

CONSTRUCTION FEE 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, Red Rock Development Company, LLC, a limited liability company organized under the laws of the State of South Dakota, hereinafter referred to as the "Developer," has extended the City's water system in order to provide service to Red Rock Estates Phase V, and the City desires to provide such water service; and

WHEREAS, the Developer has constructed approximately 1324 lineal feet of 12" water main along Portrush Road as per plans filed with the City under City Files No. Dev05-787; and

WHEREAS, the total base size (8" equivalent) costs for the 12" water main paid for by the Developer was determined to be \$47,086.65, the Developer's proportional cost of the water main is \$23,554.43. Thus the amount to be collected is \$23,532.22; and

WHEREAS, the City has signed an Agreement to present a proposed Water Construction Fee Resolution to its Common Council which would establish a construction fee, based on the total calculated costs, to be levied against property that benefits from the 12" water main and to collect said fees and reimburse said Developer for the cost of such; and

WHEREAS, the City has identified property, shown in Exhibit A attached hereto and incorporated herein, that may benefit from the above-described water main; and

WHEREAS, the total project costs associated with the base size of the 12" water main shall be equally proportioned to the properties identified in Exhibit A, and any future subdivisions thereof, before such properties will be served with such facilities; and

WHEREAS, the Common Council finds 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 water utility construction fees are hereby imposed on the property, identified in Exhibit A, that benefits from the above-described water main associated with Red Rock Estates Phase V, City File No. Dev05-787; and

BE IT FURTHER RESOLVED, the identified benefiting properties shall be required to pay a proportional share of the base size cost of the construction of the 12" water main associated with Red Rock Estates Phase V, City File No. Dev05-787 prior to being served with City water; and

BE IT FURTHER RESLOVED, that the property shown in Exhibit A as benefiting property shall pay \$18.41 per frontage foot prior to connection to the City's water main; and

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

BE IT FURTHER RESOLVED, such water utility construction fee shall remain in effect until such time as the balance of the project costs totaling \$23,532.22 is collected, at which time this Resolution and water construction fee shall automatically expire; and

BE IT FURTHER RESOLVED, the Developer will be reimbursed its costs associated with the water main from the water utility construction fees collected as established herein.

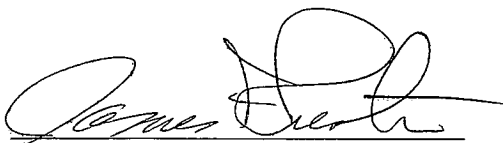
Dated this 15 day of SEPTEMBER, 2008

CITY OF RAPID CITY



Mayor

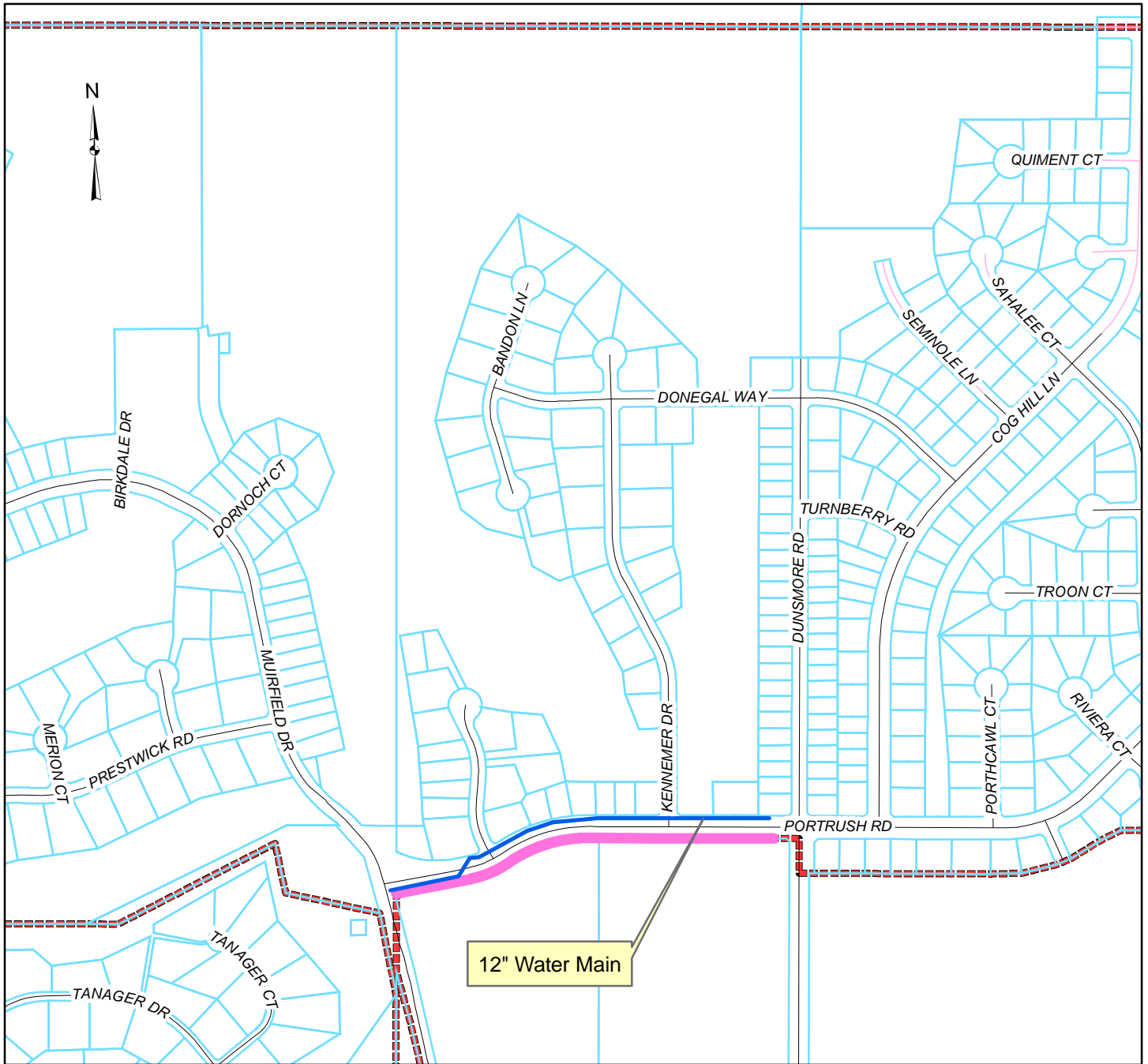
ATTEST:



Finance Officer

(SEAL)

Exhibit A



RED ROCK ESTATES, PHASE V WATER CONSTRUCTION FEE BENEFITING PROPERTY

Legend

- 12" Water Main
- Benefiting Property
- Parcels
- Rapid City Limits

0 250 500 1,000
1 inch equals 500 feet