

Rules and Regulations

TM Rural Water

District

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TM Rural Water District Rules and Regulations

Rules and Regulations of TM Rural Water District

The following rules and regulations are hereby adopted by the Board of Directors of TM Rural Water District pursuant to the authority granted by SDCL 46A-9 and the By – Laws of the TM Rural Water District, to govern the business and affairs of the District. THE RULES AND REGULATIONS OF THE District shall be on file in the business office of TM Rural Water District and will be available for review by all persons affected thereby. The directors shall review the rules and regulations as need dictates and shall make necessary changes to effectuate the needs and goals of the District.

I. Definitions:

- A. **Applicant:** The owner, renter, or tenant of real property making application for water service.
- B. **District:** TM Rural Water District.
- C. **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.
- D. **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.
- E. **Main Line:** The water distribution line generally following roads and section lines and making up the distribution system of the District.
- F. **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 user's service.
- G. **Rural Retail Tap:** Water service classification for service to a single housing unit, farm, or business able to be served with the District's water meter and conforming to other District criteria.
- H. **Service Line:** The water line running from the main line and terminating at the water service meter.
- I. **Service Unit:** A service unit is 20,000 gallons of water per month.

TM Rural Water District Rules and Regulations

- J. **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
- K. **Tenant:** A water user who has signed the water user agreement who makes use of water service provided by the landowner.
- 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.
- M. **Wholesale User:** A governmental body to whom water is delivered at a single point for redistribution through the wholesale user's distribution system to water users.

II. Water User

Water Users of the District will be evidenced by a signed Water User's Agreement or other contract for providing of water which the district will maintain on file. Water users are classified as follows:

- A. Rural retail tap (which may include business and / or residence and may be sub-classified differently within this classification)
- B. Pasture tap
- C. Wholesale tap

III. Application for Service

- A. The applicant will make application for water service on the forms provided by the District, in person or by mail at the office of the District or to a duly authorized agent of the District, and at the same time pay the required fees.
- B. The District shall not be required to render services to any applicant or existing water user at any location until satisfactory arrangements have been made for the payment of bills incurred for service previously supplied at any location to the applicant or his tenant and the receipt of all easements necessary for both mainline and service line construction to insure unrestricted access to all property or the applicant.

TM Rural Water District Rules and Regulations

- C. No pasture tap shall be provided to a water user unless the water user also maintains a rural retail tap.
- D. If an application for service is made by a person who has failed to grant an easement for a water distribution line prior to or during construction of the water distribution line, after a request of an easement was made by the District, prior to such service application being considered, in addition to other fees required to be paid, the applicant shall pay to the District the sum of \$500.00 due to the failure to grant the easement at the time originally requested.
- E. Applications for water service will be accepted and reviewed consistent with policy in effect at time of application.
- F. The district will prohibit hookups to any individuals or businesses that locate new structures within flood plains or wetlands or who otherwise destroy these resources.

IV. Charges for Services

- A. Charge for service commences when connection is made, the meter is installed or may be installed, and water is available to the water user, whether the water is utilized by the water user or not.
- B. When the connection is first made and water becomes available to the first through the fifteenth of the month, the applicable rate schedule shall be applied and the monthly bill shall be remitted pursuant to Section XI. When the connection is first made and water becomes available to the property on the sixteenth through the end of the month the charges for water service will be added to the water consumption of the following month.
- C. Each Water user's service must be separately metered. Each rural retail or pasture tap shall have a separate meter.
- D. The amount charged for any relocation of pipe shall be consistent with the actual cost of relocating pipe.

V. District's Responsibilities

- A. For each water user the District shall install one shut off valve on the service line between its main distribution line and metering point.

TM Rural Water District Rules and Regulations

- B. On the pasture taps the District may install its meter, including a pit, at the property line, or at the option of the District, on the user's property, or at a location mutually agreed upon, but not to exceed 200 feet from the property line. The user shall be responsible for protecting system as installed.
- C. The District does not assume the responsibility of maintenance or inspection of the user's pipes, fixtures, plumbing apparatus, or water distribution system.
- D. The District reserves the right to check all meters at any time.
- E. The District shall not be liable for damage of any kind whatsoever resulting from the use of water on the water user's premises unless such damage results directly from negligence on the part of the District. The District shall not be responsible for any damage done to or resulting from any defects in the piping, fixtures, or appliances on the user's premises.
- F. The District shall not be responsible for negligence of third persons or forces beyond the control of the District resulting in any interruption of service.
- G. The District shall be permitted to enter upon the property of its users or any other person who has conveyed an easement pertaining to such property for the purpose of the operation, maintenance, or addition to any portion of the rural water system. If, such entry results in crop damage to such property, the owner and/or renter of said property shall be entitled to be reimbursed for the fair market value of the crops so damaged. The fair market value of said damage shall be determined in a commercially reasonable manner. The Board shall establish procedures and policy for reimbursing the owner and/or renter for crop damage.

VI. Water user's Responsibilities

- A. Piping and water distribution system on the water user's premises must be so arranged that the connections are conveniently located with respect to the District's lines and mains.
- B. If the piping or water distribution system on the user's premises is so arranged that the District is called upon to provide additional meters, each place of metering will be considered as a separate and individual account which will be subject to minimum charges and rates set from time to time by the Board of Directors of TM Rural Water District.

TM Rural Water District Rules and Regulations

- C. The user shall provide a suitable place for a pit or shall maintain a frost free basement for a meter placed on the user's premises. The meter shall be unobstructed and accessible at all times for reading and a temperature shall be maintained at all times to prevent freezing of the meter and the District service lines.
- D. The water user shall furnish and maintain a private cut-off valve on the user's side of the meter. The user shall also be responsible to report any malfunctions of meters and/or service lines.
- E. The water user's piping, water distribution system, fixtures, and apparatus shall be installed and maintained by the user and at the user's expense, in safe and efficient manner and in accordance with the District's Rules and Regulations and in full compliance with the sanitary regulation of the appropriate government agencies, including the State Plumbing Board.
- F. The water user shall guarantee proper protection for the District's property placed on the user's premises, shall permit access to it only by authorized agents, employees and representatives of the District, and shall be held financially responsible for damages to the District's property and any injuries to District's agents, employees or representatives.
- G. In the event that any loss or damage to the property of the District or any accident or injury to persons or property is caused by or results from negligence or wrongful acts of the water user, his agents, representatives, or employees, of failure to comply with these Rules and Regulations, the cost of the necessary repairs or replacements shall be paid by the user to the District. Any liability otherwise resulting shall be assumed by the user.
- H. If a user requests his present service to be relocated, all costs of relocating the service will be the water users. The user shall notify the office of the District not less than fourteen (14) days prior to when the user desires the line to be relocated.
- I. The amount of the District's loss or damages or the cost of repairs occasioned by the water user's negligence, wrongful act or failure to comply with the Rules and Regulations shall be added to the user's bill and if not paid, service may be discontinued by the District.
- J. In the event a landowner rents his property to any person or party, the landowner shall notify the office of the District not less than Seven (7) days in advance as to when the tenant intends to terminate service on the property so that the meter can be read and the bills can be paid in full. A

TM Rural Water District Rules and Regulations

deposit will be required prior to delivery of service for all rental property. The amount of deposit shall be a minimum of \$150.00 and may be increased to three times the average monthly bill if the account is repeatedly delinquent. The deposit will be returned when the water user notifies the District that he is terminating service, provides a final meter reading and pays the account in full. If payment is not made, the deposit will be applied toward the account balance. With a change of occupants, the water will be turned off and not turned back on until the deposit has been paid. In the event an occupant does not pay water bills, the landowner is required and will be held responsible to pay any unpaid water bills, late charges and any fees resulting from disconnection.

Deposit may be reduced to \$75.00 if new user signs up for ACH autopay.

- K. In the event a landowner sells his property on a Contract for Deed, the landowner shall notify the office of the District not less than seven (7) days in advance as to when the owner intends to terminate service on the property so that the meter can be read and the bills can be paid in full. A deposit will be required prior to delivery of service for all property sold on contract for deed. The amount of deposit shall be a minimum of \$150.00 and may be increased to three times the average monthly bill if the account is repeatedly delinquent. The deposit will be returned when the water user notifies the District that he is terminating service, provides a final meter reading and pays the account in full; or if the water user satisfies a Contract for Deed, and a Warranty Deed is recorded showing that the water user is the owner of the property to which the service is provided and the account is in good standing; or after one year if the water user has not been delinquent in payment of any bills to the District. If payment is not made, the deposit will be applied toward the account balance. With a change of occupants, the water will be turned off and not turned back on until the deposit has been paid. In the event and occupant does not pay water bills, the landowner is required and will be held responsible to pay any unpaid water bills, late charges and any fees resulting from disconnection.

Deposit may be reduced to \$75.00 if new user signs up for ACH autopay.

- L. Water furnished by the District shall be used according to the classification of the water user. The water user shall not sell or furnish water to any other person. Disregard of this rule shall be sufficient cause for refusal or discontinuance of service.
- M. In regard to watering livestock or use of water for irrigation or for any other special use, the water user may be required by the District to provide a constant flow valve, onsite storage, or other device, acceptable

TM Rural Water District Rules and Regulations

to the District, so that water may be more uniformly delivered throughout a twenty-four hour period.

- N. Any person removing cover or top soil from the District's rural water lines, which would cause the lines to malfunction or freeze, shall be held responsible for any damages and for the costs of lowering the line to a depth that would provide adequate protection from freezing or other malfunction.
- O. Requests for adding an additional housing unit to the existing water service on the same piece of property shall be presented to the Board. The Board has the authority to approve or deny the request.
- P. If the property on which more than one housing unit is service by a single water service meter is subdivided, a separate hookup shall be required for each piece of property at the time the property is divided.
- Q. In the event a water user plans to increase the amount of water usage, plans a change in the usage of the water, plans a change in the rate of usage of the water, requests a change in classification, or requests a change in the water demand classification, the water user shall give notice to the District as soon as possible, but in any case not less than 4 weeks prior to the requested date of change.
- R. In the event a water user's change in usage or change in rate of usage creates a shortage of water or low pressure to other users, the District may require the water user to install a constant flow valve, on-site storage, or other device, acceptable to the District, that would eliminate the water user's effect on other water users.
- S. In the event a water user requests a water line to be relocated, the water user shall give a 2 week notice to the District in order to allow the District to schedule such work.

VII. Temporary Service

- A. The District may supply service for temporary purposes, provided the District has water available in excess of regular needs, and provided the District has available material and equipment necessary to supply said service. Each applicant for such temporary service shall pay in advance to the District an estimate of the cost of labor and materials, less salvage or removal, for installing and cost of removing such service, at the rates established by the District for the classification of use.

TM Rural Water District Rules and Regulations

VIII. Access to Premises

- A. Duly authorized agents, employees and representative of the District shall have access, at all reasonable hours, to the premises of the water user for the purpose of installing or removing the District's property, inspecting piping, reading or testing meters or for any other purpose in connection with the District's service and facilities. If an employee of the District is not allowed to enter the water user's property to conduct business of the District, the District shall reserve the right to temporarily disconnect the water service at the service line valve upon twenty – four (24) hours notice to the user. Such notice shall consist of a reasonable attempt to make telephone contact or other personal notice given at the time of the refusal to allow entry.
- B. Each water user shall grant or convey, or shall cause to be granted or conveyed, to the District a permanent easement and right-of-way across any and all property owned and/or controlled by the user, but to others as well. Failure to grant to convey such permanent easement and right-of-way shall be caused for the District to refuse to serve said water user.

IX. Policy on Drainage Tile Crossing Existing TM Water Lines

In the event that drainage tile is installed on property where TM Rural Water District has an existing easement and water supply lines in place, the District shall require drainage tile crossing TM lines to be encased in 20 of non-perforated PVC pipe, which would be supplied by the District.

In regards to paralleling the District water lines with drainage tile a 15 foot easement on either side of the waterline will be enforced.

X. Water Rates

The TM Rural Water District Board of Directors closely monitors the cost of providing service to its users and will adjust rates if and when necessary. Notification is mailed out to all users once per year concerning any changes to the water rate. Copies of currently adopted water rates for all classes are available at the TM Office during normal business hours.

XI. Billing-Collecting

- A. Water bills are payable monthly, in accordance with the District's established rate schedule.

TM Rural Water District Rules and Regulations

- B. Bills for service will be figured in accordance with the District's established rate schedule for each account and will be based on the amount of water used in the period covered by the monthly reading. If service to a water user is discontinued for any reason within one month of commencement of that service, the water bill to such user shall be the minimum charge for one month of service or for the water actually used, whichever is greater.
- C. All bills not paid by the due date each month shall be declared delinquent and a 10% late fee with a \$5.00 minimum shall be added to the bill. Therefore, the bill must be postmarked by the due date each month and any hand carried billings must be in the District's office by 4:30 P.M. on the due date each month or, if the due date falls on a weekend, on the first business day following the due date. If a late charge is assessed but not paid it shall be added to the next monthly bill of the water user.
- D. Nonpayment within (30) days from the due date will result in the water being shut off to the water user's property 15 days after the date of the letter notifying the user of the past due account.
- E. In the event the water service is disconnected due to nonpayment, \$50.00 fee shall be charged to have the water disconnected and a \$50.00 fee shall be charged to have the water reconnected. The water will only be reconnected during normal business hours. Additionally, a deposit of \$50.00 shall be required each time the water is shut off for nonpayment. This deposit will be kept until the water user's account is in good standing with the District for a period of time not less than 24 months or until the water user no longer has an account with the District. Each time the water is shut off, the total deposit will increase by \$50.00.
- F. The District may use all available means to collect past due water bills and all cost occasioned by the District in this collection process may be added to the user's bill.
- G. In the event a water user requests temporary shut off of his water service while he shall be absent from his premises, the water user shall request the District to suspend the water service and shall pay the monthly minimum charge for service. Such minimum charge may be paid monthly or may be paid in advance by multiplying the monthly minimum charge by the number of months the user will be absent from the premises when the water meter must be read and the payment of the bill remitted.
- H. The District may use all lawful means available to them to effect recovery of dishonored checks received for payment of water bills, materials and supplies, or any other service preformed by the District. Accounts paid with checks which are dishonored will be treated as delinquent accounts and the charges applicable to such accounts will be charged. Additional expenses incurred by the District to obtain payment will be borne by the

TM Rural Water District Rules and Regulations

user, including the statutory maximum fee for collection of dishonored checks.

- I. The District may refuse personal checks for payment of amounts due from water users who have established an unreliable payment record or the District may, in its discretion, require a security deposit in an amount sufficiently equal to three month's average bills. If the District receives two insufficient funds checks from a user, the District may not accept personal checks from the user and may require all bills be paid by money order or cash.
- J. The District may, in its discretion, require a security deposit in the amount sufficiently equal to three month's average bills from water users who have established an unreliable payment record.
- K. Any service call made by personnel of TM Rural Water District, which shall be deemed unnecessary by the manager of TM Rural Water District shall be subject to a \$50.00 service call/\$75.00 after hours. Such service charge shall be paid by the water user at the time of the service call or shall be added to the next monthly bill of the water user. Other calls made by the District personnel may be billed to the water user at the discretion of the manager.

XII. Change of Occupancy

- A. Not less than seven (7) days notice shall be given by the user to the District's office in person or in writing of a change in occupancy of a premise which will cause a change in the records of the District as to water user or tenant.
- B. A \$26.63 fee shall be charged whenever there is a change in occupancy or ownership that causes a change in the record of the District as to the water user or tenant.

XIII. Complaints – Adjustments

- A. If the water user believes his meter reading to be in error he should present his claim, in person, at the District's office before the bill becomes delinquent. Such claim, if made after the bill has become delinquent, shall not be effective in preventing discontinuance of service, as hereinbefore provide for nonpayment of service. The water user may pay such bill under protest and said payment shall not prejudice his claim.

TM Rural Water District Rules and Regulations

- B. The District may obtain readings as often as it feels necessary. Meters that fail to register and/or operate for whatever reason, will be charged an amount that is equal to the average of three (3) previous months billing.
- C. Meters will be tested to determine their accuracy at the request of the user upon payment to the District of the actual cost to the District of making the test, provided, however, that if the meter is found to over-register by more than 3% of the volume, no charge will be made.
- D. Without written authorization, the consumer shall not break the meter seal. The District may test or cause to be tested any meter with a broken seal. The consumer may be subject to pay the actual cost, to the District for making such test. A penalty of \$250.00 may also be assessed for intentional breaking of the meter seal.
- E. Any individual requesting inclusion of the board meeting agenda, must give notice to the District manager and/or secretary at least one week in advance of the regular meeting date. A ten minute limit will be allotted to any individual appearing before the Board, unless specified otherwise.

XIV. Suspension or Discontinuance of Service:

- A. A water user may discontinue his service at any time, subject to other provisions hereafter set forth, by giving notice to the District. The user's meter shall be read and a final billing sent for water actually used.
- B. The District may discontinue or suspend service for nonpayment of bills. Nonpayment of the full amount of the water charges, penalties, hookup fees, service calls or other charges will allow the District, in addition to all other rights and remedies, to discontinue service. After discontinuance of service for nonpayment of bills, the District may proceed to collect the balance in the usual and customary manner provided by laws for the collection of debts.
- C. Service discontinued by the user or suspended by the District for nonpayment of bills may be restored only after bills are paid in full.

Where the meter is removed, before installation, the water user shall first pay the District a reinstallation charge, and all other expenses accrued in connection with the existing policy of the District.

- D. In the event that notification to the water user of past due amounts is made, an Affidavit of Mailing shall be filled out and recorded by District personnel as proof of mailing.

TM Rural Water District Rules and Regulations

- E. In the event the water service is disconnected due to nonpayment, \$50.00 fee shall be charged to have the water disconnected and a \$50.00 fee shall be charged to have the water reconnected. The water will be reconnected only during normal business hours. Additionally, a deposit of \$50.00 shall be required each time the water is shut off for nonpayment. This deposit will be kept until the water user's account is in good standing with the District for a period of time not less than 24 months or until the water user no longer has an account with the District. Each time the water is shut off, the total deposit will increase by \$50.00
- F. The District reserves the right to discontinue its service, on a temporary or permanent basis, without the notice for the following addition reason:
 - 1. To prevent fraud or abuse by a water user or any other person or party.
 - 2. The water user's willful disregard of the District rules.
 - 3. Necessary repairs.
 - 4. Insufficiency of supply due to circumstances beyond the District's control.
 - 5. Legal processes.
 - 6. Direction or public authority
 - 7. Strike, riot, fire, accident, freeze-up, or any unavoidable cause.
 - 8. To prevent system contamination through an unintentional or intentional cross-connection.
- G. The District may, in addition to prosecution by law, permanently refuse service to any person or party who tampers with a meter or other measuring devices.
- H. In the event a water service account is delinquent for a period of 24 consecutive months or more for nonpayment of the monthly minimum water bill, the water service at the location shall revert to the District and the water user shall have no right, title, or interest in such water service. If the water service reverts to the District, no representation made by the property owner or his transferee or assignee that future water service shall be available to a potential purchaser or transferee shall be deemed binding on the District. If the property is transferred or conveyed, a Water User Application shall be required to be submitted by the new owner, transferee or assignee and the new user hookup fees than in place shall apply.

TM Rural Water District Rules and Regulations

Water service subject to reversion may, in the sole discretion of the District, be restored to an original water user or his transferee or assignee that had their service to revert to the District upon full payment of all sums in arrears, including 24 months of minimum charges at the minimum charge rate in effect at the time of restoration of water service, the user hookup fee in effect at the time of restoration of water service and any actual expenses incurred by the District in restoring the water service and other fees as applicable pursuant to District policies then in effect.

- I. In the event of a bankruptcy or foreclosure effecting any real property on which the District provides water service, all water service accounts must be timely paid and not be permitted to remain in arrears in any respect before water service may be warranted or represented by the owner or his/her assignees or designees as capable of being entitled to water service by the District. Any representation or warranty of continued service made by the property owner or his/her assignees shall not be binding on the District.

This Suspension or Discontinuance of service policy shall be mailed to all water users anytime they are sent a certified letter informing them that their water will be shut off due to non-payment of their water bill.

XV. New User Financial Assistance Policy

A. Policy Statement

TM Rural Water District understands that there may be instances where potential water users within the District's boundaries may find themselves in a situation where the initial cost of hookup may be cost prohibitive. This policy has been developed to offer limited financial assistance to potential water users from a Financial Assistance Fund established by the District.

B. Policy

The TM Rural Water District Board of Directors shall create a Financial Assistance Fund and make a budgetary transfer into such fund not to exceed \$20,000 per calendar year. The transfer into the fund may be completed on an annual basis after consideration of the financial condition of the District. The decision to make a transfer into the fund shall be a decision which shall be discretionary by the Board. In any calendar year where the funds allocated to the account have been expended, no other assistance will be offered until additional transfers are made in whole or part by the Board the next calendar year.

TM Rural Water District Rules and Regulations

Any applicant whose estimated cost of construction of water service shall exceed \$6,500.00 would be eligible to apply for assistance from TM.

Upon receipt of payment by the applicant of the first \$6,500.00 of the estimated total construction costs, TM would then pay for 50% of the next \$5,000.00. If the total cost of the water service project shall exceed \$11,500.00, the additional cost in excess of \$11,500.00 of costs attributed to the project will be the responsibility of the applicant.

Prior to construction, the District shall provide a total construction cost estimate to the potential water user. The District shall require the water user to deposit the sum of \$6,500.00 with the District with any remaining amount due upon completion of construction.

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 to their residence.

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.