

RESOLUTION 2023-1
A RESOLUTION OF THE SPRING CREEK COW CREEK SANITARY
DISTRICT IN HUGHES AND SULLY COUNTIES, SOUTH DAKOTA
TO RESTRICT THE USAGE OF DEVELOPER FEES IMPLEMENTED
PURSUANT TO ORDINANCE 9

WHEREAS, the Board of Trustees ("Board") of Spring Creek Cow Creek Sanitary District ("District") having enacted Ordinance 9, as may be amended from time to time, which has provided for the collection of "Developer Fees";

WHEREAS, the Board feels it is in the best interest of the District, and the members within the District, that such fees, consistent with the purpose of their inception, be protected for future growth; and

WHEREAS, the Board, now, has found it necessary and proper to set forth a policy concerning and restricting the same, does hereby pass and adopt this resolution restricting the usage of funds collected as "Developer Fees" according to the terms contained herein;

NOW, THEREFORE, BE IT RESOLVED by Motion of the Board of Trustees of the Spring Creek Cow Creek Sanitary District of Hughes and Sully Counties, South Dakota, properly seconded and passed, at a regular meeting thereof, that the following terms, conditions, and restrictions apply to the usage of "Developer Fees" collected by the District:

1. Developer fees collected by the District shall be deposited in a dedicated interest-bearing account separate from that of the general operating budget.
2. Developer fees may be utilized for the expansion of the hydraulic capacity of the water system and the hydraulic and treatment capacity of the wastewater system. For the purposes of this section, hydraulic capacity and treatment capacity refer to the volume of water or wastewater to be provided or processed.
3. Developer fees may be utilized for the maintenance or replacement of critical assets such as lift stations, water tower, wastewater treatment plant, piping or the like if such maintenance is, in the opinion of the majority of the board, necessary for the long-term operation of the system.
4. Developer fees are not intended to supplement funding for routine maintenance.
5. Developer fees may be invested in interest bearing accounts such as Certificates of Deposit. Interest earned by the monies invested shall remain in the developer fees account.
6. The board of trustees, prior to transferring funds out of the developer fees account shall publish such intent as an item on the regular meeting agenda. The purpose of the transfer shall be included in the motion to transfer such funds and the purpose shall be memorialized in the meeting minutes.

7. The board of trustees, having made the monies available for use by the action above, may then vote to disperse the monies for the purposes memorialized in the action to make such funds available for use.
8. The above policy may be amended by the board to expand or restrict the funds as deemed necessary.
9. To modify the above policy, the board shall publish such intent as an item on the regular meeting agenda.

BOARD OF TRUSTEES OF
SPRING CREEK/COW CREEK
SANITARY DISTRICT

By: Kathleen Schuh
President

ATTEST:

[Signature]
Trustee