

MEMORANDUM

4-06-05

TO: Mayor and Council

SUBJECT ORDINANCES: Water and Sewer

WATER ORDINANCE 4096

Section 13.04.650 states that customers experiencing accidental **line leaks** may have their water bills adjusted through a specified formula. For **fixture leaks** there will be no adjustment allowance.

PROBLEM: None – Background information for Council only

SEWER ORDINANCE 4097

RESIDENTIAL:

Residential sewer bills for the ensuing year are based upon the average water usage of December, January & February as reflected by the January, February and March meter readings.

PROBLEM: Residents experiencing **line leaks and fixture leaks** during the sewer-averaging period would experience inflated sewer bills. Historical policy has been to adjust sewer usage by taking their last three (3) years average or the minimum of 700 cu. Ft. if the record was less than 3 years. **There is no Ordinance Authority for these adjustments.**

Residents watering in drought conditions during any of the three (3) months from which the sewer rates are determined have no rate reduction allowance under the present ordinance. The City has historically adjusted their sewer usage in the same manner as if a leak. **Again, this has been done without Ordinance Authority.**

COMMERCIAL/INDUSTRIAL:

Under Ordinance 4097, 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 expense – what percentage of the metered water is not discharged to the wastewater facilities. No allowance will be granted for non-metered irrigation water.

PROBLEM: Historically, Utility billing has granted credit to Industrial users (Merrilat, ConAgra, Gillette, Rapid City Meats, Ridco) and commercials Rapid City YMCA and Rapid City Regional Hospital (evaporation and cooling towers only) which have proven water usage not going to the wastewater facilities. Additionally the City has historically allowed sixty-one (61) other Commercial/Industrial users that same benefit for water they used for irrigation. **The recent change in the ordinance no longer allows credit for irrigation. Additionally the Ordinance does not specifically list commercial users as eligible for these adjustments.**

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PROBLEM: None – Background information for Council only

SEWER ORDINANCE 4097 **STAFF RECOMMENDATION**

RESIDENTIAL:

Residential sewer bills for the ensuing year are based upon the average water usage of December, January & February as reflected by the January, February and March meter readings.

RECOMMENDATION: Residents experiencing **line leaks or fixture leaks** during the sewer averaging period **should be allowed sewer adjustments until the completion of the next sewer averaging period following notification of the utility billing service. Sewer adjustments will not be retroactive. Adjust sewer usage by taking their last three (3) years average or the minimum of 700 cu. Ft. if the record was less than 3 years.**

Residents watering in drought conditions during any of the three (3) months from which the sewer rates are determined **should be allowed rate reductions as per the above recommendation.**

COMMERCIAL/INDUSTRIAL:

Under Ordinance 4097, 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 expense – what percentage of the metered water is not discharged to the wastewater facilities. No allowance will be granted for non-metered irrigation water.

RECOMMENDATION: Historically, Utility billing has granted credit to Industrial users (Merrilat, ConAgra, Gillette, Rapid City Meats, Ridco) and commercials Rapid City YMCA and Rapid City Regional Hospital (evaporation and cooling towers only) which have proven water usage not going to the wastewater facilities. Additionally the City has historically allowed sixty-one (61) other Commercial/Industrial users that same benefit for water they used for irrigation. **The City should allow the designated schools and Saint Martens Academy to receive their historical allowances until**

**January 1, 2008, when all irrigation must be metered in order to be kept from sewer charges.**

Ordinance 4097 should be amended under 13.08.370 (C) to read “**Commercial/Industrial**” and not just “Industrial”.