

**RESOLUTION ACKNOWLEDGING THAT THE ENCHANTED HILLS WATER
ASSOCIATION HAS SATISFIED ITS OBLIGATIONS TO THE CITY AND
ACCEPTING OWNERSHIP OF THE WATER SYSTEM INFRASTRUCTURE
BY THE CITY.**

WHEREAS, the City of Rapid City (City) and the Enchanted Hills Water Association (Enchanted Hills) entered into an agreement dated July 30, 1998; and

WHEREAS, the City agreed to upgrade the Enchanted Hills water system to bring it up to City standards; and

WHEREAS, the City agreed to loan Enchanted Hills up to \$300,000 to cover the costs of this project; and

WHEREAS, the City and Enchanted Hills agreed to a method whereby Enchanted Hills could repay the loan through the assessment of surcharges and other lump sum payments;

WHEREAS, the City agreed to accept ownership of Enchanted Hills water system once the loan was repaid; and

WHEREAS, Enchanted Hills has fully paid all monies that it owes under the agreement.

NOW THEREFORE, BE IT RESOLVED that the City acknowledges that the Enchanted Hills Water Association has paid to the City all monies that it owed under the agreement entered into on July 30, 1998. This acknowledgement is limited to the association itself and not its individual members. There are still several individual property owners served by the system that have not completely satisfied their obligations under the agreement. The City will continue to collect a surcharge on those properties until their obligation has been satisfied.

BE IT FURTHER RESOLVED that the City now formally accepts ownership and responsibility for the water system previously owned by the Enchanted Hills Water Association per the terms of the agreement.

CITY OF RAPID CITY

Mayor

ATTEST:

Finance Officer