A RESOLUTION ESTABLISHING MATCHING FUNDS FOR REPLACING PRIVATELY-OWNED COMMON SEWER AND WATER SERVICE LINES WITH CITY MAINS

WHEREAS individual parcels or combined building lots desiring sewer or water service from the City of Rapid City shall have a public sewer or water main fronting one hundred percent (100%) of their parcel or combined building lot (unless a lesser percentage is agreed to by the Public Works Director); and

WHEREAS there exists within the corporate limits of the City of Rapid City numerous sewer and water service lines which serve more than one dwelling (common service lines) or individual services that run across other private property and/or which are located in the public right of way and run parallel to the right of way center-line (long service lines); and

WHEREAS many of those common service lines or long services are in poor condition; and

WHEREAS the large number of sewer common service lines and long service lines in poor condition result in instances where raw sewage escapes to the ground surface or backs up into basements where it constitutes a health hazard to persons who may come into contact with it and causes damage to personal and/or public property; and

WHEREAS the large number of water common services and long services in poor condition result in instances where the water line breaks which constitutes a potential health hazard to persons and causes damage to personal and/or public property; and

WHEREAS the majority of common service lines or long service lines were constructed in the 1950's and 1960's, since which time the owners of these service lines have paid sewer or water use charges of which a portion is dedicated for reconstruction or replacement of sewer and/or water mains at the end of their useful life; and

WHEREAS the City Council adopted a resolution in July of 1995 establishing matching funds for replacement of privately-owned common sewer service lines with city mains; and

WHEREAS it is now the desire of the City Council to adopt a resolution dealing with both sewer and water service lines and to adjust the funding level as established in 1995 to reflect inflation.

NOW, THEREFORE, BE IT RESOLVED by the City of Rapid City that a Sewer Service Replacement Fund and a Water Service Replacement Fund be established to assist property owners in constructing sewer or water mains to serve their property and replace common lines or long sewer or water service lines located in public right of way and/or running parallel to centerline and/or that run across other private property. Said sewer or water matching funds shall be budgeted annually from the sewer and water enterprise funds, or as otherwise may be directed by the City Council. The amount budgeted for the sewer and water matching funds shall not exceed \$100,000 each annually without Council authorization.

BE IT FURTHER RESOLVED that the criteria for qualifying projects shall be as follows:

<u>Funding level</u> shall not exceed the lesser of forty percent (40%) of total project costs (engineering; construction, including service lines from new main to property line; and assessment and inspection fees) or Four Thousand Dollars (\$4,000.00) per parcel or combined building lots. The Four Thousand Dollar (\$4,000.00) funding level will be increased on April 1st of each year based upon the South Dakota Construction Index as of December 31st of the preceding year.

Qualifying projects shall serve only properties of which eighty percent (80%) are zoned for residential use located within the City and at least eighty percent (80%) of the parcels have active water and/or sewer accounts.

Occupied dwellings must exist on at least eighty percent (80%) of individual parcels or combined building lots benefiting from the project.

<u>Petition from owners</u> of benefiting properties which comprise at least sixty-five percent (65%) of the total benefiting area or front footage must be submitted to the Public Works Department if the remainder of project funding is to be provided through the assessment process.

BE IT FURTHER RESOLVED that the Director of Public Works, or his designee, shall be authorized to commit funds from the Sewer Service Replacement Fund and Water Service Replacement Fund to a project upon his determination that the proposed project meets the above criteria.

BE IT FURTHER RESOLVED that commitment of matching funds to individual projects shall be made in the order of receipt of request for funds, and only if matching funds from the current year's budget are available or Council authorizes expenditure of additional funds.

BE IT FURTHER RESOLVED that the provisions contained within this policy will not be effective until August 15, 2005.

Dated this day of	, 2005.	
	CITY OF RAPID CITY	
ATTEST:	Mayor	
Finance Officer		
(SEAL)		