

**ORDINANCE NO. 5581**

**AN ORDINANCE INCREASING THE INCOME THRESHOLD FOR THE CITY'S WATER RATE RELIEF PROGRAM BY AMENDING SECTION 13.04.590 OF THE RAPID CITY MUNICIPAL CODE.**

WHEREAS, the City has adopted a water rate relief program for certain residential users of the City's water system; and

WHEREAS, the City's water relief program is based on the income thresholds established by the State of South Dakota in its freeze on assessments for disabled and senior citizens program; and

WHEREAS, for the upcoming year the State has raised the income thresholds for this program; and

WHEREAS, the Common Council of the City of Rapid City finds that it is in the best interests of the City to increase the income thresholds for its water relief program to match those of the State program by amending Section 13.04.590 of the Rapid City Municipal Code.

NOW THEREFORE, BE IT ORDAINED, by the City of Rapid City that Section 13.04.590 of the Rapid City Municipal Code be amended to read as follows:

**13.04.590 Rates prescribed.**

A. All water taken from the waterworks system shall be metered or accounted for by a method approved by the Director of Public Works and shall be paid for monthly by the consumer named on the account, based upon monthly meter readings or estimates, at the following rates:

1. For water delivered to service lines through mains owned by the city for all Residential Users:

Starting with the February 2009 Water Bills

Unit Tier	Rate per Unit
Tier 1	\$2.13
Tier 2	\$2.31
Tier 3	\$2.69
Tier 4	\$3.15

Starting in January 2010

Unit Tier	Rate per Unit
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Tier 1	\$2.34
Tier 2	\$2.53
Tier 3	\$2.95
Tier 4	\$3.45

Starting in January 2011

Unit Tier	Rate per Unit
Tier 1	\$2.55
Tier 2	\$2.75
Tier 3	\$3.19
Tier 4	\$3.71

Starting in January 2012

Unit Tier	Rate per Unit
Tier 1	\$2.83
Tier 2	\$3.03
Tier 3	\$3.47
Tier 4	\$3.99

Starting in January 2013

Unit Tier	Rate per Unit
Tier 1	\$3.11
Tier 2	\$3.32
Tier 3	\$3.77
Tier 4	\$4.31

2. Unit Sales associated with the tiers shown above are billed according to the following tier structure:

a. Single Family Residential:

Meter <b>Size</b>	Tier 1 (Unit)	Tier 2 (Unit)	Tier 3 (Unit)	Tier 4 (Unit)
5/8	0-10	11-40	41-75	>75
3/4	0-10	11-40	41-75	>75
1	0-10	11-40	41-75	>75
1-1/2	0-10	11-40	41-75	>75
2	0-10	11-40	41-75	>75

3	—	—	—	—
4	—	—	—	—
6	—	—	—	—
8	—	—	—	—

b. Multi-Family Residential:

Meter Size	Tier 1 (Unit)	Tier 2 (Unit)	Tier 3 (Unit)	Tier 4 (Unit)
5/8	0-10	11-40	41-75	>75
3/4	0-15	16-45	46-80	>80
1	0-20	21-50	51-85	>85
1-1/2	0-50	51-100	101-150	>150
2	0-100	101-150	151-200	>200
3	0-150	151-200	201-250	>250
4	0-200	201-300	301-400	>400
6	0-200	201-300	301-400	>400
8	0-200	201-300	301-400	>400

3. For all water delivered to service lines through mains owned by the city for all Commercial and Industrial users:

Starting with the February 2009 Water Bills

Number of Units	Rate per Unit
All Units Used	\$2.21

Starting in January 2010

Unit Tier	Rate per Unit
All Units Used	\$2.44

Starting in January 2011

Unit Tier	Rate per Unit
All Units Used	\$2.68

Starting in January 2012

Unit Tier	Rate per Unit
All Units Used	\$2.96

Starting in January 2013

Unit Tier	Rate per Unit
All Units Used	\$3.22

4. Commercial and Industrial users purchasing water for irrigation use are required to install a separate Irrigation Meter. For water delivered to service lines through mains owned by the city for all water measured by dedicated Irrigation and Leased Account meters:

Starting with the February 2009 Water Bills

Unit Tier	Rate per Unit
Tier 1	\$2.31
Tier 2	\$2.69
Tier 3	\$3.15

Starting in January 2010

Unit Tier	Rate per Unit
Tier 1	\$2.53
Tier 2	\$2.95
Tier 3	\$3.45

Starting in January 2011

Unit Tier	Rate per Unit
Tier 1	\$2.75
Tier 2	\$3.19
Tier 3	\$3.71

Starting in January 2012

Unit Tier	Rate per Unit
Tier 1	\$3.03
Tier 2	\$3.47
Tier 3	\$3.99

Starting in January 2013

Unit Tier	Rate per Unit
Tier 1	\$3.32
Tier 2	\$3.77
Tier 3	\$4.31

5. Unit sales associated with the tiers shown above are billed according to the following tier structure:

Irrigation and Leased Accounts:

Meter Size	Tier 1 (Units)	Tier 2 (Units)	Tier 3 (Units)
5/8	0-30	31-65	>65
3/4	0-30	31-65	>65
1	0-30	31-65	>65
1-1/2	0-50	51-100	>100
2	0-50	51-100	>100
3	0-50	51-100	>100
4	0-100	101-200	>200
6	0-100	101-200	>200
8	0-100	101-200	>200

6. An advanced payment, which shall be included in the first month's billing, and will be applied as a credit against the final bill, shall be charge for each account as follows:

Meter Size	2009	2010	2011	2012	2013
3/4 and smaller	\$30.00	\$33.00	\$36.30	\$39.93	\$43.92
Larger than 3/4	\$120.00	\$132.00	\$145.20	\$159.72	\$175.69

7. For water delivered to service lines through the city or privately owned water mains outside the city limits or through mains owned by a governmental entity other than the city, the rates shall be established by contract.

8. Water sold to Ellsworth Air Force Base outside the city shall be negotiated between the city and Ellsworth Air Force Base.

9. Raw water:

At February 2009 Bill	\$ .28 per unit
After January 2010 of:	\$ .30 per unit

2011	\$.32 per unit
2012	\$.35 per unit
2013	\$.38 per unit

B. The monthly meter charge for Residential, Commercial, Industrial, Irrigation, and Leased Account users shall be as follows:

1. A Meter Charge, based upon the size of the water meter serving the user, shall be paid for by the owner of the premises served. As set forth below, this Meter Charge shall include a charge associated with operating and debt service expense plus a surcharge associated with an environmental fee. The environmental fee shall be applied to Residential, Commercial, and Industrial accounts only.

2. The environmental fee surcharge covers the tax imposed by the state as an environmental fee upon drinking water treatment systems.

a. Residential:

Starting with the February 2009 Water Bills

Meter Size	Monthly Meter Charge	Environmental Fee Surcharge	Final Monthly Meter Charge
5/8	\$6.75	\$.09	\$6.84
3/4	\$7.49	\$.09	\$7.58
1	\$9.12	\$.09	\$9.21
1.5	\$12.66	\$.09	\$12.75
2	\$17.88	\$.09	\$17.97
3	\$38.72	\$.09	\$38.81
4	\$55.07	\$.09	\$55.16
6	\$95.16	\$.09	\$95.25
8	\$144.20	\$.09	\$144.29

Starting in January 2010

Meter Size	Monthly Meter Charge	Environmental Fee Surcharge	Final Monthly Meter Charge
5/8	\$6.92	\$.10	\$7.02
3/4	\$7.68	\$.10	\$7.78

1	\$9.37	\$.10	\$9.47
1.5	\$13.01	\$.10	\$13.11
2	\$18.39	\$.10	\$18.49
3	\$39.85	\$.10	\$39.95
4	\$56.69	\$.10	\$56.79
6	\$97.98	\$.10	\$98.08
8	\$148.50	\$.10	\$148.60

Starting in January 2011

Meter Size	Monthly Meter Charge	Environmental Fee Surcharge	Final Monthly Meter Charge
5/8	\$7.22	\$.10	\$7.32
3/4	\$8.02	\$.10	\$8.12
1	\$9.79	\$.10	\$9.89
1.5	\$13.61	\$.10	\$13.71
2	\$19.26	\$.10	\$19.36
3	\$41.80	\$.10	\$41.90
4	\$59.48	\$.10	\$59.58
6	\$102.83	\$.10	\$102.93
8	\$155.87	\$.10	\$155.97

Starting in January 2012

Meter Size	Monthly Meter Charge	Environmental Fee Surcharge	Final Monthly Meter Charge
5/8	\$7.22	\$.11	\$7.33
3/4	\$8.02	\$.11	\$8.13
1	\$9.79	\$.11	\$9.90
1.5	\$13.61	\$.11	\$13.72
2	\$19.26	\$.11	\$19.37
3	\$41.80	\$.11	\$41.91
4	\$59.48	\$.11	\$59.59
6	\$102.83	\$.11	\$102.94
8	\$155.87	\$.11	\$155.98

Starting in January 2013

Meter Size	Monthly Meter Charge	Environmental	Final Monthly
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	Charge	Fee Surcharge	Meter Charge
5/8	\$7.28	\$.11	\$7.39
3/4	\$8.09	\$.11	\$8.20
1	\$9.87	\$.11	\$9.98
1.5	\$13.74	\$.11	\$13.85
2	\$19.44	\$.11	\$19.55
3	\$42.20	\$.11	\$42.31
4	\$60.06	\$.11	\$60.17
6	\$103.85	\$.11	\$103.96
8	\$157.42	\$.11	\$157.53

b. Commercial and Industrial:

Starting with the February 2009 Water Bills

Meter Size	Monthly Meter Charge	Environmental Fee Surcharge	Final Monthly Meter Charge
5/8	\$7.06	\$.09	\$7.15
3/4	\$9.12	\$.09	\$9.21
1	\$13.30	\$.09	\$13.39
1.5	\$23.50	\$.09	\$23.59
2	\$36.19	\$.09	\$36.28
3	\$69.76	\$.09	\$69.85
4	\$111.58	\$.09	\$111.67
6	\$215.77	\$.09	\$215.86
8	\$341.22	\$.09	\$341.31

Starting in January 2010

Meter Size	Monthly Meter Charge	Environmental Fee Surcharge	Final Monthly Meter Charge
5/8	\$7.06	\$.10	\$7.16
3/4	\$9.12	\$.10	\$9.22
1	\$13.30	\$.10	\$13.40
1.5	\$23.50	\$.10	\$23.60
2	\$36.19	\$.10	\$36.29
3	\$69.76	\$.10	\$69.86

4	\$111.58	\$.10	\$111.68
6	\$215.77	\$.10	\$215.87
8	\$341.22	\$.10	\$341.32

Starting in January 2011

Meter Size	Monthly Meter Charge	Environmental Fee Surcharge	Final Monthly Meter Charge
5/8	\$7.19	\$.10	\$7.29
3/4	\$9.28	\$.10	\$9.38
1	\$13.55	\$.10	\$13.65
1.5	\$23.95	\$.10	\$24.05
2	\$36.90	\$.10	\$37.00
3	\$71.14	\$.10	\$71.24
4	\$113.79	\$.10	\$113.89
6	\$220.06	\$.10	\$220.16
8	\$348.03	\$.10	\$348.13

Starting in January 2012

Meter Size	Monthly Meter Charge	Environmental Fee Surcharge	Final Monthly Meter Charge
5/8	\$7.19	\$.11	\$7.30
3/4	\$9.28	\$.11	\$9.39
1	\$13.55	\$.11	\$13.66
1.5	\$23.95	\$.11	\$24.06
2	\$36.90	\$.11	\$37.01
3	\$71.14	\$.11	\$71.25
4	\$113.79	\$.11	\$113.90
6	\$220.06	\$.11	\$220.17
8	\$348.03	\$.11	\$348.14

Starting in January 2013

Meter Size	Monthly Meter Charge	Environmental Fee Surcharge	Final Monthly Meter Charge
5/8	\$7.19	\$.11	\$7.30
3/4	\$9.28	\$.11	\$9.39
1	\$13.55	\$.11	\$13.66

1.5	\$23.95	\$.11	\$24.06
2	\$36.90	\$.11	\$37.01
3	\$71.14	\$.11	\$71.25
4	\$113.79	\$.11	\$113.90
6	\$220.06	\$.11	\$220.17
8	\$348.03	\$.11	\$348.14

c. Irrigation and Leased Accounts:

Starting with the February 2009 Water Bills

Meter Size	Final Monthly Meter Charge
5/8	\$14.95
3/4	\$17.36
1	\$22.53
1.5	\$34.28
2	\$50.44
3	\$106.66
4	\$158.32
6	\$285.80
8	\$440.77

Starting in January 2010

Meter Size	Final Monthly Meter Charge
5/8	\$24.71
3/4	\$28.82
1	\$37.60
1.5	\$57.57
2	\$85.05
3	\$180.62
4	\$268.44
6	\$485.15
8	\$748.62

Starting in January 2011

Meter Size	Final Monthly Meter Charge
5/8	\$41.79
3/4	\$48.85
1	\$63.96
1.5	\$98.30
2	\$145.57
3	\$309.94
4	\$461.00
6	\$833.74
8	\$1,286.90

Starting in January 2012

Meter Size	Final Monthly Meter Charge
5/8	\$60.14
3/4	\$70.38
1	\$92.29
1.5	\$142.08
2	\$210.62
3	\$448.97
4	\$668.00
6	\$1,208.48
8	\$1,865.55

Starting in January 2013

Meter Size	Final Monthly Meter Charge
5/8	\$77.88
3/4	\$91.20
1	\$119.67
1.5	\$184.41
2	\$273.51
3	\$583.36
4	\$868.10

6	\$1,570.72
8	\$2,424.92

C. *Water Rate Relief Program.* Residential water users can apply for a freeze on water monthly meter and unit charges. Eligibility for this program is based upon criteria outlined by the State of South Dakota Department of Revenue and Regulation Property Tax Division for the purpose of the Freeze on Assessments of Dwellings of Disabled and Senior Citizens Program. The Water Rate Relief program shall be administered through the City Public Works Department. The Director of Public Works shall have the authority to establish policies and procedures for administration of the program and to designate the program's calendar year. In order to qualify for the program an applicant must meet the following criteria:

1. Must either be 65 years of age or older or disabled as defined by the Social Security Act.

2. Income (Applicants Federal adjusted gross income including social security payments) guidelines:

a. Single income household: Less than ~~\$22,573.68~~ 24,599.44;

b. Multiple income household (must include income of all household members): ~~\$28,217.10~~ 30,749.30.

3. Applicant may own, rent, lease, or have a life estate in the property for which the freeze is applied for. Applicant must physically reside at the property. The water bill must be in the Applicant's name. If the residence has multiple units, but is served by only 1 service line or meter, the residents of the property are not eligible for the program. If each unit has its own meter the residents may be eligible for the program if they meet the other criteria. If the applicant owns or has a life estate in the property it must have a fair market value of less than ~~\$154,950~~ 168,855.21. If the applicant rents or leases the property the rent or lease payment must be less than \$900 for a single person or less than \$1,200 for a multiple income household.

If an applicant qualifies for the program their water and meter rates will remain the same for a period of 1 year or until the yearly renewal date. The applicant must reapply every year. If the fair market value of the applicants property or the rent paid by them exceeds the threshold amounts, they can still qualify for the program if they were qualified in the immediately preceding year and remain domiciled in the same residence.

D. The Director shall, at the second meeting in May of each year, present to the Council an accounting of the status of the water utility and his or her recommendation regarding changes in the water use charge. If the Council determines that the rate increases according to the table in subsection subsections A and B of this section are

not required, it shall resolve that the water rate increase shall be suspended for 1 year. In the years 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.

E. No funds collected pursuant to charges imposed by subsections A. and B. of this Section shall be spent for other than waterworks expenditures.

F. A portion of the funds collected pursuant to charges imposed by subsections A. and B. of this section shall be spent on construction for water system replacement, improvement, and expansion/economic development type projects as defined in § 13.04.005. Funding will be allocated for replacement and improvement type projects in the water construction department 933. Funding will be allocated for expansion/economic development projects in department 934.

CITY OF RAPID CITY

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Mayor

ATTEST:

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Finance Officer  
(SEAL)

First Reading:  
Second Reading:  
Published:  
Effective: