

**ORDINANCE #3737****AN ORDINANCE AMENDING SECTIONS 13.08.010, 13.08.370, AND ADDING A NEW ARTICLE VIII SECTIONS 13.08.700 AND 13.08.710 TO CHAPTER 13.08 OF THE RAPID CITY MUNICIPAL CODE CITY OF RAPID CITY RELATING TO THE SEWER SERVICE SYSTEM.****FINDINGS**

The City hereby finds that:

- (a) New residential and nonresidential development create additional system demand in both treatment and collection components of the Water Reclamation Facility.
- (b) There exists no current method for generating revenue to contribute to the increased costs of providing for this additional capacity from new development.
- (c) Studies project that new development will continue and will place ever-increasing demands on the City to provide public facilities to serve new development.
- (d) To the extent that new development benefits from and places demands upon the public facilities, those demands should be satisfied by shifting the responsibility for financing part or all of such increased system capacity from the public to the new development creating the demands.
- (e) The City is responsible for and is committed to providing public facilities at levels necessary to cure any existing deficiencies in already developed areas.
- (f) It is the intent of the City Council that if a part of this ordinance chapter is invalid, all valid parts that are severable from the invalid part remain in effect.

**BE IT ORDAINED** by the City of Rapid City that Section 13.08.010 of Chapter 13.08 of the Rapid City Municipal Code be and is hereby amended by adding new definitions to read as follows:

**13.08.010 Definitions.**

"Capacity" is defined as the treatment, supply, storage, and pumping capabilities of the municipal wastewater utility system.

"SFRE" means single family residential equivalent, defined by the director as 280 gallons of wastewater discharged per day. This number is calculated as eighty percent (80%) of the SFRE for water usage, and specifically excludes inflow and infiltration in the collection system.

"Unit" means one hundred (100) cubic feet.

**BE IT FURTHER ORDAINED** by the City of Rapid City that Section 13.08.370 of Chapter 13.08 of the Rapid City Municipal Code be and is hereby amended to read as follows:

**13.08.370 Sewer use charge.****A. Minimum Rate and Monthly Charge.**

1. All wastewater and industrial waste discharged to the wastewater facilities shall be paid for by the tenant or owner of the premises served, at the following rates:

Year	Rate per unit	Surcharge	Final Rate
2002	\$1.46	\$0.14	\$1.60
2003	1.66	0.14	1.80
2004	1.91	0.14	2.05
2005	2.21	0.14	2.35

The minimum monthly charge shall be four dollars (\$4.00) per user.

2. The Director shall, at the second Common Council meeting in May of each year, present to the Council an accounting of the status of the wastewater utility and his or her recommendation regarding changes in the sewer use charge. If the Council determines that the rate increase according to the table in Paragraph A.1 above is not required, it shall resolve that the sewer use charge shall remain at the current rate for one year. In the year following the year in which the rate freeze was enacted, the rate shall automatically increase to the next higher incremental rate unless the Council resolves otherwise.

23. The rate to be paid for sewer service through lines owned by a governmental entity other than the city shall be eighty five percent (85%) of the rate charged to retail customers of the wastewater utility established by contract.

34. There is established and imposed, pursuant to the authority of SDCL Chapter 9-40, a surcharge upon sewer service, the proceeds of such surcharge to be used for the payment of the principal of and interest on bonds issued under the authority of SDCL Chapter 9-40. No portion of the proceeds of such surcharge shall be expended for any purpose other than retiring sewer bonds until all of such bonds have been retired. The surcharge shall be imposed at the rate of fourteen cents per one hundred cubic feet of wastewater discharge to the wastewater facilities, and is included in the Final Rate as shown in Subsection (A)(1). ~~The charge shall be in addition to any charges imposed under subsections (A)(1) or (2) of this section.~~

45. Whereas the state has imposed the tax denominated as an environmental fee upon municipal sewage collection systems, there is imposed a surcharge as set forth below, in addition to the charges established elsewhere in this article:  
The charge shall be based upon the size of the water meter measuring the water supplied to the premises as set forth below:

Meter Size	Annual City Environmental Tax Surcharge
5/8"	\$ 3.15
3/4"	3.55
1"	4.35
1 1/2"	5.60
2"	8.75
3"	34.30
4"	43.75
6"	65.60

8"	87.47
Irrigation	0.0
Unmetered	3.15

Such surcharge shall be billed and collected with the monthly bill for December of each year.

B. Rate Determination. The methods used for determining the sewer use charge shall be as follows:

1. Residential Users. The wastewater flow from residential connections shall be determined each year from the metered water use for three winter months using the water meter readings taken in January, February and March. The average monthly winter use, measured in ~~hundred's of cubic feet~~ units, shall be multiplied by the applicable rate and the product will determine the monthly sewer use charge for the twelve-month period commencing April 1st for each year. New residential users or intermittent users shall pay a sewer use charge based on the average single-family residential water use of seven ~~hundred cubic feet per~~ units per month per dwelling unit served and this volume shall be used until the end of the next averaging period (December, January and February). For any of the three averaging months in which the meter is not actually read, the amount of seven ~~hundred cubic feet~~ units times the number of dwelling units shall be inserted for that month to determine the average for the three months.

2. Commercial and Institutional Users Discharging Domestic Wastewater. The sewer use charge for commercial and institutional connections discharging wastewaters similar in physical, biological and chemical quality to domestic wastewater shall be determined by multiplying the monthly wastewater volume in ~~one hundred cubic feet~~ units by the rate established by subsection A of this section per unit ~~one hundred cubic feet~~. The wastewater volume shall be determined from the monthly metered water unless special allowances are made or the wastewater is metered as provided herein.

3. Industrial Users. The sewer charge for industrial connections shall be determined by multiplying the monthly wastewater volume, measured in ~~unit~~ unit ~~one hundred cubic feet~~ by the rate established by subsection A of this section per unit ~~one hundred cubic feet~~ whenever the BOD concentration is less than two hundred sixty mg/l and the suspended solids concentration is less than three hundred mg/l based on the average of flow proportioned, composite samples, collected at the times, frequencies and in the manner designated by the director. Whenever the BOD concentration exceeds two hundred sixty mg/l or the suspended solids concentration exceeds three hundred mg/l, based on the sampling and testing program specified by the director, a surcharge will be assessed ~~at the following rates~~ on the portion of wastes in excess of two hundred sixty ppm BOD or three hundred ppm TSS at the rate of ~~:-~~ eleven cents per pound of BOD and seven cents per pound of TSS.

C. Special Arrangements. Any industrial user receiving metered water for uses resulting in portions of the water not going to the wastewater facilities may have its sewer use charge adjusted by showing, at the ~~owner's~~ user's expense, what percentage of the metered water is not discharged to the wastewater facilities. The maximum allowance for irrigation shall be an application rate of twenty-four inches per year per square foot of area being irrigated.

D. Monitoring. All categorical and significant industrial users shall, at their own expense, monitor their wastewater discharge to determine their sewer use rate. Any other industrial user choosing to monitor its discharge may do so at its own expense.

E. Exempt From Monitoring. All minor industrial users shall be exempt from self-monitoring for the purposes of this section.

F. Wastewater Volume Measurement.

1. Any industrial user may choose to measure the actual wastewater flow in lieu of basing the wastewater use charges on the metered water. In such cases, the conditions set forth herein shall apply.

2. Any industrial user receiving nonmetered water shall either install water meters for all nonmetered sources or provide wastewater flow measurement in accordance to the conditions set forth herein.

3. All meters for nonmetered water sources and wastewater flow measurement devices shall be installed in accordance with plans and specifications approved by the director. All costs for design and installation shall be borne by the user owner. The user owner shall guarantee the city access to the meter or meters for periodic meter reading.

G. Review of Each User's Wastewater Service Charge. If an industrial user has completed in-plant modifications which would change the user's wastewater characteristics or flows, the user can request that the director adjust the industrial user's surcharge rate. The director's decision can be appealed to the city council in a manner designated in Section 13.08.420.

**BE IT FURTHER ORDAINED** by the City of Rapid City that a new Article VIII be and hereby is added commencing with Section 13.08.700, and a new Section 13.08.700 Chapter 13.08 of the Rapid City Municipal Code be and is hereby added to read as follows:

ARTICLE VIII

**13.08.700 Capital Development Fees**

Every application for a connection permit, submitted in accordance with Section 13.08.090, shall pay in addition to the connection fee as listed in Section 13.08.360 hereinabove, an additional sum for capital development to be determined as follows:

A. Residential Connection: A single family residence, including, but not limited to, condominiums and townhomes, with a single sewer connection shall pay a capital development fee of \$750.00.

B. Multifamily Residential connections: Multifamily residential units shall be charged a capital development fee in the following amounts per dwelling unit:

One (1) bedroom dwelling unit .....0.7 SFRE (\$525)

Two (2) bedroom dwelling unit .....0.8 SFRE (\$600)

Three (3) or more bedroom dwelling unit.....1.0 SFRE (\$750)

C. Commercial and Industrial connections: Commercial and Industrial users shall pay a Capital Development Fee equal to \$750.00 per SFRE. The addition of a larger meter or additional meters at any time in the future will incur an additional Capital Development

Fee. The number of SFREs per commercial and industrial user shall be determined based on the water meter size as follows:

<u>Meter Size</u>	<u>Commercial and Industrial SFRE</u>
<u>5/8"</u>	<u>1.0</u>
<u>3/4"</u>	<u>1.1</u>
<u>1"</u>	<u>1.4</u>
<u>1 1/2"</u>	<u>1.8</u>
<u>2"</u>	<u>2.9</u>
<u>3"</u>	<u>11.0</u>
<u>4"</u>	<u>14.0</u>
<u>6"</u>	<u>21.0</u>
<u>8"</u>	<u>29.0</u>
<u>Irrigation</u>	<u>0.0</u>
<u>Unmetered</u>	<u>0.0</u>

D. Users of Systems Other Than City Systems. If a user is connected to a system which is charged the wholesale rate, such wholesale user shall be charged a capital development fee equal to eighty five percent (85%) of the capital development fee charged to retail customers. Such fee shall be payable at the time the new user connects to the wholesale customer's system, or at the time of issuance of a building permit, whichever is earlier.

E. Annexed Users. Users whose property is annexed to the City and are not currently connected to the City system shall pay the appropriate capital development fee as listed in this section. Such payment shall be paid prior to connection to the City system.

F. If the City assumes a private system which contributes to the capacity of the City system, the Director may negotiate, subject to Council approval, a discount in the capital development fee chargeable to the users of the private system in exchange for the body having authority over the private system continuing to maintain or deeding to the City all of the components of the private system. Any fee charged under this paragraph shall be payable at the time the new user connects to the city's system, or at the time of issuance of a building permit, whichever is earlier.

G. Waiver for Affordable Housing. Any user subject to the capital development fee may apply for a waiver of such capital development fee if the structure to which the capital development fee applies was constructed using a federal, state, local, or private non-profit subsidy designed to encourage the construction of low-income housing. The authority to grant such a waiver shall reside with the Director or his designee. A denial of such a waiver may be appealed to the Council.

**BE IT FURTHER ORDAINED** by the City of Rapid City that new Section 13.08.710 of Chapter 13.08 of the Rapid City Municipal Code be and is hereby added to read as follows:

13.08.710 Capital Improvements Not Covered by the Capital Development Fee. The City reserves the right to assess or otherwise charge to new users any capital improvement required to provide city transmission and treatment that was not specifically listed in the Rapid City Water Reclamation Utility Rate Study (ongoing August 2001), The Rapid City Water Rate Study Addendum, Capital Development Fees for the Water Utility and the Water Reclamation Utility, dated \_\_\_\_\_, or such other similar document as may be generated from time to time.

**BE IT FURTHER ORDAINED** by the City of Rapid City that new Section 13.08.720 of Chapter 13.08 of the Rapid City Municipal Code be and is hereby added to read as follows:  
13.08.720 Use of fees.

C. All capital development fees paid to the City pursuant to this Article shall be deposited in a separate account in the wastewater enterprise fund, and used exclusively for the purpose of wastewater system expansion.

CITY OF RAPID CITY

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Mayor

ATTEST:

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Finance Officer  
(SEAL)

First Reading:  
Second Reading:  
Published:  
Effective: