CITY OF RAPID CITY

RAPID CITY, SOUTH DAKOTA 57701

Public Works Department

Engineering Services Division

300 Sixth Street

Telephone: (605) 394-4154 FAX: (605) 355-3083

Web: www.rcgov.org

MEMORANDUM

TO: Public Works Committee, Mayor Kooiker, City Council

FROM: Dale Tech PE/LS, Acting Public Works Director

SUBJECT: Water Billing for Leased Accounts

DATE: September 27, 2011

The City Council approved the adoption of water and wastewater utility rates in 2008 for the years 2009 through 2013. As part of the rate study, it was identified that numerous leased properties within the City do not pay for water per the terms of the leases and it was recommended that the leased properties begin paying for water when the leases are renewed. A rate structure for leased accounts was adopted by City Council as part of the rates established for 2009-2013 and is included in Section 13.04.590 of the Rapid City Municipal Code.

In 2009 Public Works Director Robert Ellis notified the leased accounts that once the leases are renegotiated the lease holders will be required to pay for water. Notification was sent again in 2010 and most recently I sent the same notification to Jerry Cole who included it with correspondence to the lease holders that their leases were about to expire.

A copy of the notification is attached to the agenda as well as spreadsheets that show the water usage of the leased properties and what the rates would have been if the metered water would have been billed per the ordinance in effect at the time the usage occurred.

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