



CITY OF RAPID CITY

RAPID CITY, SOUTH DAKOTA 57701-5035

Engineering Services

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MEMORANDUM

TO: Dan Coon

FROM: Jennifer Davis

SUBJECT: Industrial Avenue Water Main Extension

DATE: 11/21/2007

During the development review period for the Industrial Avenue Water Main Extension (Dev96-247), the City identified water mains required to service the surrounding area that needed to be oversized. The developer installed a 10" water main as requested by the City. The cost of this improvement was \$6,499.45. When this cost is applied to the benefiting area of 16.04 acres, the resulting construction fee is \$405.10. In discussions with the City Attorney's Office, utility construction fees cannot be charged retroactively. Therefore lots already connected to the City's water system become unrecoverable. The acreage of lots with permits issued as of November 8, 2007 is approximately 9.00 acres. Based on the recommended water construction fee and that acreage, approximately \$3,646.12 will be unrecoverable, or approximately 56.1% of the City paid oversize. Since the water main associated with the project does not span the length of Industrial Avenue, those lots, which have not connected to the City's water system, will need to extend the water main further at their cost to obtain water service. Therefore, after review by City staff the decision was made not to pursue the collection of this fee.



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