

TITLE

**ORDINANCE NO. 6201
AN ORDINANCE TO REVISE RATES, FEES AND CHARGES FOR THE CITY'S WATER
UTILITY BY AMENDING CHAPTER 13.08 OF THE RAPID CITY MUNICIPAL CODE**

EXPLANATION

Ordinance 6201 removes water rates from the City code and authorizes the City Council to set rates by resolution. Future rate increases will still require approval at a public meeting, but a resolution can be approved at a single meeting while an ordinance is required to be approved at two meetings. Based on this ordinance, the City Council set new water rates by amending the City's annual fee schedule.

The City's water utility is an enterprise fund supported by rates charged to customers, not by taxes. If ordinance 6201 is rejected, water rates would remain at current levels which were last adjusted in 2013. The proposed increase in water rates is based on a study commissioned by the City and is structured to cover the City's projected costs for operations, City funded infrastructure projects, and to restore the water fund's reserves which have been depleted. The rates are also designed to put the water fund in a financial position to address the Mountain View Treatment Plant's future. Without additional funds, the water utility may be required to cut services, abandon or delay infrastructure projects, not replenish the reserves to recommended levels, or take some combination of all of these actions.

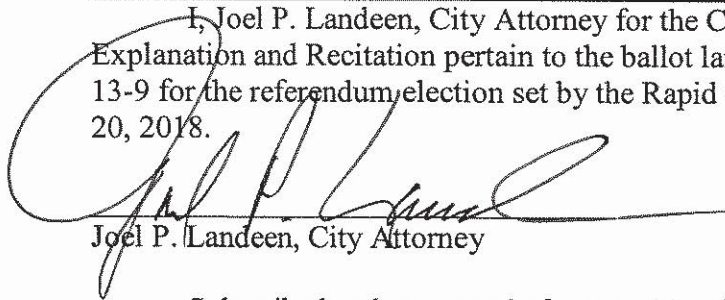
Please see the factual analysis of the red boxed area on the website www.reformrapidcity.com

RECITATION

A "YES" vote is for approval of Ordinance 6201 authorizing the City Council to set water rates by resolution and will result in the implementation of the water rates the City Council set when it amended the City's annual fee schedule.


A "NO" vote is against approval of Ordinance 6201 which will prevent the City Council from setting water rates by resolution and will result in the City's water rates staying at the current levels originally set in 2013.

I, Joel P. Landeen, City Attorney for the City of Rapid City, certify that the above Title, Explanation and Recitation pertain to the ballot language required by SDCL §§ 9-20-13 and 12-13-9 for the referendum/election set by the Rapid City Common Council for Tuesday, February 20, 2018.


Joel P. Landeen, City Attorney

1-4-18
Date

Subscribed and sworn to before me this 4th day of January, 2018.


Notary Public, South Dakota
My Commission Expires: 07/17/2018

(SEAL)