

CITY OF ONIDA

Resolution 2017-11

APPROVAL FOR SULLY COUNTY REGIONAL RAILROAD AUTHORITY TO LEVY TAXES IN RELATION TO RAIL PROJECT IN ONIDA, SOUTH DAKOTA

WHEREAS, the Sully County Regional Railroad Authority has authorized applying for a loan, subject to approval from the South Dakota State Railroad Board, in the amount of Three Million, Five Hundred Fifty Thousand Dollars (\$3,550,000.00) amortized over fifteen (15) years at the annual rate of two percent (2.0%) per year to fund the construction of a new railroad siding project to serve facilities to be operated by RingNeck Energy, LLC in Onida, South Dakota; and

WHEREAS, the South Dakota State Railroad Board requires a resolution from the City of Onida, acknowledging the authority of the Sully County Regional Railroad Authority to certify any tax levy as allowed by SDCL 49-17A-21 to be used in the event of default to pay such annual payments as may be required to service the project debt arising from the construction of the siding extension project;

NOW, THEREORE, BE IT RESOLVED, the City of Onida, South Dakota, hereby grants approval for the Sully County Regional Railroad Authority to certify the amount of tax to be levied as allowed by SDCL 49-17A-21 or repayment of the said loan, plus interest, at the rate specified above, in the event of default by Sully County Regional Railroad Authority and RingNeck Energy, LLC.

Passed, approved and adopted this 5th day of July, 2017 on a motion by Mosiman seconded by Porter. Motion carried.

Voting on Motion: Yea () Miller, Mosiman, Pitlick, Porter

Abstain() Gruis

Absent() Soderholm

President, Marla Mosiman

Finance Officer, Rondha Hiller

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