

RESOLUTION

WHEREAS, Rapid City Municipal Code Section 13.04.095 and SDCL Section 9-47-16 allows the Common Council to impose water construction fees for connection to the water utility in certain areas; and

WHEREAS, water mains have been extended along Highway 16 from Fox Run Drive to Fairmont Boulevard per City plans filed under City Project No. W01-1159, Highway 16 Water Main Extension, as shown on Exhibit A, attached hereto and incorporated herein; and

WHEREAS, the City oversized the water mains from a 10" diameter main to a 12" diameter main under City Project W01-1159 to provide additional capacity to accommodate future surrounding area growth. The City constructed the Project with total costs incurred by the City of \$231,530.25; and

WHEREAS, water main oversize costs associated with the Highway 16 Water Main Extension, City Project No. W01-1159, should be apportioned according to the benefit each property receives; and

WHEREAS, the water main oversize costs totaling \$231,530.25 will be proportioned to the properties identified in Exhibit A according to the benefits to accrue to such property before such property shall be served with such facilities; and

WHEREAS, these utility construction fees are based on the benefits that accrue to such property, and should be established on a per-acre system. "Benefiting areas" include those properties that will benefit from increased water main diameter to service the regional area, and do not necessarily directly abut newly constructed water mains. Thus, these properties may need to extend additional water mains at their cost prior to connecting to this infrastructure; and

WHEREAS, the Common Council finds, after conducting a comprehensive investigation of the areas benefited by the construction of the water mains associated with the Highway 16 Water Main Extension, City Project No. W01-1159, that such utility construction fees are appropriate and in the best interests of the City, community, and the water utility.

NOW, THEREFORE, be it resolved that utility construction fees are hereby imposed on the property that benefits from the construction of the water mains associated with Highway 16 Water Main Extension, City Project No. W01-1159; and

BE IT FURTHER RESOLVED that the property shown in Exhibit A shall be required to pay its proportional share of the oversize and project costs of construction of the water mains associated with Highway 16 Water Main Extension, City Project No. W01-1159, prior to being served with City water; and

BE IT FURTHER RESOLVED that the benefiting properties currently owned by Riddles, dba JR Investments LLC and R&R Realty LLP, have paid its pro rata share and therefore owe no further construction fees as part of this resolution for parcels within current PINs 3711400010, 3711400012, 3711400013, and 3711400014 and legally described as:

Tract C, Revised, Walpole Heights Subdivision, located in Section 11 of T1N, R7E, BHM, Rapid City, Pennington County, South Dakota, consisting of 5.65 acres more or less; and

Lot AB of the E1/2 of the SE1/4 of Section 11 of T1N, R7E, BHM, Rapid City, Pennington County, South Dakota, consisting of .4 acres more or less; and

Tract A, Revised, Less Lot H8, Tract D, Walpole Heights Subdivision, located in Section 11 of T1N, R7E, BHM, Rapid City, Pennington County, South Dakota, consisting of 3.18 acres more or less; and

Lot AB1 of the NE1/4SE1/4 of Section 11 of T1N, R7E, BHM, Rapid City, Pennington County, South Dakota, consisting of .45 acres more or less; and

BE IT FURTHER RESOLVED that the property shown on Exhibit A as benefiting property shall pay \$1,931.83 per acre prior to connection to the City's water main; and

BE IT FURTHER RESOLVED that all water construction fees collected as established herein shall accrue to the water utility enterprise fund; and

BE IT FURTHER RESOLVED that such utility construction fees shall remain in effect until such time as the balance of City's project costs totaling \$231,530.25 is collected, at which time this Resolution and the utility construction fee shall automatically expire.

Dated this ____ day of _____, 2006

CITY OF RAPID CITY

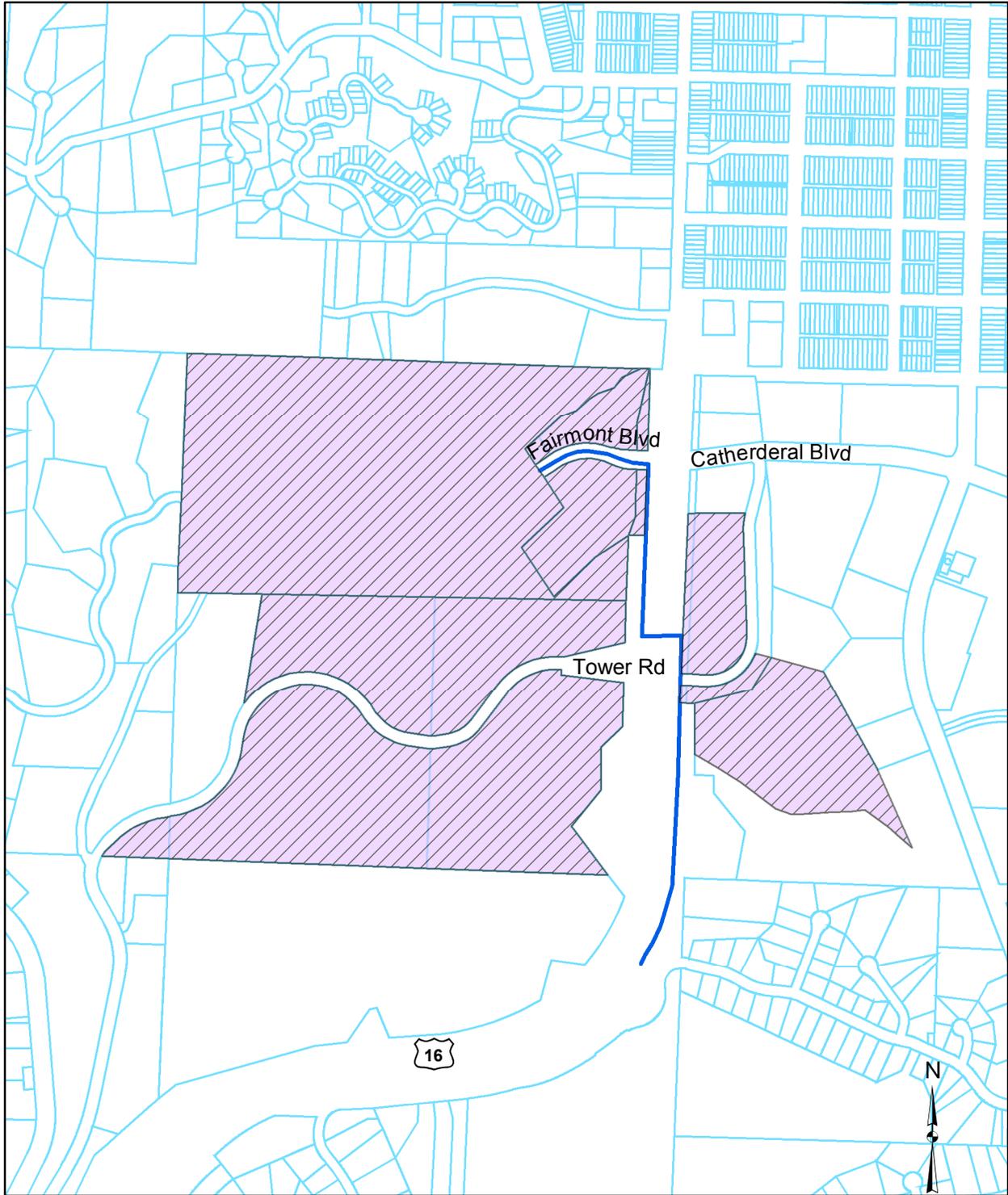
Jim Shaw, Mayor

ATTEST:

Finance Officer

(SEAL)

Exhibit A



Legend

-  Project Water Main
-  Benefiting Area
-  Parcels

Highway 16 Water Main Construction Fee Benefiting Area

0 400 800
Feet
1 inch equals 800 feet