



**RESOLUTION 2024-21
ADOPTING WATER, SEWER, and BULK WATER RATE ADJUSTMENT**

A RESOLUTION by the City of Hill City, Pennington County, South Dakota adopting a water and sewer rate adjustment for the continuation of providing the water and sewer system as a public utility for the City of Hill City.

WHEREAS, the City of Hill City, SD provides utility services to its citizens; and

WHEREAS, the City must operate the water and sewer funds as self-sustaining enterprise funds which requires a review of rates to ensure the rates reflect the operating costs of providing utility services to the City of Hill City; and

WHEREAS, rates have been reviewed and it has been determined the water system water improvement fee, sewer system, and sewer improvement fee rate are insufficient and should be adjusted.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Hill City, SD that these rates are set as follows until such time a new rate resolution is adopted:

RESIDENTIAL:

	Water Fee [\$ /month]	Water Volumetric [\$ /kgal]	Water Improvement (volumetric) [\$ /kgal]	Sewer Fee [\$ /month]	Sewer Volumetric [\$ /kgal]	Sewer Improvement (volumetric) [\$ /kgal]
<2,000 gallons	\$ 8.15	\$ 7.12	\$ 2.00	\$ 12.50	\$ 11.33	\$ 2.50
2-6,000 gallons	\$ 8.15	\$ 7.45	\$ 2.00	\$ 12.50	\$ 11.86	\$ 2.50
>6,000 gallons	\$ 8.15	\$ 7.78	\$ 2.00	\$ 12.50	\$ 12.38	\$ 2.50
Ag Meter 2025						
<20,000 gallons	\$ 8.15	\$ 7.78	\$ 2.00			
20-40,000 gallons	\$ 8.15	\$ 7.94	\$ 2.00			
>40,000 gallons	\$ 8.15	\$ 8.09	\$ 2.00			

NON-RESIDENTIAL:

	Water Fee [\$ /month]	Water Volumetric [\$ /kgal]	Water Improvement (volumetric) [\$ /kgal]	Sewer Fee [\$ /month]	Sewer Volumetric [\$ /kgal]	Sewer Improvement (volumetric) [\$ /kgal]
<2,000 gallons	\$ 9.20	\$ 7.12	\$ 2.00	\$ 16.25	\$ 11.33	\$ 2.50
2-6,000 gallons	\$ 13.80	\$ 7.45	\$ 2.00	\$ 21.13	\$ 11.86	\$ 2.50
6-20,000 gallons	\$ 31.05	\$ 7.78	\$ 2.00	\$ 35.71	\$ 12.38	\$ 2.50
20-40,000 gallons	\$ 46.58	\$ 8.01	\$ 2.00	\$ 46.42	\$ 12.75	\$ 2.50
> 40,000 gallons	\$ 69.87	\$ 8.25	\$ 2.00	\$ 60.35	\$ 13.13	\$ 2.50
Ag Meter 2025						
<20,000 gallons	\$ 8.15	\$ 7.78	\$ 2.00			
20-40,000 gallons	\$ 8.15	\$ 7.94	\$ 2.00			
>40,000 gallons	\$ 8.15	\$ 8.09	\$ 2.00			

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All customers utilizing water/sewer services provided by the City of Hill City will be billed monthly per the attached tables with a 1000-gallon minimum. Water rates include a monthly fixed fee, tiered volumetric rates, and water system improvement rates. Sewer rates also include a monthly fixed fee, tiered volumetric rates, and sewer improvement volumetric rates calculated from the primary water meter usage. Account holders who are not connected to sewer or water measured by a second meter for agricultural usage are exempt from sewer charges. Residential and Non-Residential account holders with a second meter used for agricultural reasons or not entering the sewer will be subject to a second monthly fixed fee, tiered volumetric rates and water system improvement rates.

The minimum Residential charge for the first 1000-gallons is: \$17.27 for water and \$26.33 for sewer. The minimum Non-Residential charge for the first 1000-gallons is: \$18.32 for water and \$30.08 for sewer.

Definitions:

Tiered Volumetric Rates: The tiered volumetric (usage) rates are designed to address increased system demands caused by heavy usage. As usage increases, the tiered cost for additional gallons increases according. Example Calculation: a user of 2400 gallons will be charged tier 1 rates for the first 2000 gallons, with tier 2 rates applied to the remaining 400 gallons.

Non-Residential Tiered Service Fee: Non-Residential account holders will be assigned a fixed fee tier based on the highest two consecutive months of their previous year's usage. This determination will set the fixed water and sewer fee for all 12 months of the year with Volumetric Rates applied to actual usage that month.

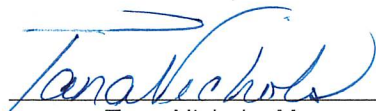
Residential vs. Non-Residential Determination: Non-Residential accounts are defined as businesses, government agencies, non-profits, non-owner occupied nightly vacation rentals as defined by HCMC Ordinance 2022-03, and commercially zoned properties. Year-round residents that live in commercially zoned properties may appeal account status to City Staff.

Highest Two Consecutive Months: Staff will review the previous year's monthly usage for each Non-Residential account holder to determine the applicable Tiered Service Fee for the year. The two highest consecutive months will be averaged to define the appropriate tier. New construction accounts will receive an estimated usage tier based on similar businesses. The fixed fee tier will be billed for all 12 months regardless of off-season usage.

Change of Account Holder: Upon request, Staff will conduct a special meter reading upon the change in accountholder and pro-rate the volumetric charges for the month. The fixed monthly fee will be assigned to the accountholder which is responsible for the majority of the month or if equal length, the original account holder prior to transfer.

This resolution is hereby approved and effective upon the passage and publication thereof. The effective date of the rate change is January 1, 2025. City of Hill City, South Dakota staff is hereby authorized and directed to implement the fees in accordance with the terms of this resolution.

DATED this 30th day of December 2024.



Tana Nichols, Mayor

ATTEST:



Stacia Tallon, Finance Officer



Adopted: December 30, 2024

Published: January 8, 2025

Effective Date: January 28, 2025, billed February 21st, 2025