

**RESOLUTION NO. 2022-13
CITY OF HARRISBURG**

**A RESOLUTION PROVIDING FOR A SURCHARGE FOR IMPROVEMENTS TO
DRINKING WATER SYSTEM, FOR PAYMENT OF SURCHARGE REVENUE
BOND AND YEARLY REVIEW OF RATE**

1. Surcharge for Bond Issue. There shall be charged a monthly surcharge for the services provided by the improvement financed by the Drinking Water Surcharge Revenue Bond Series 2022. The surcharge shall be segregated from other revenues of the utility and shall be used for the payment of the revenue bonds.
2. Rates and collection. The City does hereby establish the special charge or surcharge payable by each customer of its System who receives or benefits from the services of the Project. Such charge or surcharge shall be set at a level which will produce income at the times and in amounts sufficient to pay when due the principal of and interest on the Drinking Water Surcharge Revenue Bond Series 2022 and all other payments as may be required under the loan agreement and Drinking Water Surcharge Revenue Bond Series 2022.
3. Drinking Water Surcharge Revenue Bond Series 2022 Surcharge. The following drinking water debt service surcharge shall be applicable to all customers served whether in or out of the city or whether retail or sales or resale:

Drinking Water Surcharge Revenue Bond Series 2022 surcharge for payment of State Revolving Fund loan C462065-04: \$11.25 per user, per month.

This surcharge shall become effective January 1, 2023.

This surcharge shall remain in effect until such time as the revenue bonds are discharged. The surcharge shall be collected at the same time as other charges of the drinking water system. The surcharge is found to be equitable for the services provided by the improvement.

4. Segregation. The debt service surcharge shall be segregated from other income of the Drinking Water System in a separate account and is pledged to the South Dakota Conservancy District for the payment of Drinking Water Surcharge Revenue Bond Series 2022.
5. Yearly review. The amount of the surcharge shall be reviewed from year to year and may be modified in order to provide such funds as are set forth herein. The charges shall be reviewed yearly by city personal and administratively adjusted, upwards or downwards, pursuant to SDCL § 9-40-15 to such amounts as may be necessary to pay principal, interest, and other charges as may become due and owing under the Drinking Water Surcharge Revenue Bond Series 2022.

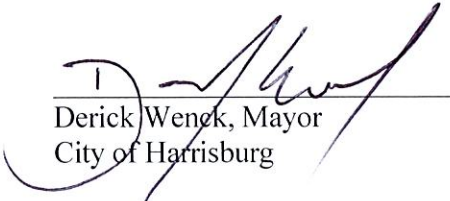
6. Billing and Accounting. The surcharge shall be included in the monthly user drinking water bill. Nothing contained herein requires the surcharge be indicated on the billing, however, the surcharge segregation shall be indicated on the books of the City.
7. Surcharge not to create constitutional indebtedness. The charges provided herein are for the purpose of paying the Drinking Water Surcharge Revenue Bond Series 2022 of the City which do not constitute indebtedness within the meaning of Article XIII, Section 4 of the South Dakota Constitution.
8. Severability. If any one or more of the provisions of the shall be held invalid, illegal, or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision hereof.

Adopted at City of Harrisburg, South Dakota, this 2 day of August 2022.

APPROVED:



(Seal)


 Derick Wenck, Mayor
 City of Harrisburg

Attest:


 Deb Harris, Finance Officer
 City of Harrisburg

Dated Passed:	<u>8</u> <u>2</u> <u>22</u>
Date Published:	<u>8</u> <u>11</u> <u>22</u>
Date Effective:	<u>8</u> <u>31</u> <u>22</u>