

## CHAPTER 4 - UTILITIES

### ARTICLE 2 - RATES, CHARGES AND BILLS

#### SECTIONS

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**Sections 4-2-101 to 4-2-199, inclusive. Utilities - rates, charges and bills - general provisions.**

**Section 4-2-101 Charges and bills for electric power, water rents, sewage service, storm drainage - payment - service discontinuance of delinquent accounts.**

All bills or charges for electric power, water rents, sewage charges, and storm drainage shall be paid at the city business office on or before the 14<sup>th</sup> day after mailing of the bill and if not so paid, the account shall become delinquent and a five percent (5%) late charge added. If unpaid twenty four (24) days after mailing of the bill the customer shall be notified by mail that if the delinquent account is not paid in full within seven (7) days the electric power, water or sewer shall be disconnected. For unpaid storm drainage fees, a lien may be placed upon the property. When service has been disconnected, no utility, as above mentioned, shall be reconnected until all back utility bills, charges or rents, new meter deposit together with a utility mobilization charge for delinquent accounts shall have been paid. The fees shall be set out in a schedule to be approved by the City Commission, as presented and on file at the city business office.

**Source:** Ord. No. 828, 1970; 726, 1963; 950, 1976; Ord. No. 1085, 1982; Ord. No. 1108, 1983; Ord. No. 1133, 1984; Ord. No. 1178, 1986. Rev. of Ord. 1990; Ord. No. 1606, 2007; Ord. No. 1610, 2007; Ord. No. 1681, 2010; Ord. No. 1683, 2011;

**Statutory references:** SDCL 9-35-1, power to fix and determine price of light and power; SDCL 9-48-26, sewer charge or rentals - submission to voters - establishment of rates; SDCL 9-48-27, factors considered in establishing sewer charges - collection with water rentals; SDCL 9-48-28, metering of water supply to determine sewer charges or rentals - submission to voters - without return to sewer system; SDCL 9-48-31, revenue bond authority unimpaired by provisions as to sewer charges and rentals; SDCL 46A-10B-22, imposition of storm water utility fee; and SDCL 46A-10B-24, collection of unpaid charges.

**Section 4-2-102 Water and electric receipts deposited in the general fund. (REPEALED)**

**Source:** R.O. Pierre, 1957, 1.0307. Rev. of Ord.; 1990.

**Statutory reference:** SDCL 9-39-26, separate fund for utility receipts and disbursements - separate accounts for each utility; and, SDCL 9-39-27, audit and allowance of claims against public utilities fund.

**Section 4-2-103 Water and electric meters - rules and regulations for reading prescribed by the Utilities Director.**

The Utilities Director shall prescribe such rules and regulations as are deemed necessary concerning the methods and procedures to be followed for reading the water and electric meters of the city. The returns of the meter readings shall be made to the city utility staff who shall render bills to all water and electrical customers of the city as prescribed in section 4-2-101 of this code, based on the effective rates for the use of water and electricity.

**Source:** R.O. Pierre, 1957, 1.0606, Rev. of Ord., 1990; Ord. No. 1606, 2007;

**Sections 4-2-104 to 199, inclusive Reserved.**

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**Section 4-2-201 to 299, inclusive. Utilities - water rents and rates.**

**Section 4-2-201 Prepayment of water rent as prerequisite to service. (REPEALED)**

**Source:** R.O. Pierre, 1957, 12.0216. Rev. of Ord.; 1990.

**Statutory reference:** SDCL 9-39-23, establishment of rates by utility board; and, SDCL 9-50-16, rates, charges and rentals charged by municipality.

**Cross reference:** Section 4-2-101, charges and bills for electric power, water rents, sewage service - payment - service discontinuance of delinquent accounts.

**Section 4-2-202 Customer's notice of discontinuance as prerequisite to rent termination. (REPEALED)**

**Source:** R.O. Pierre, 1957, 12.0238; Ord. No. 1096, 1982. Rev. of Ord.; 1990.

**Section 4-2-203 Water rents - meter rates.**

**Section 1.** That Section 4-2-203 be and hereby is amended to read as follows:

All water sold or furnished by the City shall be paid for at the rates hereinafter specified. It shall be the duty of the Utilities Commissioner to have all water meters read and reported to the city finance officer monthly.

All water sold or furnished for use within the city limits shall be paid for by the owner or occupant of the premises served, to the city finance officer, at the following rates:

- A. Residential Rate. The owner or occupant of each single family dwelling or mobile home shall pay the sum of ten dollars and seventy five cents (\$10.75) each month and the occupant of each apartment shall pay the sum of six dollars and twenty five cents (\$6.25) each month as the Customer Charge, which shall be billed regardless of the quantity of water used each month.
- B. Commercial Rate. The owner or occupant of each commercial premise shall pay the sum of twelve dollars and ninety eight cents (\$12.98) each month as the Customer Charge, which shall be billed regardless of the quantity of water used each month.
- C. All water usage shall be paid for by the owner or occupant of the premises, at the rate of two dollars and sixty cents (\$2.60) per 100 cubic feet.

**Section 2.** That Section 4-2-203 be and is hereby amended to read as follows:

All water sold or furnished to customers, for use outside the city limits, shall be paid for by the owner or occupant of the premises served, to the city finance officer, at the following rates:

The owner or occupant of the premises shall pay the sum of nineteen dollars and twenty six cents (\$19.26) each month as the Customer Charge, which shall be billed regardless of the quantity of water used each month.

All water usage shall be paid for by the owner or occupant of the premises, at the rate of four dollars and fifty cents (\$4.50) per 100 cubic feet.

**Section 3.** This Ordinance and the rates herein shall be effective on all billings beginning January 1, 2017.

The following rates will expire December 31, 2017 and the revenues generated will be directed to unobligated reserves:

**Within City Limits**

Customer Charge: \$0.25  
Usage: \$0.11/100 cu. ft.

**Outside City Limits**

Customer Charge: \$0.45  
Usage: \$0.13/100 cu. ft.

**Source:** R.O. Pierre, 1957, 12.0234; Ord. No. 786, 1968; Ord. NO. 757, 1965; Ord. No. 652, 1957; Ord. No. 929; Ord. No. 967; Ord. No. 1049, 1980; Ord. No. 1097, 1982; Ord. No. 1114, 1983; Ord. No. 1165,

1985; Rev. of Ord.; 1990; Ord. No. 1334, 1993; Ord. No. 1339, 1994; Ord. No. 1388, 1996; Ord. No. 1408, 1997; Ord. 1483, 2001; Ord. 1538, 2003; Ord. 1566, 2005; Ord. No. 1579, 2005; Ord. No. 1601, 2006; Ord. No. 1617, 2007; Ord. No. 1643, 2008; Ord. No. 1661, 2009; Ord. No. 1679, 2010; Ord. No. 1712, 2012; Ord. No. 1725, 2013; Ord. No. 1740, 2014; Ord. No. 1748, 2015, Ord. No. 1771, 2016.

**Statutory reference:** SDCL 9-39-23, establishment of rates by utility board; and, SDCL 9-50-16, rates, charges and rentals charged by municipality.

**Section 4-2-204 Water rents - rates in case of meter failure.**

In case where meters fail to register the amount of water passing through them by being stopped up, or from any cause whatever, the quantity used shall be determined and the charge made based upon the average amount used during the two or more preceding periods of similar length. In case of breakage or stoppage or any other irregularity in the meter installed by the city, the owner or consumer is to immediately notify the city finance officer, and any necessary repairs will be made by the city water department.

**Source:** R.O. Pierre, 1957, 12.0229, Rev. of Ord., 1990.

**Statutory references:** SDCL 9-39-23, establishment of rates by utility board; and SDCL 9-50-16, rates, charges and rentals charged by municipality.

**Section 4-2-205 Water rents - flat rates effective until premises metered. (Repealed)**

**Source:** R.O. Pierre, 1957, 12.0235; Rev. of Ord.; 1990.

**Statutory reference:** SDCL 9-39-23, establishment of rates by utility board; and SDCL 9-50-16, rates, charges and rentals charged by municipality.

**Section 4-2-206 Water rents - flat rates applied for building purposes. (Repealed)**

**Source:** R.O. Pierre, 1957, 12.0236. Rev. of Ord.; 1990.

**Statutory reference:** SDCL 9-39-23, establishment of rates by utility board; and SDCL 9-50-16, rates, charges and rentals charged by municipality.

**Sections 4-2-207 to 299, inclusive. Reserved.**

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**Sections 4-2-301 to 4-2-399, inclusive, Utilities - sewer charges and rates.**

**Section 4-2-301 Sewer service - charges and rates.**

- A. Residential Rate: The owner or occupant of each single family dwelling, or mobile home connected to the municipal waterworks and wastewater utility, for the use and availability of such wastewater service, shall pay the Customer Charge of fourteen dollars and twenty five cents (\$14.25) per month. The occupant of each apartment connected to the municipal waterworks and wastewater utility, for the use and availability of such wastewater service, shall pay the Customer Charge of twelve dollars (\$12.00) per month. Users will additionally be charged four dollars and seventy five cents (\$4.75) for each 100 cu. ft. based on the average water usage for the months of December through March. Average consumption on single-meter water/sewer systems will be measured and charged through the system's master meter. If no average is established the user shall pay the Customer Charge plus 500 cubic feet water consumption until such time as an average is established.

Commercial Rate: The owner or occupant of each commercial premise connected to the municipal waterworks and wastewater utility, for the use and availability for such wastewater service, shall pay the Customer Charge of fourteen dollars and twenty five cents (\$14.25) per month. Users will additionally be charged four dollars and seventy five cents (\$4.75) per 100 cubic feet of water consumption.

The above rates include a monthly surcharge in the amount of three dollars and no cents \$3.00 in the Customer Charge plus twenty five cents \$0.25 per 100 cu. ft. in the water usage charge. Proceeds from the surcharge shall be applied to existing DENR loan #C461288-07 and will sunset upon satisfaction of the loan.

- B. This Ordinance and the rates herein shall be effective on all billings beginning January 1, 2017.

The following charges will expire December 31, 2017 and the revenues generated will be directed to unobligated reserves:

Residential and Commercial Customer Charge:	\$0.39/month
Residential and Commercial Usage:	\$0.11/100 cu. ft.

- C. The City and all other public corporations shall pay at the rate set forth in Part (B) of this section for wastewater service furnished to each separate premise owned by them and connected to the wastewater facilities.

- D. The owner or occupant of each residence or commercial premise, connected to the municipal wastewater utility outside the city limits, shall pay the sum per month as determined by a contract with the City.

- E. Where the property is connected to the municipal electric or waterworks facilities the charges shall be billed with and collected with the regular monthly bills, and in all cases said charges shall be due and billed at the same time.

In case of nonpayment of the wastewater charge within thirty (30) days, the Finance Officer shall promptly order the discontinuance of water service to such premises. In the event of the discontinuance of such water service, the same shall not be resumed until payment of all past due water and wastewater charges, including penalties thereon is received.

**Source:** Ord. 1179, 1986; Ord. 1236, 1989; Ord 1269, 1990; Ord. 1389, 1996; Ord. 1409, 1997; Ord. 1445, 1999; Ord. 1482, 2000; Ord. 1542, 2003; Ord. No. 1580, 2005; Ord. No. 1600, 2006; Ord. No. 1618, 2007; Ord. No. 1662, 2009. Ord. No. 1680, 2010; Ord. No. 1713, 2012; Ord. No. 1726, 2013; Ord. No. 1741, 2014; Ord. No. 1749, 2015, Ord. No. 1772, 2016.

#### **Section 4-2-302 Review of each user's wastewater service charge.**

The City shall review the total annual cost of operation and maintenance as well as each user's wastewater contribution percentage each year and will revise the system as necessary to assure that sufficient funds are obtained to adequately operate and maintain the wastewater treatment works. If a significant user, such as an industry, has completed in-plant modifications which would change that user's wastewater contribution percentage, the user can present at a regularly scheduled meeting of the governing body such factual information and the City shall then determine if the user's Wastewater Contribution Percentage is to be changed. The City shall notify the user of its findings as soon as possible.

**Source:** Ord. No. 1236, 1989.

#### **Section 4-2-303 Notification.**

Each user will be notified, at least annually, in conjunction with a regular bill, of the rate and that portion of the user charges which are attributable to wastewater treatment services.

#### **Section 4-2-304 Determining a surcharge system for users with excess BOD and SS.**

The City of Pierre will assess a surcharge rate for all nonresidential users discharging wastes with BOD and SS strengths greater than the average residential user. Such users will be assessed a surcharge sufficient to cover the costs of treating such user's above normal strength wastes. Normal strength wastes are considered to be 200 p.p.m. BOD and 240 p.p.m. SS. The surcharge rate structure for such above normal strength waste discharges will be an additional service charge of 12 cents (twelve cents) per pound of BOD over 200 mg/1 of BOD and 5 cents (five cents) per pound of SS over 240 mg/1 of SS.

**Source:** Ord. No. 742, 1964; Ord. No. 726, 1963; and Ord. No. 710, Sec. 6, 1962; Ord. No. 1003, 1978; Ord. No. 1009, 1978, Ord. No. 1019, 1979.

**Statutory references:** SDCL 9-24-28, metering of water supply to determine sewer charges - consideration of water consumed without return to sewer system; SDCL 9-48-31, revenue bond authority unimpaired by provisions as to sewer charges and rentals; SDCL 9-50-16, rates, charges and

rentals charged by municipality - adequacy for bond retirement and reserves - standby charge; and, 9-50-17, sewer charges as surcharge on water bills.

**Sections 4-2-305 to 399, inclusive. Reserved.**

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**Sections 4-2-401 to 4-2-499, inclusive. Electrical deposits charges and rates.**

**Section 4-2-401 Applicant's deposit for service and installation fee.**

All applicants for utility service shall deposit with the city utility staff upon application for connection of utility services the amounts specified in the schedule of fees. The fees shall be set out in a schedule to be approved by the City Commission, as presented and on file at the city business office.

The deposit shall be returned to the applicant upon discontinuance of service, less any amount due the City for utility service.

A service connection/disconnection fee shall be paid by all customers who hereafter change apartments or dwellings, or request a new account, and all customers requesting disconnection of either water or electrical service. The fees shall be set out in a schedule to be approved by the City Commission, as presented and on file at the city business office.

**Source:** R.O. Pierre, 1957, 1.0610; Ord. No. 949, 1976; Ord. No. 1083, 1982; Ord. No. 1115, 1983; Ord. No. 1120, 1984; Ord. No. 1178, 1986; Ord. No. 1328, 1993; Ord. No. 1606, 2007;

**Statutory references:** SDCL 9-35-1, rate regulation; and, SDCL 9-40-28, rates to cover bond retirement and operational costs.

**Section 4-2-402 Electrical service charges and rates.**

A. **Residential Rates:** Available to any residential customer for domestic purposes only in a single, private residence.

**Rate:**

Fixed and minimum charge per month - \$12.32  
Energy Charge – All kWh @:  
    June – August:                      \$.099 /kWh  
    September – May  
        0 to 1,000 kWh:               \$.090/kWh



Over 1,000 kWh: \$0.079 / kWh

**B. Commercial Rates:**

*Small Commercial Customer* – Any consumer not residential and whose consumption through any one meter has not exceeded 10,000 kwh per month usage for six months or more during any previous twelve month period shall be classified as a small commercial customer.

Rate:

Fixed and minimum charge per month - \$22.61

Energy Charge – All kWh @:

June – August: \$0.101 /kWh

September – May \$0.092 /kWh

*Large Commercial Customer* – Any consumer not residential and whose consumption through any one meter has exceeded 10,000 kwh per month for six months or more during any previous twelve month period shall be classified as a large commercial customer.

Rate:

Fixed and minimum charge per month - \$42.12

Demand Charge:

June – August: \$17.95 per kW of monthly billing demand

September – May \$14.38 per kW of monthly billing demand

Energy Charge – All kWh @: \$.038 /kWh

Minimum Monthly Charge – the demand charge, but not less than 50 percent of the maximum demand established during the current or preceding one year.

**C. Rural Class Rate:** Will be charged to all customers residing outside the city limits of the City of Pierre.

Rate:

Fixed and minimum charge per month - \$25.22

Energy Charge – All kWh @:

June – August: \$0.114 /kWh

September – May: \$0.105 /kWh

**D. City Street Lighting Rate:** Will be charged to the city for street lighting.

Rate:

Energy Charge: \$0.111 /kWh

**E.** All Energy Charge Rates include a debt service surcharge of \$0.007/kWh. The debt service surcharge is a special charge for use of electric infrastructure improvements and shall apply to all electric customer classes. Proceeds from the surcharge shall be applied to existing

revenue bond payments including principle, interest, and administrative expenses as required under the loan agreement. The amount of the surcharge shall be reviewed from year to year and may be modified in order to provide such funds as necessary to satisfy the debt requirements. The surcharge shall remain in effect until such time as the revenue bond is discharged.

- F. Where more than one meter is used to meter the consumption, the billing for such meters shall be based on the applicable rate, and shall not be combined as one meter reading.

The City of Pierre shall have the right to determine the classification of all customers.

- G. This Ordinance and the rates herein shall be effective on all billings beginning January 1, 2017.

The following rates will expire December 31, 2017 and the revenues generated will be directed to unobligated reserves:

<b><u>Residential Fixed:</u></b>	\$0.32
Energy Charges	
June-Aug:	\$0.0028 /kWh
Sept – May	
0-1000 kWh	\$0.0026 /kWh
Over 1000 kWh	\$0.0023 /kWh
<b><u>Small Commercial Fixed:</u></b>	\$0.61
Energy Charges	
June-Aug	\$0.0029 /kWh
Sept-May:	\$0.0027 /kWh
<b><u>Large Commercial Fixed:</u></b>	\$1.12
Demand	
June-Aug:	\$0.47 /kW monthly billing demand
Sept- May	\$0.41 /kW monthly billing demand
Energy Charges:	\$0.0012 /kWh
<b><u>Rural Fixed:</u></b>	\$0.72
Energy Charge	
June-Aug:	\$0.0032 /kWh
Sept-May:	\$0.0030 /kWh
<b><u>Street Lights Energy Charge:</u></b>	\$0.0054 /kWh

**Statutory references:** SDCL 9-35-1, rate regulation; and SDCL 9-40-28, rates to cover bond retirement and operational costs.

**Source:** R.O. Pierre, 1957, 1.0612; Ord. No. 653, 1957; Ord. No. 673, 1959; Ord. No. 693, 1960; Ord. No. 685, 1960; Ord. No. 716, 1962; Ord. No. 741, 1964; Ord. No. 756, 1965; Ord. No. 851, 1971; Ord. No. 897, 1974; 928, 1975; 980, 1977; 1031, 1980; 1050, 1980; 1073, 1981; Ord. No. 1193, 1987; Ord. No. 1233, 1989; Ord. No. 1310, 1992; Ord. No. 1334, 1993; Ord. No. 1353, 1994; Ord. No. 1431, 1998;

Ord. No. 1472, 2000; Ord. No. 1540, 2003; Ord. No. 1578, 2005; Ord. No. 1599, 2006; Ord. No. 1616, 2007; Ord. No. 1642, 2008; Ord. No. 1660, 2009; Ord. No. 1678, 2010; Ord. No. 1691, 2011; Ord. No. 1711, 2012; Ord. No. 1724, 2013; Ord. No. 1739, 2014; Ord. No. 1747, 2015, Ord. No. 1770, 2016.

**Section 4-2-403 Electrical service charges - rates in case of meter failure.**

In any case where an electric meter has failed to function from any cause whatever and failed to register the amount of electric current, that has passed through the meter, the quantity of electric current used shall be determined and charged upon the basis of the average amount used during two or more preceding periods of similar length during a similar season of the year. In case of breakage or stoppage, or of any other irregularity in the meter installed by the city, the owner or consumer shall immediately notify the city finance officer and any necessary repairs shall be made by the city electrician. If the meter has been damaged by any fault of the consumer, the consumer shall pay the expense of all repairs to the meter.

**Statutory reference:** SDCL 9-35-1, rate regulation; and SDCL 9-40-28, rates to cover bond retirement and operational costs.

**Source:** R.O. Pierre, 1957, 1.0611. Rev. of Ord.; 1990.

**Sections 4-2-404 to 499, inclusive. Reserved.**

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**Sections 4-2-501 to 4-2-599, inclusive. Utilities – storm drainage.**

**Section 4-2-501 Storm drainage.**

- A. Residential Property Rate: The owner or occupant of each single family property, condominium, apartment, or mobile home shall pay the Storm Drainage Fee as described below.

Rate: Type 1: three dollars and no cents (\$3.00) per month  
Type 2: two dollars and no cents (\$2.00) per month  
Type 3: one dollar and no cents (\$1.00) per month

Description:

Type 1: Residential Properties shall include single family properties measuring 6,000 sq. ft. or greater, which also includes vacant parcels in residentially zoned areas.

Type 2: Residential Properties shall include single family properties measuring less than 6,000 sq. ft.; mobile homes located within a mobile home court; townhomes; duplexes; and condominiums. Vacant parcels measuring less than 6,000 sq. ft. in residentially zoned areas are also Type 2 Residential Properties.

Type 3: Residential Properties shall include apartments and apartment style condominiums.

- B. Nonresidential, Commercial or Undeveloped Property Rate: The owner or occupant of each nonresidential, commercial or undeveloped property shall pay a Storm Drainage Fee as determined by the parcel area, a runoff weighting factor, and a unit financial charge. The Unit Financial Charge for storm drainage shall be \$0.60 per 1000 sq. ft. of parcel size. Properties owned by schools, churches, governments, not-for-profit entities, etc., will be included in this rate category.
- C. The storm drainage fee shall be used to fund a capital improvements component and an operation and maintenance component. Two-thirds of the collected fee shall go toward capital improvements and one-third shall go toward operation and maintenance of the storm drainage system.
- D. All storm drainage fees shall be paid at the city business office on or before the 14th day after mailing of the bill and if not so paid, the account shall become delinquent and a five percent (5%) late charge added. If unpaid twenty-four (24) days after mailing of the bill the customer shall be notified by mail that if the delinquent account is not paid in full within seven (7) days a lien may be placed upon the property to which the fee is associated from the date the fee becomes due until the fee is paid. The obligation will be enforced in the same manner as delinquent property taxes are enforced.
- E. Section 4-6-101 to 199, "Storm Drainage Ordinance" for the City of Pierre, shall be referred to for information relating to storm drainage.
- F. This Ordinance and the rates herein shall be effective beginning January 1, 2016.

**Sections 4-2-502 to 599, inclusive.** Reserved.

**Source:** Ord. No. 1683, 2011; Ord. No. 1750, 2015.

**Statutory references:** SDCL 46A-10B-22, Imposition of storm water utility fee; and SDCL 46A-10B-24, Collection of unpaid charges.