RENNER SANITARY DISTRICT ORDINANCE NO. 2026-1

AN ORDINANCE ESTABLISHING A REDUCED-RATE CLASS FOR CERTAIN LOW-IMPACT, PUBLIC-SERVICE, AND COMMUNITY USE FACILITIES

Section 1. Authority

This ordinance is adopted pursuant to the authority of the sanitary district board of trustees under SDCL §§ 34A-5-29 and 34A-5-36 to fix reasonable rates and charges for sanitary services and to adopt ordinances for the management of district affairs.

Section 2. Purpose and Findings

The Board finds:

1. Sewer rates must be fair, equitable, and proportionate to the services rendered, consistent with applicable law.
2. Certain facilities within the district:
    - generate intermittent or low-volume wastewater flows, and
    - provide community, civic, or governmental functions rather than continuous commercial activity.
3. A separate rate classification is appropriate where:
    - actual or expected sewer system usage is materially lower or less burdensome on system capacity, and
    - classification is based on objective usage characteristics, not organizational identity alone.

Accordingly, the Board establishes a reduced-rate class based on measured or estimated usage characteristics and operational patterns.

Section 3. Creation of "Community Low-Impact User" Class

A new rate classification, titled "Community Low-Impact User (CLIU)", is hereby created.

Eligibility Criteria

A property shall qualify for the CLIU rate class if all of the following conditions are met:

1. Primary Use
   The property is used primarily for one or more of the following:
    - religious assembly (e.g., churches),
    - veterans' or civic organizations (e.g., American Legion, VFW),
    - township or local governmental functions,
    - similar noncommercial community-use purposes;
2. Operational Characteristics
   The property:
    - is not used for continuous commercial operations, and
    - has intermittent occupancy or event-based usage, rather than daily full-capacity use;
3. Wastewater Generation
   The property demonstrates one of the following:
    - metered or estimated wastewater discharge significantly below typical residential or commercial averages; or
    - fixture counts, occupancy, or use patterns indicating low volumetric discharge;
4. No High-Load Activities
   The property does not include:
    - commercial kitchens operating on a regular daily basis,
    - industrial or high-strength wastewater discharge,
    - lodging or residential occupancy generating continuous flow.

Section 4. Rate Structure

1. Properties qualifying as CLIU shall be charged:

- a base service charge, and
- a reduced volumetric or equivalent unit rate, as set by resolution of the Board.

2. The reduced rate shall be established such that:
   - total revenue from the class remains consistent with system financial obligations, including bond covenants, and
   - the class does not impose disproportionate costs on other users.

Section 5. Application and Verification

1. Any property owner seeking classification as a CLIU shall submit an application to the district.
2. The Board or its designee may require:
   - usage data,
   - building plans or fixture counts,
   - documentation of operational schedule.
3. The district may periodically review eligibility and may revoke classification upon change of use.

Section 6. Equal Application; No Religious Preference

This classification is based solely on objective sewer usage characteristics and operational patterns.
Eligibility does not depend exclusively on religious status, and any qualifying entity meeting the criteria shall be treated equally.

Section 7. Adjustment and Review

The Board may:

- modify rates or criteria by subsequent ordinance or resolution,
- ensure compliance with statutory requirements that rates remain reasonable, equitable, and sufficient to operate and maintain the system and meet financial obligations.

Section 8. Effective Date

This ordinance shall take effect upon passage and publication as required by law.

Monthly CLIU Sewer Service Rate shall be as follows:

$67.20/month + $12.80 debt service surcharge = $80.00/month

Effective Date of CLIU Rate = November 1, 2026

Approved By: ____Board of Trustees (September 2026 Minutes) _
Motion to approve 1st _Dave Wilson_ 2nd _Kevin Wenzel_ Pass _X_ Fail___

Passed: September 15, 2026
Approved: September 15, 2026
Published: November 1, 2026

Attest: Natasha Jensen, **District Clerk**