

RESOLUTION

WHEREAS, Rapid City Municipal Code Section 13.08.365 and SDCL § 9-48-15 allows the Common Council to impose sewer construction fees for connection to the sanitary sewer utility in certain areas; and

WHEREAS, sanitary sewer mains have been extended along portions of the SE Connector, Highway 16B and Highway 79 under City Project No. SSW02—1137, Water and Sewer Reconstruction, Southeast Connector Road-Highway 79, as shown on Exhibit A, attached hereto and incorporated herein; and

WHEREAS, the total project cost to complete this sanitary sewer main extension portion of the project is \$580,882.90, which includes \$544,516.15 in construction costs and \$36,366.75 in design services costs; and

WHEREAS, a portion of the project costs of the construction of Water and Sewer Reconstruction, Southeast Connector Road-Highway 79, City Project No. SSW02-1137 should be apportioned according to the benefit each property receives; and

WHEREAS, \$17,500.00 of the project costs are being paid by J.F. England's Sons, Inc. as outlined in the "Agreement For Construction of sanitary Sewer Between the City of Rapid City and J.F. England's Sons, Inc." executed on April 5, 2004; and

WHEREAS, \$142,497.83 of the sanitary sewer portions of the project costs were necessary to re-route existing sanitary sewer mains to accommodate the roadway construction of the Southeast Connector and its intersection with Highway 79 without increased service or capacity to the sanitary sewer service area; and

WHEREAS, the balance of project costs totaling \$420,885.07 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 sanitary sewer main diameter to service the regional area, and do not necessarily directly abut newly constructed sanitary sewer mains. Thus, these properties may need to extend additional sanitary sewer 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 and Sewer Reconstruction, Southeast Connector Road-Highway 79, City Project No. SSW02-1137 that such utility construction fees are appropriate and in the best interests of the City, community, and the sanitary sewer utility.

NOW, THEREFORE, be it resolved that utility construction fees are hereby imposed on the property that benefits from the construction of the Water and Sewer Reconstruction, Southeast Connector Road-Highway 79, City Project No. SSW02-1137; and

BE IT FURTHER RESOLVED that the property shown in Exhibit A shall be required to pay its proportional sewer share of the cost of construction of the Water and Sewer Reconstruction, Southeast Connector Road-Highway 79, City Project No. SSW02-1137 prior to being served with City sanitary sewer; and

BE IT FURTHER RESOLVED that the property shown on Exhibit A as Benefiting property shall pay \$ 192.07 per acre prior to connection to the City's sanitary sewer main; and

BE IT FURTHER RESOLVED that the property shown on Exhibit B as Benefiting property shall pay \$2,496.06 per acre prior to connection to the City's sanitary sewer main; and

BE IT FURTHER RESOLVED that the property shown on Exhibit C as Benefiting property (Lot 1A East Hoff Subdivision, Sec. 17, T1N, R8E) shall pay \$7,870.31 for the current 1.208-acre lot (or \$6,515.16 per acre if subdivided in the future) prior to connection to the City's sanitary sewer main; and

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

BE IT FURTHER RESOLVED that such utility construction fees shall remain in effect until such time as the balance of project costs totaling \$420,885.07 is collected, at which time this Resolution and the utility construction fee shall automatically expire.

Dated this ____ day of _____, 2005

CITY OF RAPID CITY

Jim Shaw, Mayor

ATTEST:

Finance Officer

(SEAL)