

SEWER SERVICE AGREEMENT
BETWEEN
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 34A-5-34 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 wastewater collection and treatment system 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:

**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.

One (1) SFRE equals one (1) single family residential user, as defined by Section 13.08.010 of the City's Municipal Code.

**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 collection and treatment system 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 sewage collection system.

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 collection and treatment system.

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 a premises served by the wastewater collection and treatment system 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 collection and treatment system.

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
CAPITAL DEVELOPMENT FEES**

Prior to making connection to the City's interceptor sewer line, the District agrees to pay capital development fees to the City, as follows:

1. **Amount of Fee:** The capital development fee to be paid by the District to the City for each of the connections set forth in paragraph 2 below shall be equal to \$750.00 per SFRE. The addition of a larger meter or additional meters at any time in the future will incur an additional capital development fee. The number of SFREs per user shall be determined based upon the water meter size:

Meter Size	Commercial and Industrial SFRE	Meter Size	Commercial and Industrial SFRE
5/8"	1.0	4"	14.0
3/4"	1.1	6"	21.0
1"	1.4	8"	29.0
1 1/2"	1.8	Irrigation	0.0
2"	2.9	Unmetered	0.0
3"	11.0		

2. **Connections Allowed:** The number of connections that the District shall be allowed to connect to the City's wastewater collection and treatment system shall be as follows:

- A. One Hundred Ninety-five (195) connections (plus one connection to the Black Hawk School), which represents all properties within the present boundaries of the District, which are either connected to or able to be connected to the District's sewage collection system.
- B. Eighteen (18) connections to serve the following properties, which will have access to the District's sewage collection system, but are not presently within the boundaries of the District, and will be served by the District through contract:

(INSERT LEGAL DESCRIPTION OF APPROXIMATELY 18 CONNECTIONS THAT CAN BE MADE TO THE DISTRICT LINE, WITHOUT ANNEXATION TO THE DISTRICT).

3. **Additional Connections:** Prior to the District making any additional connections to its sewage collection system, the City and the District shall negotiate concerning the number of additional connections that will be allowed by the City. The capital development fee to be charged for these additional connections shall be the capital development fee in effect under the then-current City ordinances, regulations or policies.

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 sewage 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 sewage collection system until such aforementioned conditions have been implemented by mutual agreement between the City and the District.

**SECTION SEVEN
ANNEXATIONS TO THE DISTRICT**

The present boundaries of the District are as defined in the map attached hereto and labeled Exhibit A, and by reference made a part hereof.

The District shall not allow the use of the District's sewage collection system by any properties, other than those properties set forth in Section Five, paragraphs 1.A, 1.B., and 1.C., except by mutual agreement between the City and the District.

The District shall not expand its boundaries into the present or future boundaries of the City, except by mutual agreement between the City and the District.

**SECTION EIGHT
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 sewage collection system of the District may be transferred to the City. To minimize the difficulty in accomplishing such consolidation, the District agrees that the sewage collection system constructed and operated under the terms of this Agreement shall conform to City standards and shall be located in public rights-of-way or in easements, which shall be transferable to the City.

In consideration of the City agreeing to provide the use of the wastewater collection and treatment system of the City to the District's subscribers who are not within the city limits of the City, the District agrees as follows:

1. That to the extent allowed by South Dakota statutes, the Board of Trustees of the District shall not oppose annexation of the real property within the boundaries of the District to the city limits of the City, at all times while this Agreement is in force.

2. The District agrees that it will, prior to making the initial connection to the City's interceptor sewer line, as provided for in Section Five above, obtain the signatures of at least fifty-one percent (51%) of the property owners connected to its sewage collection system, upon an agreement concerning

future annexation of the property to the City, the form of said agreement is attached hereto as Exhibit B, and made a part hereof.

**SECTION NINE
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 wastewater collection and treatment system. No claims for damages for such discontinuance shall be made by the District against the City.

**SECTION TEN
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 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 _____ (____) 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)