

RESOLUTION NO. 2021-33

RESOLUTION OF THE CITY OF HARRISBURG, SOUTH DAKOTA TO REVISE THE SURCHARGE IMPOSED ON USERS OF THE CITY'S SANITARY SEWER SYSTEM IN ORDER TO REPAY A SURCHARGE REVENUE BOND IN THE ORIGINAL PRINCIPAL AMOUNT OF \$2,520,000

WHEREAS, on July 2, 2018, the City Council adopted Resolution No. 2018-14 (the "Surcharge Resolution") to impose a surcharge on all customers of the City's sanitary sewer system (the "System") in order to secure repayment of a bond originally issued on October 18, 2018 in the original principal amount of \$2,520,000 (the "Borrower Bond") to Branch Banking and Trust Company (the "Bank") under the terms of the Bond Purchase Agreement between the City and the Bank as of the same date (the "Agreement"); and

WHEREAS, the Surcharge Resolution established a monthly surcharge of \$12.00 base fee upon all classifications of customers; and

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 Agreement; and

WHEREAS, the City has determined that the surcharge should be adjusted;

NOW, THEREFORE, IT IS HEREBY RESOLVED as follows:

1. Surcharge Rate. The surcharge established under the Surcharge Resolution is hereby adjusted to six dollars and eighteen cents (\$6.18) per month upon all classifications of customers, effective beginning with the January 1, 2022 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.

Dated at Harrisburg, South Dakota, this ____ day of September 7, 2021.

APPROVED:

Mayor

ATTEST:

Finance Officer

Publication:
Effective: