

Hook-Up Policy
TM Rural Water
District

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TM Rural Water District Hook-Up Policy

I. Definitions

- A. **Applicant:** The owner, renter, or tenant of real property making application for water service.
- B. **Building:** Any structure, including a roof supported by posts or columns, designed or intended for the support, enclosure, shelter, or protection of persons, animals, chattels or property of any kind.
- C. **District:** TM Rural Water District
- D. **Farm:** A bonafide business for the production of agricultural products, but specifically excluding greenhouses, horticultural nurseries, kennels, incidental use of horses, dogs, or other animals, and other similar operations.
- E. **Housing Unit:** One room or rooms connected together, constituting a separate independent housekeeping establishment for residential occupancy, and physically separated from any other rooms or housing units which may be in the same building.
- F. **Main Line:** The water distribution line generally following roads and section lines and making up the distribution system of the District.
- G. **Pasture Tap:** Water service classification available to water users with an existing rural retail tap for watering livestock on property requiring a service line and water meter separate from the water use's service.
- H. **Rural Retail Tap:** Water service classification for service to a single housing unit, a farm, or a business, able to be service with the District's water meter and conforming to other District criteria.
- I. **Service Line:** The water line running from the main line and terminating at the water serviced meter.
- J. **Structure:** Anything constructed or erected with a fixed location on the ground or attached to something having a fixed location on the ground excluding driveways, fences, patios, or sidewalks.
- K. **Subdivision:** A division or planned division of real property into lots or tracts or a boundary line adjustment to permit division of real property into lots or tracts for the purpose of immediate or future sale or development.

TM Rural Water District Hook-Up Policy

- L. **Water User:** The person or persons who are the water users, who may or may not be the property owner, and who have executed a Water User Agreement. The water user may, in this District policy, be referred to as user.

II. New Water Service application Information Packet

The following information is provided by TM Rural Water District to new applicants for water service and provides some guidelines to the process of getting water from the District. It provides general information and is not, nor is it intended to be, the complete policy regarding applications, fees or rates, etc.

III. Fees for Water Service Applications

Some or all of the following fees may apply when requesting water service from TM Rural Water District. Any fees that may apply will be shown in the “estimated cost to provide service: which is included in the application process.

- A. **Application Fee:** A \$50.00 non-refundable application fee shall be submitted with each completed application. This fee is to offset the cost of providing an estimated cost to provide service which will be given to the prospective user upon approval of their application.
- B. **Hook-Up Fee:** A \$3,500.00 hook-up fee shall be charged for each new service requesting one service unit (20K/month). This fee includes all material and labor to install a single service at the location requested. Any applicant requesting more than one service unit will need to be approved by the TM Rural Water District’s Board of Directors. Please see Water Demand Classification on the following page for more information on this fee.
- C. **Construction Charges:** The applicant is required to pay the entire estimated cost of construction as calculated by the District, in order to provide water service to the location of the meter on the applicant’s property. The District does not install any waterline downstream of the meter pit and new user must hire another contractor to take the waterline into the residence.

Construction charges not included in the Hook-Up Fee include:

- \$5.00/foot of service line to feed the meter pit.
- \$17.50/foot for open cut gravel road crossing with 3” casing.
- \$25.00/foot for road bore with 3” casing.

TM Rural Water District Hook-Up Policy

- All additional charges as listed above include labor and material.
- D. **Crop Damage:** It shall be sole responsibility of the new user to negotiate and pay for any crop damage that occurs during the construction of new waterlines to their residence. TM Rural Water District shall not be responsible to pay crop damage on individual hookups.
- E. **Engineering Fees:** If it is determined by the District in its sole discretion to utilize the services of any engineer in order to plan for the provision of water service for an applicant, the applicant shall be required to pay the cost of all engineering services.
- F. **Mainline Extension:** If an extension of the District's main lines must be completed in order to provide water service to the applicant's property, the applicant shall be responsible to pay for the mainline extension.
- G. **Refused Easement Fee:** If the applicant has ever refused to grant an easement to TM Rural Water District, a refused easement fee, as established by the District, shall be collected before the service will be constructed.
- H. **Reconnection of Previous Water Service:** Reconnection of services that have been inactive for more than 24 months by a new property owner shall be considered as a new water services or hookup and all current fees apply. Any services provided to repair or modify the service to make it usable are considered construction costs and the applicant shall be responsible for such costs.
- I. **Assessment Area Fee:** The District has established certain areas with fees and/or assessment specific to the area.

IV. **Approved Application Process Overview**

- A. **Estimated Cost to Provide Service:** Once the application has been approved, a representative from the District will be scheduled to meet with the applicant to determine the route the District will take to get water to the applicant. Once the route has been determined an estimated cost to provide service will be completed and sent to the applicant. The estimated cost to provide service will be the maximum amount that the applicant will have to pay to get water service to the meter pit located on their property. Once receiving the estimate the applicant will have 30 days in which to make the

TM Rural Water District Hook-Up Policy

decision to move forward to the scheduling phase of the new water service process.

- B. **Financial Assistance Policy:** Water users who qualify for and utilize TM Rural Water Districts “Financial Assistance Policy” shall agree to the following terms and conditions.

Any assistance offered by the District will be considered loan forgiveness with the following conditions.

1. User keeps account in good standing with the District for a period of not less than 5 years. If account is not kept in good standing, all loan forgiveness will be forfeited and will be due and payable to the District before water service is restored to the property.
2. User will be required to sign up for ACH auto-pay thru their checking or savings account to pay their monthly water bill.

Crop damage shall not be part of the estimate created by the District and shall not be eligible under the District’s Financial Assistance Policy. It shall be the sole responsibility of the new user to negotiate and pay for any crop damage that occurs during the construction of new waterlines top their residence.

- C. **Scheduling of Construction:** Applicant shall be required to pay 50% of the estimated cost to provide service, to the District before the District will schedule construction of the new service. The applicant’s check will be held by the District until the first day of construction at which time the check will then be cashed.

- D. **Completion of Construction:** Upon completion of construction of the new water service TM Rural Water District will issue a final bill for any outstanding amount remaining. Final construction payment must be received within 30 days of receipt or water will be shut off until payment is received.

V. Water Demand Classification

TM Rural Water District has established a rate schedule that takes into consideration the amount of water an applicant expects to use on a monthly basis. According to the state of South Dakota 7,000 gallons per month is the “normal” amount of water a rural residence uses each month.

TM Rural Water District Hook-Up Policy

Upon applying for water service the user shall indicate approximately how much water they expect to use on a monthly basis. This information is required in order to make sure that we have an ample supply of water to feed all the users in the surrounding area.

TM breaks down the amount of water consumed each month into “service units” and one serving unit is no more than 20,000 gallons of usage each month. Any excess usage above 20,000 but less than 40,000 would be considered 2 service units and so on in 20,000 gallon increments.

If application is approved the user will pay the District an additional \$500.00 Hookup fee for each service unit, they are expecting to use. To clarify, if user expects to use 20,000 gallons or less each month, the initial hookup fee will be \$3,500.00 but if the user expects to use 20,000-40,000 gallons each month the initial hookup fee will be \$4,000.00 and so on for each additional service unit. Any application for additional service units will have to be approved by the TM Rural Water District’s Board of Directors.

Once approved and water service is connected a user may request in writing a maximum of once each calendar year to the District to increase their water demand classification. Once evaluated, the District will respond to the users request as quickly as possible, but not before being reviewed by the TM Rural Water District Board of Directors. If the request is granted the user shall pay the District \$500.00 for each additional service unit that they are requesting. If denied, options will be given to the user in regards to on-site storage or cost of upgrades needed to the system to allow the requested amount of water usage.

If a user requests a decrease in the number of service units, no refunds will be granted for any hookup fees paid in the past.

VI. Monthly Minimums

Monthly Minimums are used to pay for debt service incurred by the District when building the District’s infrastructure, including the Water Treatment Plant, entire Distributions system and Water towers. The current monthly minimum charge is based on the previous year's average monthly usage.

Please see water rates section for current Minimums and Water Rates. The current monthly minimum charge for each rural tap is \$35.00per month before any water is sold. Once water service is provided, the user will be responsible to pay the monthly minimum even if there has been zero usage.

TM Rural Water District Hook-Up Policy

VII. Application and Underground Facilities Location

Each person requesting water service from the District shall fill out the entire application for water service and the underground facilities location worksheet to the best their ability. Once completed the applicant shall mail to the TM Rural Water District Office along with a \$50.00 application fee to the following address.

TM Rural Water District
PO Box 445
Parker, SD 57053-0445

Applications and Service Inquiries can be made at the TM Rural Water District Office between the hours of 8:00am and 4:30 PM Monday thru Thursday at, 110 N Main Avenue, in Parker, SD. Phone # 605-297-3334

VIII. Meter Pit Policy

A. The District shall require that meter pits be installed on all new services. A meter pit program for existing water users on the system shall be implemented to replace existing basement setters (meters in basement) with meter pits. This program will identify residences with an immediate need such as when a landowner causes work to be done to or around a basement, installs a new basement, builds a new house, relocates the point of service, or in any way obstructs the easement in which the water line is installed. Thereafter the District shall schedule meter pit installations for existing water users as necessary or by request until which time, all basement setters have been removed from the system.

The TM Board of Directors shall determine the maximum amount of meter pits that may be installed under the meter pit program on a yearly basis.

- B. A prefabricated meter pit, as specified by TM Rural Water District, will be the only type of meter installation allowed. The only exception to this would be in cases of large service connections or other connections, which are considered by the Board of Directors.
- C. The water user shall be responsible for installing and maintaining the line on the user side of the meter pit. Even if District personnel assist the contractor with the connection on the user's side of the pit, the

TM Rural Water District Hook-Up Policy

user or contractor shall be responsible for operating and maintaining the said line and connection.

- D. The District shall pay the cost of replacing the meter under this section. Costs related to moving or extending a water line to accommodate a water user's request for a change in the service will be charged to the water user.
- E. When a meter pit is installed for new service, the costs will be handled under the rules and policies applying to new users, but other requirements of this policy on meter pits shall apply.
- F. The water user shall be responsible for the protection and accessibility of the meter pit placed on their property and will be solely responsible to pay for any damage to meter pit due to user negligence. Some examples of user negligence and inaccessibility: driving over meter pit, mower damage, piling snow on top of meter pit, parking cars over meter pit, burying meter pit in landscaping.
- G. Any water user refusing to allow TM Rural Water District to place a meter pit on their property will be required to sign a release of liability to the District for any water leak on their property up to and including the water meter. If water user refuses to sign release the District shall have the right to refuse to service the property.
- H. All meter pits shall have an automatic meter reading device installed on them in order to remotely read monthly usage. Access to individual water user portals for tracking water usage shall be granted upon user request.

IX. Water Rates

Included with this policy is the current water rate schedule. TM Rural Water District charges on a per 1,000 gallon usage per month. Please refer to the rate schedule for cost per 1,000 gallons of water for the rate Classes shown below.

TM Rural Water District Hook-Up Policy

Rate 11		20,000 Gallons/Month
Monthly Minimum - \$35.00		
Usage	Cost/1,000 Gallons	
First 5,000 gallons	\$5.15	
Next 5,000 gallons	\$4.15	
Next 10,000 gallons	\$3.25	
Any water over 20,000 gallons each month	\$5.15	

Rate 12		40,000 Gallons/Month
New Monthly Minimum - \$45.00		
Usage	Cost/1,000 Gallons	
First 5,000 gallons	\$5.15	
Next 5,000 gallons	\$4.15	
Next 30,000 gallons	\$3.25	
Any water over 40,000 gallons each month	\$5.15	

Rate 13		60,000 Gallons/Month
New Monthly Minimum - \$55.00		
Usage	Cost/1,000 Gallons	
First 5,000 gallons	\$5.15	
Next 5,000 gallons	\$4.15	
Next 50,000 gallons	\$3.25	
Any water over 60,000 gallons each month	\$5.15	

Rate 14		80,000 Gallons/Month
New Monthly Minimum - \$65.00		
Usage	Cost/1,000 Gallons	
First 5,000 gallons	\$5.15	
Next 5,000 gallons	\$4.15	
Next 70,000 gallons	\$3.25	
Any water over 80,000 gallons each month	\$5.15	

TM Rural Water District Hook-Up Policy

Rate 15		100,000 Gallons/Month
New Monthly Minimum - \$75.00		
Usage	Cost/1,000 Gallons	
First 5,000 gallons	\$5.15	
Next 5,000 gallons	\$4.15	
Next 90,000 gallons	\$3.25	
Any water over 100,000 gallons each month	\$5.15	

Rate 17		150,000 Gallons/Month
New Monthly Minimum - \$114.00		
Usage	Cost/1,000 Gallons	
First 150,000 gallons	\$3.25	
Any water over 150,000 gallons each month	\$5.15	

Rate 18		200,000 Gallons/Month
New Monthly Minimum - \$139.00		
Usage	Cost/1,000 Gallons	
First 200,000 gallons	\$3.25	
Any water over 200,000 gallons each month	\$5.15	

Rate 19		400,000 Gallons/Month
New Monthly Minimum - \$275.00		
Usage	Cost/1,000 Gallons	
First 400,000 gallons	\$3.25	
Any water over 400,000 gallons each month	\$5.15	

A rate for Geothermal heating or cooling (water-source heat pumps) will not be established. Water used for this purpose shall not be allowed to return into the District's lines.

TM Rural Water District Hook-Up Policy

X. Crop Damage Policy

- A. Crop damage payments may be made for actual damage to standing crops during installation of new water main transmission lines but whenever possible TM will utilize the TM Rural Water District Waterline Easement Reimbursement Agreement.
- B. Crop damage will not be paid by the District on damages related to installation of a new service line. Crop damage to be paid to the land owner in this case shall be the sole responsibility of the new user.
- C. The manager may negotiate offers for settlement of crop damage with the owner at fair market value of the crop that was damaged. The number of acres will be determined by measurement of the actual area disturbed by the installation of the water line. If the offer is not accepted, the owner may submit a written claim to the Board.

XI. Procedure for Hookup Requests for a Single Serving Unit

- A. An application, an underground facilities location form, and a water user agreement are provided to the potential applicant.
- B. Applicant shall complete the application and return all forms to the District with a \$50.00 application fee.
- C. The manager shall review the application information to determine if the application is within his authority to grant or deny. If it is, the manager shall consider the availability of water, the effect of the grant of such service to the existing users, the effect of the grant of such service to the District's plans for future service, and other information considered relevant by the manager. The manager may approve, deny, or designate as pending any application.
- D. If the application is complete and is approved by the manager, a letter shall be sent to the applicant informing the applicant of the approval and the arrangements that must be completed prior to construction of the service being started.
- E. If the application is denied by the manager or placed in a pending status, the application is presented for consideration to the Board of Directors at the next regular meeting.

TM Rural Water District Hook-Up Policy

XII. Procedure for requests for larger than a Single Serving Unit

- A. An application form, and underground facilities location form, and a water user agreement are provided to the potential applicant.
- B. Applicant shall complete the application and return all forms to the District with a \$50.00 application fee.
- C. The applicant may provide any additional information deemed necessary in a letter attached to the application.
- D. The application shall be presented to the Board of Directors at their next regular Board meeting.
- E. The Board of Directors may approve or deny the application, or designate the application as pending. The Board of Directors may request the District's engineer to conduct a study of the request and provide cost estimates for construction of improvements that would need to be made to service the applicant.
- F. At the next regular Board meeting following preparation and presentation of the engineering report by the engineer to the District, the Board of Directors shall consider the engineer's report.
- G. The Board of Directors shall consider the costs of service, the availability of water, the effect of the grant of such service to the existing users, the effect of the grant of such service to the District's plans for future service, the financial impact to the District to providing such service, and any other information deemed relevant by the Board. The Board may decide to provide, deny water service, or place such application in a pending status for a definite or indefinite period of time. If the Board decides to offer water service, the amount of water to be provided may be different that the applicant requested. The Board has the authority to set fees and conditions the applicant must follow to receive service.
- H. Prior to construction of the water service, the District manager and/or engineer shall approve the design, material, and routing of all water lines, including water lines within the property of the applicant. District specifications and/or policies relevant to the water service shall

TM Rural Water District Hook-Up Policy