

A RESOLUTION ESTABLISHING A POLICY TO REIMBURSE THE OWNERS OF
PRIVATE SEWER AND WATER SERVICE LINES SERVING MULTIPLE RESIDENCES
FOR THE COST OF REPAIRING OR REPLACING SUCH LINES.

WHEREAS, there exists within the corporate limits of the City of Rapid City numerous private sewer and water lines which serve more than one dwelling, which are located outside of dedicated right-of-way and which are not in compliance with current City Codes or specifications; and

WHEREAS, many of these sewer and water lines are in poor condition and are in need of repair and/or replacement; and

WHEREAS, failure of these types of sewer and water service lines poses a threat to public health and safety; and

WHEREAS, the vast majority of these service lines were constructed prior to 1970, since which time the owners of these lines have paid water and/or sewer use charges; and

WHEREAS, a portion of the water and sewer use charges paid by the owners of these service lines is dedicated to the reconstruction and/or replacement of sewer and/or water mains which are at the end of their useful life; and

WHEREAS, in 2005, the City Council adopted a resolution which authorized the City to pay up to 40% of the total project costs to replace or reconstruct sewer and water service lines; and

WHEREAS, the City Council has determined that it is in the best interests of the City of Rapid City to update this policy by supplementing the current policy by adding a graduated scale to govern the City's participation in the replacement and/or reconstruction of private sewer and water lines under certain conditions.

NOW THEREFORE, BE IT RESOLVED by the City of Rapid City that in addition to the current policy that was adopted in 2005, owners of private sewer and water lines serving a minimum of ten (10) utility customers may be approved by the City Council for an additional subsidy up to 100% of the repair/replacement cost for private sewer and water lines under the following conditions:

- 1) The private sewer/water line serves a minimum of ten (10) rate paying customers;
- 2) The private sewer/water line was installed prior to 1970;
- 3) The affected utility customers make such request for additional reimbursement and such request is approved by the City Council. The Council may deny such request if it finds that the specific circumstances of the situation do not warrant additional reimbursement.

BE IT FURTHER RESOLVED, should the City Council approve the request for additional reimbursement the amount of the reimbursement will be based on the following graduated scale:

- 1) Lines over 40 years old up to 50% reimbursement;
- 2) Lines over 50 years old up to 60% reimbursement;
- 3) Lines over 60 years old up to 70% reimbursement;
- 4) Lines over 70 years old up to 80% reimbursement;
- 5) Lines over 80 years old up to 90% reimbursement;
- 6) Lines over 90 years old up to 100% reimbursement;

These percentages are general guidelines, it shall be within the discretion of the City Council to decide how much actual reimbursement is warranted under the specific circumstances surrounding each request.

BE IT FURTHER RESOLVED, that should the City Council authorize an additional reimbursement, it shall be paid from the Sewer and Water Service Replacement Funds unless the City Council specifically directs that the funds be taken from a different source.

CITY OF RAPID CITY

Mayor

ATTEST:

Finance Officer

(SEAL)