

SEWER SERVICE AGREEMENT

DATE: 3-25-02

BETWEEN

PAGES: 6

BLACK HAWK SANITARY DISTRICT

AND

CITY OF RAPID CITY, SOUTH DAKOTA

This Agreement made as of this _____ day of _____, 2002, by and between the City of Rapid City, a municipal corporation, organized under the laws of the State of South Dakota, hereinafter referred to as the "City," and the Black Hawk Sanitary District, a Sanitary District organized under the laws of the State of South Dakota, hereinafter referred to as the "District."

RECITALS

1. The City has constructed and operates a wastewater collection and treatment system for the purpose of collection, treatment and disposal of sewage;

2. The District has constructed and operates a sewage collection system in the Black Hawk Sanitary District;

3. The District is empowered under SDCL 34-17-27 to enter into a contract with the City to use the facilities of the City for the treatment and disposal of sewage of the District;

4. The City and the District desire to enter into a contract to allow the District to use the sewage collection treatment disposal facilities of the City and to establish rights and obligations incident thereto; and

5. The District is within the boundaries of the City planning area and the planning area defined in City's Water Reclamation Facilities Plan for Rapid City, South Dakota, dated 1998.

In consideration of the mutual covenants, agreements, and conditions contained herein, the City and the District agree as follows:

No. PW051502-13

**SECTION ONE
DEFINITIONS**

Words, terms and phrases of a technical nature relating to wastewater collection and treatment shall have the meaning assigned to them in Section 13.08.010 of the Rapid City Municipal Code and shall be interpreted as such throughout this Agreement.

**SECTION TWO
USE OF WASTEWATER TREATMENT WORKS**

The City hereby grants to the District the right to discharge sewage into the City's interceptor sewer line at manhole #D21-2-5, located on Universal Drive, approximately 750 feet west of Deadwood Avenue. The District will be utilizing the sewer line presently in existence and owned by Northdale Sanitary District. The District and Northdale Sanitary District have entered into a separate agreement whereby Northdale Sanitary District has allowed the District to use its interceptor sewer line, lift station and force main to discharge sewage into the City's interceptor sewer line at manhole #D21-2-5.

The City agrees to transport such sewage from the point of entry to the wastewater treatment works of the City, and to treat and dispose of such sewage, all subject to the conditions contained herein.

The District agrees to construct, at its expense, a flow meter to be located at a point prior to where the sewage discharge from the District is discharged into the interceptor sewer line owned by Northdale Sanitary District. Such flow meter shall be constructed at such a location, in such a manner and under such conditions as prescribed by the Public Works Director of the City, hereinafter referred to as "Director." The District shall calibrate the flow meter, at least annually, and shall provide the Director with the results of such calibration.

The District shall be responsible for the operation, maintenance, and replacement of all wastewater facilities from that connection point to and including the District's collection system.

No. PW051502-13

The District and Northdale Sanitary District have entered into a separate agreement sharing responsibility for the maintenance of the interceptor sewer line, lift station and force main owned by Northdale Sanitary District, which is being utilized by the District to make connection to the City's wastewater treatment works.

The District shall construct all wastewater infrastructure improvements in accordance with *City of Rapid City Standard Specifications for Public Works Construction*, current edition.

**SECTION THREE
ENACTMENT OF SEWER ORDINANCES**

The City agrees to furnish copies of City ordinances and the District agrees to enact applicable portions of such ordinances to govern the District, prior to discharge of any sewage into the City's system. The District agrees that the enacted ordinances shall comply with the regulations of the Federal Environmental Protection Agency and the South Dakota Department of Environment and Natural Resources. The District further agrees to enforce the terms of any such enacted ordinances and to furnish the City with a copy of such ordinances and any amendments adopted subsequent thereto. The District agrees to establish and enforce an industrial pre-treatment program at least equal to that established by the City in the event any user within the District conducts any operation, which would be subject to such program if located with the city limits of the City.

**SECTION FOUR
SERVICE CHARGES**

The District shall pay to the City, monthly, service charges based upon the amount of the sewer use charge, which the City is imposing upon its wastewater subscribers, as calculated pursuant to Section 13.08.370 of the City's Municipal Code, as said Section is in existence at the time of the entering into of this Agreement, and as said Section may be amended in the future to reflect any increase or decrease to the charge imposed by the City to be paid by a tenant or owner of premises served by the wastewater facilities of the City. At the time of the entering

into of this Agreement, Section 13.08.370 of the City's Municipal Code provides that the rate to be paid for sewer

service to the lines owned by a governmental entity, such as the District, shall be 85% of the rate charged to retail customers of the wastewater utility.

Service charges shall be payable monthly, on or before the tenth (10th) day of each month. The District shall be responsible for reading the flow meter and calculating the service charges due.

SECTION FIVE CONNECTION FEES

Prior to making connection to the City's interceptor sewer line, the District shall pay to the City a connection fee of \$400.00 per equivalent single family residential user that is connected to the District's wastewater collection system at the time that said fee is paid. The City recognizes that the District also serves the Black Hawk School. The District shall pay to the City a connection fee of \$1,200.00 for the Black Hawk School. The sewer use rate for the School shall be determined based upon the formula, which assumes that 23 students equals one SFRE, as defined by Section 13.08.010 of the City's Municipal Code.

The District may connect up to a maximum of 800 SFRE equivalents to its collection system at any time in the future.

Prior to permitting any additional users to connect to the District's wastewater collection system, the District shall pay to the City \$400.00 per SFRE.

The City recognizes that the majority of subscribers connected to the District's wastewater collection system were constructed using federal, state, local, or private non-profit subsidy designed to encourage the construction of low-income housing.

SECTION SIX INDUSTRIAL AND COMMERCIAL USERS

In the event an industrial or commercial user shall desire to convey wastes other than domestic sewage to District's collection system, this Agreement shall be amended to include a

permit system as provided in Section 13.08 of the City's Municipal Code, including pretreatment, monitoring, sampling, recordkeeping, and reporting as required under Section 13.08, and in compliance with federal categorical pretreatment standards, as provided in Section 13.08.330.

District shall permit no significant or minor industrial user to use District's collection system until such aforementioned conditions have been implemented by mutual agreement between the City and the District.

SECTION SEVEN ANNEXATIONS TO CITY

It is recognized and contemplated that the area within the boundaries of the District may, at some future date, be annexed into the city limits of the City and that the facilities of the District may be transferred to the City. To minimize the difficulty in accomplishing such consolidation, the District agrees that the facilities to be constructed and operated under this Agreement shall conform to the City standards and shall be located in public rights of way or in easements, which shall be transferable to the City.

SECTION EIGHT TEMPORARY DISCONTINUANCE OF SERVICE

The City reserves the right to temporarily discontinue service to the District whenever it is necessary to insure proper operation of the City's sewer system. No claims for damages for such discontinuance shall be made by the District against the City.

SECTION NINE TERM AND TERMINATION OF AGREEMENT

This Agreement shall be in full force and effect for a period of twenty (20) years from the date of the execution of this Agreement. After said twenty (20) year time period, either

BLACK HAWK SANITARY DISTRICT
AND CITY OF RAPID CITY, SOUTH DAKOTA

SEWER SERVICE AGREEMENT

party may terminate this Agreement upon one (1) year's written notice served upon the other party by delivering the same to the

Mayor of the City of Rapid City or the President of the Board of Trustees of the District, or at any time upon mutual consent of both parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement consisting of six (6) pages on the date first above written.

CITY OF RAPID CITY

BLACK HAWK SANITARY DISTRICT

BY: _____
Jerry Munson
Its: Mayor

BY: _____
DeeAnn Miller
Its: President,
Board of Trustees

ATTEST:

Finance Officer

(SEAL)