

RESOLUTION NO. 2013-9

A RESOLUTION EXTENDING THE BOUNDARIES OF THE CITY OF MADISON BY ANNEXING THE WITHIN DESCRIBED TERRITORY AND SETTING FORTH THE SCHEDULE AND COSTS PROVIDING SERVICE THERETO

WHEREAS, the Board of Commissioners of the City of Madison has received a series of written petitions from the voters and landowners of the territory hereinafter described requesting an annexation to the municipality of the City of Madison; and

WHEREAS, the petitions are signed by not less than 3/4ths of the registered voters and by the owners of not less than 3/4ths of a value of the territory seeking annexation; and

WHEREAS, the territory seeking annexation is contiguous with the City of Madison;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF MADISON, SOUTH DAKOTA:

That the City of Madison hereby annexes the following described territory:

LOT FOUR (4) OF SCHULTZ'S ADDITION IN THE NORTH HALF (N 1/2) OF SECTION EIGHTEEN (18), TOWNSHIP ONE HUNDRED SIX NORTH (106N), RANGE FIFTY-TWO (52), WEST OF THE 5th P.M., LAKE COUNTY, SOUTH DAKOTA and the right-of-way immediately to the west of and adjacent to said described real estate.

BE IT FURTHER RESOLVED THAT THE CITY COMMISSION OF THE CITY OF MADISON, SOUTH DAKOTA DETERMINES:

I.

That ample and suitable resources exist to accommodate the orderly growth and development of said territory and that municipal utilities and a major street network are, considered in terms of the boundary extension.

II.

The following is a definite timetable upon which municipal services will be extended into said territory:

TIMETABLE

1. GENERAL SERVICES - All services provided by the City, except as set forth below, will be provided to the annexed area on the same basis such services are provided to the rest of the City upon annexation.

2. POLICE - All services provided by the Madison Police Department will be extended to the annexed area on the same basis such services are provided to the rest of the City. Police services will be provided by existing personnel with no anticipation of hiring of additional personnel in the department solely due to the annexation of this territory.

3. FIRE - Until completion of new water mains, fire protection will be provided upon the same basis as currently provided to other areas of town where water mains do not exist. Upon completion of the new water mains and fire hydrants all services provided by the Madison Fire Department will be extended to the annexed area. Fire services will be provided by the existing volunteer fire department under the auspicious authority of the City of Madison.

4. WATER SERVICE - Water service, substantially equivalent in standard and scope to such service provided to the rest of the City will be made available to the annexed area, on the following basis:

(a) Water main extension will be constructed by developers as future development takes place or by private parties constructing such extensions after notice and approval by the City in compliance with the City standards, or by the City under a resolution of necessity therefore.

5. SEWER SERVICE - Sewer service, substantially equivalent in standard and scope to such service provided to the rest of the City, will be made available to the annexed area on the following basis:

(a) Sewer system extension will be constructed by the developers as future development takes place, by private parties constructing such extensions after notice and approval by the City in compliance with the City standards, or by the City under a resolution of necessity therefore.

6. ELECTRICITY - Electrical service, substantially equivalent in standard and scope to such services provided to the City made available to the annexed area on the following basis:

(a) Those customers presently being served by Sioux Valley Southwestern Electric Association a/k/a Sioux Valley will continue to be served by Sioux Valley at Sioux Valley rates until conversion to the City system, which is estimated to take place within one year following annexation. At that time these customers will pay the City's electrical rate, plus a surcharge of 33 1/3% to allow for provision of that same surcharge amount, which would equal 25% of gross revenues, to Sioux Valley in conformance with South Dakota law. Unless the seven year period is otherwise shortened in conformance with South Dakota law, the surcharge shall continue for seven (7) years from imposition of the surcharge.

(b) After the expiration of the above referenced period those customers shall be served with same service and at same rate as the balance of the City.

(c) Any new construction in the Sioux Valley service territory or in the annexed territory previously served by Sioux Valley will pay the City's electrical rate plus a surcharge of 33 1/3% to allow for provision of that same surcharge amount, which would equal 25% of gross revenues, to Sioux Valley in conformance with South Dakota law. The surcharge shall continue for any remaining portion of the above referenced period established in Subsection (a).

7. **STREETS** - Street maintenance, sweeping, snow removal and roadside mowing shall be provided for existing public streets within the annexed area on the same basis as such services are provided to the rest of the City.

(a) Improvement of roads, lighting and sidewalk shall be done on the same basis and criteria as similar improvements within the City. Depending on the project, residents within the territory may be required to participate by special assessment on share basis as other impacted areas of the City.

(b) In order for some improvements to be made it may be necessary for residents to grant roadway right of way and/or easements.

(c) Street lighting generally is not provided on gravel or unimproved streets. Street lighting will be provided in accordance with criteria generally employed throughout the City and with due consideration of the wishes of the residents.

8. **SOLID WASTE COLLECTION AND DISPOSAL** - Collection of solid waste and disposal, substantially equivalent in standard, scope and cost as such services is provided to the balance of the City.

9. **PARKS AND RECREATION** - All services provided by the Parks and Recreation Department will be made available to residents of the annexed territory on the same basis such services are provided to the rest of the City.

10. **LIBRARY** - All services provided by the City shall be made available to the residents of the annexed territory on the same basis such services are provided to the rest of the City.

11. **STORM DRAINAGE** - It will be necessary for the developer to provide for culverts, storm sewers, catch basins, stormwater detention facilities and drainage easements across private land as required by the City.

(a) Storm drainage facilities will be constructed by the developer as future development takes place in accordance with the development drainage plans subject to final approval by the City.

(b) Costs for constructing storm drainage improvements/facilities will be paid directly by the developer. The developer shall be responsible for the design of the storm drainage

improvements subject to the approval of the City. Said design shall be coordinated with and be in conformance with any City independent master drainage plan study.

(c) Maintenance of the detention pond facilities shall be the responsibility of the developer. The developer shall provide suitable means for access to all drainage facilities subject to the approval of the City.

III.

That the approximate costs of the extended service to the residents of said territory and to the City are as follows:

APPROXIMATE COSTS

1. GENERAL SERVICES - All services as set forth in Paragraph II of the Timetable will be provided to the annexed area at the first year costs as indicated below; provided, however, that the use of services requiring the payment of fees shall be provided in return for payment of such fees in accordance with the applicable ordinances and regulations.

2. ADMINISTRATIVE SERVICES - It is anticipated no or minimal additional costs will be incurred by the City in providing services through the general fund in such areas as finance office, engineering, fire, library, police, street and parks.

3. WATER - The City's water system is operated on an enterprise fund basis; i.e., the revenue produced from water service charges are used to provide water supply and to maintain the system. The cost, not including costs to be assessed as set forth below, to the residents of the annexed area and other water users for supply and system maintenance would be the monthly water service charges prescribed by ordinance for users of the system. The cost to the City for any given period is necessarily speculative but in the long run would be roughly equivalent to the revenue generated from water service charges. Revenues and expenditures associated with the annexed area would not be separated from the enterprise fund for the entire system.

Costs for constructing additions to the City's water system will be assessed according to law, constructed by the City, will be paid by the developer or other persons constructing such additions. All related water extension costs are to be borne by the developer as the property is developed in accordance with the plans and specifications subject to the approval of the City.

4. SEWER - The City's sewer system is operated on an enterprise fund basis; i.e., the revenue produced from water service charges are used to provide sewer supply and to maintain the system. The cost, not including costs to be assessed as set forth below, to the residents of the annexed area and other sewer users for sewer supply and system maintenance would be the sewer service charges prescribed by ordinance for users of the system. The cost to the City for any given period is necessarily speculative but in the long run would be roughly equivalent to the revenue generated from sewer service charges. Revenues and expenditures associated with the annexed area would not be separated from the enterprise fund for the entire system.

Costs for constructing additions to the City's sewer system will be assessed according to law, constructed by the City, will be paid by the developer or other persons constructing such additions. All related water extension costs are to be borne by the developer as the property is developed in accordance with the plans and specifications subject to the approval of the City.

5. SOLID WASTE COLLECTION AND DISPOSAL - The City's solid waste collection system is operated on an enterprise fund basis. The sanitation system serves only residential occupancies. The annexed area is included in the service area and the cost to the residents will be the garbage service charge prescribed by residents. As City is not providing commercial collection system and the exclusive use of the property is commercial solid waste collection will be the responsibility of the property owners.

The rates for garbage collection and disposal service are designed to be roughly equivalent to the long-run cost to the City of providing such service.

The cost of providing use of the City's landfill is on the basis of the cost to other City residents.

6. PARKS AND RECREATION - All existing services provided by the Parks and Recreation Department will be provided to the residents of the annexed territory on the same basis as to other City residents.

7. PUBLIC LIBRARY - All services provided by the City will be provided to the residents of the annexed area on basis as to other City residents.

8. UTILITY HOOKUPS - New customers, subject to approval of the City Commission, may be allowed to connect to utilities lines/mains upon payment of any required hookup fees or charges.

9. SALES TAX- The annexed territory shall be subject to sales tax on the same basis and terms as the balance of the City.

10. MISCELLANEOUS SERVICES - The foregoing notwithstanding, the residents of the annexed area will be subject to all of the various fees and charges provided by ordinance, regulations, or administrative action for numerous services provided by the City. The incidence of such charges is highly speculative and largely within the choice of the person to be charged. Examples of such charges range from building permit fees, to library book fines, from copy charges to charges for swimming pool passes.

IV.

The estimated difference in tax assessment rate for the residents of said territory is as follows:

For property within the annexed area, based upon current mill levies property taxes would be increased approximately 8.757 mills.

V.

That exclusions or irregularities in boundary lines are not the result of arbitrariness but are based upon existing City limit lines, existing features, existing property boundaries, existing occupancies and uses and upon the petition of the legal voters and landowners.

VI.

That there is reasonable present and demonstrable future needs for annexing said territory.

VII.

That population and census data indicate that the City has and may experience growth or development beyond its present boundaries.

VIII.

That there exists a community of interest between the within described territory and the existing City of Madison.

IX.

That there are no significant physical barriers between the within described territory and the existing City of Madison.

X.

That annexation of the within described territory of the City of Madison will result in a more compact, integrated entity.

XI.

This resolution is based upon the petition previously set forth.

Dated this 22nd day of April, 2013.

CITY OF MADISON

/s/Gene Hexom
Mayor

ATTEST: /s/Jennifer Eimers
Finance Officer