



CITY OF RAPID CITY

RAPID CITY, SOUTH DAKOTA 57701

Public Works Department

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MEMORANDUM

TO: SAB28 Oversight Committee

FROM: Terry Wolterstorff PE, Public Works Director

DATE: February 7, 2014

RE: Funding request for the Countryside Subdivision Annexation and Water System Improvements

City staff has been working with representatives of the Countryside Subdivision Homeowners Association to develop an annexation agreement. The agreement would detail expectations of the property owners and the City for providing various services to the subdivision following annexation. One of the primary services considered in this agreement is water service. The Association currently owns and operates a water system. Due to water quality issues with their well, they will be required to make major improvements to their water system. Abandoning the well and connecting to the City's water system is the most economical solution. Instead of providing bulk water sales to the subdivision, City staff believes that it would be best for the City to own and operated the water system, except for the well. We would require water system improvements including fire hydrants and looping of the mains to bring it into compliance with our standards. The estimated cost of these improvements is approximately \$800,000.00.

The best way to fund these improvements is through an assessment project with all costs being assessed back to the property owners. This will allow the City to control the improvements while allowing the Association to relinquish its responsibility for providing water service.

I am requesting approval to fund these improvements out of the SAB28 Fund with all costs being assessed back to the individual property owners. If approved, our next step will be to complete negotiations with the Association.



EQUAL OPPORTUNITY EMPLOYER