, the Surcharge Resolution provides for annual review and adjustment of the surcharge amount to a level which, assuming a 10% delinquency rate, will produce income at the times and in amounts sufficient to pay when due the principal of and interest on the Borrower Bond and all other amounts owing under the Loan Agreement; and

WHEREAS, the City has determined that the surcharge should be adjusted to better reflect the amount of surcharge needed to produce income at the times and in amounts sufficient to pay when due the principal of and interest on the Borrower Bond and all other amounts owing under the Loan Agreement.

NOW, THEREFORE, IT IS HEREBY RESOLVED as follows:

1. Surcharge Rate. The surcharge established under the Surcharge Resolution is hereby adjusted to a volume fee of ninety-nine cents (\$0.99) per one thousand gallons of water used per month upon all classifications of customers, effective beginning with the January 1, 2020 bills.

2. Limited Effect. Except as expressly modified by this amendment, the Surcharge Resolution will continue in full force and effect in accordance with its terms.

Adopted this 21st day of October 2019.

Julie Burke Van Luvanee
Mayor

ATTEST:

Mary McClung
Finance Officer

Publication: October 31, 2019
Effective Date: January 1, 2020

Published once at the approximate cost of _____.