

ORDINANCE # 357 “AN ORDINANCE AMENDING ORDINANCE # 339—SECTION VI-RATES AND CHARGES FOR SERVICES OF THE WASTEWATER SYSTEM.”

BE IT HEREBY ORDAINED BY THE CITY COUNCIL OF THE CITY OF LAKE NORDEN, HAMLIN COUNTY, SOUTH DAKOTA:

The purpose of this ordinance shall be to generate sufficient revenue to pay the costs of construction, operation and maintenance of the Wastewater Treatment Facility, the costs of which shall be distributed equitably to all user of the wastewater system.

The City shall review the total annual cost of operation, maintenance, and financing of the wastewater system and each user’s Wastewater Rates not less often than every two years. Revisions shall be made to the system as necessary to assure equity of the service charge system established herein and to assure that sufficient funds are obtained to adequately operate and maintain the wastewater treatment plant.

Wastewater rate changes shall be done by resolution from time to time as needed, as determined by the City Council.

The following rates for wastewater treatment and disposal are hereby established to satisfy the obligations of the City of Lake Norden to meet the costs of construction, operation, and maintenance of the wastewater system.

The following users shall be charged fixed monthly rate as follows:

Agropur	\$882.00
Golden Living Center	\$420.00
Lake View Court	\$302.40
Bullpen	\$49.00
Country Store	\$49.00

The minimum charge for the use of city sewer in non-metered units shall be as follows:

	<u>Base Rate</u>	<u>Usage</u>	<u>Total</u>
Single member household	\$16.80	4.00 (2,000 gal)	20.80
Two member household	\$16.80	8.00 (4,000 gal)	24.80
Three member household	\$16.80	12.00 (6,000 gal)	28.80
Four (+) member household	\$16.80	16.00 (8,000 gal)	32.80

The charge for users with no prior water usage history from the City shall be based on an estimate water usage determined by the City.

All other industrial, commercial and residential users shall be charged the following monthly rate:

A minimum charge of sixteen dollars and eighty cents (\$16.80) per month and a usage fee of two dollars (\$2.00) per thousand gallons. The charge shall be based on the average usage during the months of December, January and February and shall remain the same for April through March monthly billing periods for the following year unless rate changes are deemed necessary by the City to meet the cost of construction, operation and maintenance of the wastewater system.

In addition to the fixed charges, the following surcharge fee is hereby established by the City of Lake Norden to satisfy the required 110% coverage ratio established in the Clean Water State Revolving Fund Loan (#C462256-01) agreement issued by the South Dakota Department of Environment and Natural Resources for the Borrower Bond in the amount of \$1,285,000 at the interest rate of 2.5% for a 30-year term.

The debt service surcharge shall be segregated from other income of the system in a separate book keeping account and is pledged to the South Dakota Conservancy District for the payment of the loan payments to the Borrower Bond.

The amount of the surcharge shall be reviewed from year to year and may be modified in order to provide such funds as are set forth herein. The charges shall be reviewed yearly by the City Council and administratively adjusted, upwards or downwards, to such amounts as may be necessary to pay principal, interest, administrative surcharge and other charges as may become due and owing under the loan agreement and Borrower Bond.

The following users shall be charged fixed monthly surcharge fee as follows:

Agropur	\$882.00
Golden Living Center	\$420.00
Lake View Court	\$302.40
Bullpen	\$49.00
Country Store	\$49.00

All other industrial, commercial and residential users shall be charged a fixed monthly surcharge fee of \$16.90

The surcharge for the Borrower Bond shall be automatically repealed when the Borrower Bond is paid in full.

All ordinances or parts of ordinances in conflict herewith are hereby repealed.

This ordinance is hereby found and determined to be necessary for the immediate preservation of the public peace and health and safety, and for the support of the Municipal government and its existing public institutions. This ordinance shall be in full force and effect from and after its adoption and publication according to law.

PASSED FIRST READING March 2, 2020

PASSED SECOND READING March 16, 2020

PUBLISHED March 25, 2020

CITY OF LAKE NORDEN

JASON AHO, MAYOR

ATTEST:

Delores Kangas, Finance Officer