## **ORDINANCE NO. 5633**

## AN ORDINANCE CHANGING THE CLASSIFICATION OF USERS OF UNTREATED IRRIGATION WATER FROM IRRIGATION USERS TO COMMERCIAL USERS BY AMENDING SECTION 13.04.005 OF THE RAPID CITY MUNICIPAL CODE.

WHEREAS, the City has several customers who use raw untreated water to irrigate their property; and

WHEREAS, there is a substantial difference in the cost of water production between irrigation customers who use raw water and those who use treated water; and

WHEREAS, raw water irrigation users pull water directly from the source without putting a burden on the treatment, storage or distribution capacity of the City's water system; and

WHEREAS, the City does not currently differentiate between raw and treated water irrigators with respect to meter charges; and

WHEREAS, the City's water and meter rates are designed to recoup the City's costs in producing water; and

WHEREAS, the rates currently charged for the City's irrigation clients using raw water exceeds the amount needed to recoup the City's cost of producing the water; and

WHEREAS, by classifying raw water irrigators as commercial users the City can attain its rate study goal for revenue generation; and

WHEREAS, the Common Council of the City of Rapid City finds that it is in the City's best interests to reclassify water customers who irrigate with raw water from irrigation users to commercial users by amending Section 13.04.005 of the Rapid City Municipal Code (RCMC).

NOW THEREFORE, BE IT ORDAINED, by the City of Rapid City that Section 13.04.005 of the RCMC be and hereby is, amended to read as follows:

## **13.04.005** Definitions.

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning. The definitions from other Chapters of this Code shall apply to this Chapter if any dispute arises over what is meant by any of the terms herein, unless such definition is directly contradicted by the terms of this Chapter.

*CAPACITY.* The supply, treatment, storage and pumping capabilities of the municipal water utility system.

**COMMERCIAL USER.** Any utility customer operating as a business, whether for profit or non-profit, publicly owned facilities, facilities which have a combination of residential and

commercial uses, user of untreated water and any other utility customer who does not fit into another rate classification.

INDUSTRIAL USER. A customer of the utility that creates a product.

**IRRIGATION USER.** A commercial or industrial user of the utility using <u>treated</u> water for outdoor irrigation of landscaping, vegetation or crops.

**LEASED ACCOUNT.** Account associated with parks, golf courses, and ball fields leased from the city.

## **PROJECT TYPES**:

- 1. *REPLACEMENT PROJECT.* A project which replaces or repairs existing infrastructure with similar components having more or less the same capacity as the original.
- 2. *IMPROVEMENT*. A project which provides for increased capacity, or improved efficiency to existing systems. This type of project is located within the existing city service area or corporate limits.
- 3. *EXPANSION/ECONOMIC DEVELOPMENT*. A project which extends water infrastructure to provide services for new developments.

**RESIDENTIAL USER.** Any utility customer using water for domestic, residential purposes. Includes single family residences, multiple family residences, and mobile home parks without a master meter, but excludes nursing homes, group homes and other similar commercial ventures.

**RETAIL RATE.** The average of the 4residential Tier rates.

**SERVICE AREA.** The geographic area in which the city currently provides an actual service. This contrasts with a planning service area in which the city may provide service in the future.

**UNIT.** One hundred cubic feet.

**UNIT TIER.** The range of units of water used subject to a specified charge.

WHOLESALE RATE. An amount equivalent to 85% of the retail rate.

	Mayor	
ATTEST:		
Finance Officer		
(SEAL)		
First Reading:		
Second Reading:		
Published:		
Effective:		