Hisega Meadows Water, Inc. 2315 Lindsey Dr.; Rapid City, SD, 57702

Phone: 605-342-2254

Rules & Regulations Governing Water Service Adopted: January 10, 2021

Definition: Hisega Meadows Water, Inc. is called HMWI and the individual applying for service is called Property Owner, Member or Consumer.

I. Classification of Service:

<u>Residential</u> – Residential use applies to a single-family dwelling or to each separate metered unit in a duplex, apartment complex or multiple dwelling.

<u>Commercial</u> – Commercial use applies to farms, ranches, restaurants, lounges, laundries, apartments and other private enterprises where a service is provided and a Property Owner receives monetary payment for a service.

II. Application and Contract for Water Service:

- A. The property owner requesting water service will apply for service by calling (605-342-2254) or e-mailing (bhnursery@hotmail.com) a request for application. Property owner will fill-out the "Water Users Agreement" form and submit it along with a \$1000 deposit to the HMWI Manager.
- B. The property owner will fill-out "New Resident" and "ACH Authorization" forms with Sage Water Works (provides billing services for HMWI).
- C. HMWI may reject an application for service for a good or sufficient reason. New water services and taps are at the sole discretion of the HMWI Board.

III. Contract, Payments, Deposits, Water Meters:

- A. Contract & Membership Deposits: contracts will only be written with property owners. All existing contracts for water service remain valid and in force until the property is sold.
 - 1. All contracts are valid and in force with each property owner as long as they own the property, are legally competent, abide by the Rules and Regulations governing water service, and the ownership does not conflict with the Home Owner Association requirement for the "Age 55 Community," (also known as Evergreen Valley).
- B. Payments: The Property Owner who has paid the Membership Deposit is responsible for payment of all water bills and other charges incurred while water service is furnished. If a Property Owner owes any water charge or fees when the property is sold, the remaining balance due is deducted from the Membership Deposit. If a renter/lessee/occupant of a property defaults on their payments to HMWI, all water charges and fees remains the Property Owners' responsibility. A Mechanics Lien will be added to properties for non-payment of fees after a disconnection occurs. No transfers of the \$1000 deposit shall be allowed.
- C. Water Meter Liability: Water meters are the property of HMWI. Damages to the water meter, other than normal wear and tear and equipment failure, are billed to the Property Owner. A meter that freezes and breaks or is tampered with is not normal wear and tear. A meter which fails under normal wear and tear is replaced by the Company at no charge to the Property Owner.

IV. Water Charges, Billing and Collections:

A. Water Charges:

- 1. Changes in Ownership: The individual that owns the property as of noon on the 15th day of the month will receive the invoice for that month on or about the 5th day of the following month. Change in Renters: The same policy holds for renters' invoicing. Meters are read only at the beginning of each month with no proration at the time of closing.
- 2. In the case of zero water consumption the minimum base charge is payable every month, even if the Consumer has been away for the month.
- 3. Insufficient Fund Checks/ACH Insufficient funds: Insufficient fund payments are charged a fee which is billed to the Consumer (See Attachment A Fees).
- B. Changes to the Water Rate Table or Fees noted in Attachment "A will become effective July 1, following the annual membership meeting in June.
- C. Billing: Water charges are determined from the remote readings collected at the beginning of each month.
- D. Payment is based on the gallons of water used each month per the remote meter reading plus the monthly minimum charge. Payment of water bills are due the 25th of each month.
 - 1. Water bills become past due after the 25th day of the month. Late charges are due when HMWI receives a payment later than the 25th of the month; the late fee accrues each month until the full balance is paid (See Attachment A Fees). The most current late fees may be waived if Owner agrees to sign-up for ACH payments.
 - 2. Water bills thirty (30) days past due will be sent a shut-off notice, by USPS and/or by e-mail (if an e-mail address has been provided). Ten (10) days later, water service will be shut off. A billing charge and late charges (per Schedule "A" Fees) are added to each account that is mailed such a notice. If the water account is not paid by the date stated on the notice, water service will be disconnected with a disconnect fee and a reconnection fee added to the account. All fees and charges must be paid before water service will be restored (See attachment "A" Fees).
 - 3. A Consumer engaged in fraud and abuse of their contractual agreement may be refused service.

E. Payments

- 1. The amount due, reported by Sage Water Works, Inc. must be paid using the offered electronic payment methods ACH or On-Line Bill Pay by the 25th of each month; paper checks or money orders are not an acceptable form of payment after June 30, 2022.
- 2. Receiving water service from HMWI requires signing-up for ACH payment with Sage Water Works, Inc. or using the Online Bill Pay payment (convenience fee based) option.
- 3. Any member whose water service has been shut-off due to delinquent payment, will need to sign-up for ACH payment prior to service being restored.

V. Property Owners Responsibility and Liability:

A. Curb Stops: If a curb stop is not present, HMWI will have a licensed contractor install a HMWI approved curb stop and curb box on each service line to each meter. HMWI has the exclusive right to use, service and inspect all curb stops, curb boxes and meter pits. HMWI will have the necessary repairs made and the cost of repairs will be billed to the property owner (See attachment A – Contracted Work).

- B. Back Flow Prevention: The Property Owner will furnish and maintain a number seven (#7) dual check back-flow preventer on the house side of the water meter, immediately after the meter. The dual check back-flow preventer is for the protection of the Consumer and the Public water supply.
- C. Service Lines: When a leak is suspected anywhere on the water system, the HMWI manager/water operator shall be contacted; he will contact a contractor to repair the leak. All connections will be made by a licensed and insured plumber or underground utility contractor HMWI is responsible for the cost of repairs prior to the curb-stop. The Property Owner is responsible for the cost of repairing service line leaks from the curb-stop, including the curb-stop, to the water meter. The contractor will regrade the disturbed area back to the original grade. The property owner will be responsible for the seeding/watering of the disturbed area. For repairs within the ROW of Pennington County Roads, Pennington County Ordinance #11 will apply.
- D. Easements: Each Property Owner will grant or convey a permanent easement, 15' each side of waterline, and right-of-way across property owned where water facilities or water mains are located for furnishing water service to other new or existing Customers and their property.
 - 1. No structure shall be placed within the water line easement nor shall bushes or trees be planted within the easement; this does not apply to pavement. If the water main line must be dug up, the cost of replacing the pavement will be the responsibility of HMWI.
 - 2. If a fence is placed within the water line easement and the water main line must be dug up, the Homeowner will be responsible for replacing or repairing any part of the fence damaged.
 - 3. The Property Owner is responsible for any grading of dirt or other material over the Company's right-of-way or easement and will ensure the water main is kept below frost line but will not exceed eight (8) feet in depth.
- E. Meter Installation: Water meters will normally be installed inside of the building or residence in a convenient location. Water meters are to be kept accessible for reading, replacement or repair by HMWI personnel. Water meters installed in new construction require meter connectors, a dual check backflow preventer on the upstream side of the water meter and a ball valve installed before and after the water meter at the expense of the Property Owner
- F. Water Meter Buildings and Valve Pits: The use of a meter pit or building is only allowed in special conditions and with the written approval of HMWI Manager/Operator. If the meter must be placed inside a metering pit or building, the pit must be at least four (4) feet in diameter and six (6) feet deep with a properly sealed and insulated cover and provide easy access to the meter by a built-in ladder. An antenna may be installed on a nearby building or post. The property owner is responsible for all costs in providing metering pits or buildings and the cost of valves and connections necessary for meter installation at any location. Existing water meter pits are required to be covered with a concrete lid at the property owners expense.
- G. Water Use: Water furnished by HMWI will be used only for the property listed on the membership agreement and not another party. The consumer will not give or sell water to other persons for use on another property.
- H. Water Service Responsibility: The Property Owner is responsible for their water service agreement, which includes but is not limited to all repairs, fees, fines, damage to water mains, service lines and equipment caused by the Consumer for that water service.

- I. Property Owner Liability: The Property Owner is liable for all damages, loss of property, accidents, injuries or repairs which result from the negligence or wrongful act of the Consumer, their agents or employees, to HMWI's property or personnel. The cost of the necessary repairs or replacements will be added to the Consumer's account and if not paid in thirty (30) days the water service will be disconnected. Water service will not be restored until all charges on the account and a reconnecting fee has been paid (see attachment "A" Reconnecting fee).
- J. Hydrants and Blow Offs (Access): Only personnel authorized by HMWI will open or take water from any HMWI hydrant or blow off that is not metered and owned by HMWI. Exceptions include: The Fire Department, in the discharge of their duties or a Property Owner that is fighting a fire.
- K. Renting/Leasing/Occupying: Property Owners may elect to rent, lease or allow some party to live in their property when the Property Owner does not live there. Property Owners may elect to have these individuals pay the Company directly for water service. The Property Owner will inform the HMWI Manager/Operator that a Consumer other than the Property Owner is paying for the Property Owners water service with the Company. HMWI will not write new water service contracts with anyone but the Property Owner; the Property Owner is ultimately responsible for all water charges and fees. Property that is physically separate from where the Property Owner lives, and used for rent, lease, living, livestock, agriculture or business, is required to have a separate curb stop, curb box and meter. Ultimately, the property owner is responsible for all unpaid fees of their renters.
- L. Seasonal Water Service: Property owners who leave service seasonally, continue to pay the minimum monthly base charge. If the base charge is prepaid or paid prior to the twenty-fifth (25th) of each month, there will not be any late charges.
- M. Service Disconnect: Property owner is responsible for the base fee each month even if the water is disconnected at the request of the owner or mandated by the HMWI Manager/Operator. HMWI's Responsibility and Liability:

VI.

- A. Attachment "A" Fees: All water charges, and other fees in connection with all HMWI business are listed in Attachment "A," at the end of these Rules and Regulations. Attachment "A" may be changed by the HMWI Board when market conditions require or justify a change. A new Attachment "A" will be provided to all members in the Membership packet prior to the annual meeting in June.
- B. Meter Installation: HMWI will furnish, install and service all water meters and antenna's (as needed) for existing services. New services are installed at the expense of the Property Owner. The water meters and antennas are the property of HMWI. Licensed and insured Contractors and Plumbers are authorized to install and work on meters but may not remove them permanently.
- C. Inspections and Repairs: All water meters, curb stops, curb boxes, meter pits and HMWI equipment may be read and checked annually or as needed by HMWI.
- D. Liability for Water Damage: HMWI will not be liable for damage of any kind which may result from water or the use of water on the consumer's premises, unless such damage is proven to be direct negligence on the part of HMWI. This applies to water that is turned on by HWMI at the Property Owners request. Water is not turned on unless the Property Owner or their Agent is present.
- E. Liability for Service Interruptions: HMWI will not be liable for any damages or inconvenience suffered because of planned interruptions or unplanned interruptions, such as water main or service line breaks, loss of electricity for pumping facilities, insufficient water supply, inadequate pressure, poor water quality or for any other causes beyond the Company's reasonable control.

- F. Water Service Interruptions: HMWI reserves the right to discontinue water service to make repairs, connections or other modifications without notice. HMWI will generally use all practical measures to notify affected Consumers of planned service interruptions of long duration. Interruptions are usually of short duration but It is possible to have long interruptions in certain circumstances.
- **G.** Back Flow Prevention: HMWI is responsible, by State and Federal Regulations, for a Backflow Prevention Program, which will locate and correct any services that do not have a Backflow Preventer installed upstream from the meter. Preventing the possibility of contaminated water migrating back into a Public water supply is essential for the health and safety of the Public. Services that do not have backflow Preventers are identified when meters are changed, serviced or inspected. HMWI requires that all such service lines that do not have a backflow device will have a backflow preventer installed at the owner's expense.
- H. Rentals, Leases and Occupation: HMWI will not and may not control or influence to whom a Property Owner rents, leases or allows to live on their property. <u>Forwarding Address:</u> HMWI Manager/Operator requires a valid forwarding address of any Property Owner that does not live on property that is rented or leased.
- The HMWI Board reserves the right to change any of the rules and regulations in the best operating interest of the HMWI Membership. Such revisions shall be made available to all Property Owners.
- VII. Disconnection (suspension) of Service and/or Refusal of Service: HMWI Manager/Operator will:
 - A. Disconnect service at the request of the Property Owner.
 - B. Disconnect service for non-payment of water use or other charges per Attachment "A". A disconnection notice is mailed to a delinquent account thirty (30) days after the due date of the payment. A ten (10) day grace period is granted beginning the day the notice is mailed.
 - C. Disconnect service for non-payment of repairs made by HMWI to a service line, curb stop or damage to HMWI property per Attachment "A".
 - D. HMWI reserves the right to disconnect water service or refuse water service, without notice, for the following good and sufficient reasons:
 - 1. Prevent and stop fraud and/or abuse
 - 2. Emergency Repairs
 - 3. Leaks in Consumers' service line
 - 4. Broken seals on meter
 - 5. Legal process
 - 6. Fire, flood, water quality and accident
- 7. Refused meter access by HMWI personnel
- 8. Willful disregard of HMWI rules
- 9. Water supply depleted
- 10. Direction of Public Officials
- 11. Violation of established water restrictions
- 12. Water Main Size too small for other services
- E. HMWI may refuse water service if it is determined that the additional connection cannot be serviced due to pumping capacity and/or storage capacity in the reservoirs, the water main size is not adequate to meet the needs of the existing service lines and/or if the State and Federal rules preclude HMWI from supplying greater amounts of water. The decision of adequacy is at the sole discretion of the HMWI Board.
- VIII. Complaints and Adjustments due to Water Meter:
 - A. If a consumer believes his meter reading to be in error, he will present the complaint by phone or in person to HMWI manager/Operator.
 - B. Industry standards judge a meter to be accurate if running less than 2% slow or fast. Should the consumer request testing of a meter for accuracy, HMWI will do so without charge to the Customer unless fraud and abuse is apparent.

- C. If the water meter fails to register properly or stops, the previous month's water usage will be used.
- D. HMWI reserves the right to replace, and/or test a damaged, inaccurate or non-working meter and adjust or estimate water consumption and bill accordingly.

IX. Extensions of Water Mains and Service Lines:

- A. All contractors, developers or Property Owners desiring to extend water mains for development of an area within the system will request in writing permission from HMWI. HMWI will be furnished a set of plans and drawings for the proposed development. Plans will show all proposed installations and locations of main and service lines accompanied with the required fees (See Attachment "A" Development and Inspection fee).
- B. The Property Owner will be responsible for all costs and permits for the extension of water mains. All water mains will be properly sized, and installation will include the necessary water valves, blow off valves and fire hydrants as determined by HMWI Manager/Operator. All connections will be made by a licensed and insured plumber or underground utility contractor.
- C. The water mains are inspected by the HMWI Manager/Operator after a written request is submitted to HMWI for acceptance by the developer. No excavation shall be back filled until inspected by the HMWI Manager/Operator.
- D. All grading should be completed before the installation of any service lines; service lines will be laid at a minimum depth of six (6) feet below the lowest part of the graded surface.
- E. The expense of the entire development to include, but not limited to, water mains, service lines, tapping saddles, valves, curb stops, curb boxes, meter connectors, excavation and backfill will be paid by the applicant making the request. No one other than HMWI personnel or approved contractors will tap a water main unless approval is given by the HMWI Manager/Operator. The contractor and property owner are responsible for all utility locating, permits for crossing any roads, power lines, etc. All water mains become the property of HMWI when filled with water and the easement is transferred to HMWI.
- F. The curb stops and boxes will be installed approximately one (1) foot inside the Property line. The top of the curb box is flush with the graded surface where possible. Grass will be planted on the easement by the Property Owner.

X. Inspection:

- A. No water mains or service lines will be covered or backfilled until the same has been inspected by HMWI personnel. At least twelve (12) hours' notice will be given to HMWI of the time such development will be ready for inspection. If the inspector finds the installation to be improperly installed or materials are not the quality specified, the work must be corrected to the satisfaction of HMWI personnel before water service will be provided to the property.
- B. Water meters furnished by HMWI, are installed at the expense of the Property Owner and all installation work is inspected by HMWI personnel after installation by a certified licensed plumber as specified above.

Payment Due Date: 25th of each month		
Metered & Non-Metered Service Rates:		Notes
Water (base fee)	\$85.00	
Tier 1	\$0.40	1-15,000 gallons
Charge Tier 1 rate by 100 gallons		
Tier 2	\$0.50	15,001- 45,000 gallons
Charge Tier 1 rate by 100 gallons		
Tier 3	\$0.60	45,001 gallons and up
Charge Tier 1 rate by 100 gallons		
	(industry norm is to charge by the gallon)	
Transaction Fees		Notes
Membership Deposit	\$1,000.00	
Membership Deposit Refund (minus ourstanding balance)	\$1,000.00	Check written by HMWI
Late Fee	\$15.00	
Disconnect Fee (Due to delinquent account)	\$100.00	
Reconnect Fee (Due to delinquent account)	\$200.00	
Disconnect & Reconnect Fee (Member requested)	\$50.00	
Non-Sufficient Funds Fee (ACH/Check)	\$50.00	
Shut Off Notice Mailed USPS	\$10.00	
Development & Inspection (per lot)	\$500.00	
Meter Tampering Fine	\$500.00	
Replace Damaged Meter	\$350.00	Price of new meter (installed)
Labor per hour- HMWI Employee	\$50.00	
New Water Service (existing curb stop)	TBD	
New Water Service (Tapping & Connection)	TBD	
Contractor Invoice (Owner's responsibility)	TBD	
Rate/Fee/Schedule Review and Approval by:		
HMWI:	Title	Date
Updated: May 2020		