

Governing Rules and Regulations For Members and Consumers of South Lincoln Rural Water System, Inc.

Location

South Lincoln Rural Water System, Inc.
28647 472nd Avenue
Beresford, SD 57004

Business Hours

Monday – Friday: 8:00 AM – 4:00 PM
Phone: (605) 777 – 9905

Mission

“Provide our members with the highest quality water possible at a reasonable cost. Promptly respond to members’ needs, with disregard to the time of day. Embrace and display a level of professionalism that will inspire confidence in our members and the services we provide”.

Objective

The following Governing Rules and Regulations were written to provide guidance to all Members and consumers alike and create an environment that allows the Corporation to conduct business and protect the rights of each.

Notes

1. The Board of Directors reserves the right to make changes to the Governing Rules and Regulations without notice.
2. Members not electing to read and understand the rules and regulations of this organization may be forfeiting their rights as members of South Lincoln Rural Water System, Inc.

Application for Membership and Services

1. Any person(s) or other consumers may apply for services by completing the Application for Service form available on SLRW’s website or in person at the offices of the Corporation and paying by non-refundable deposit the current application fee.
2. At this time, or at a designated time in the future, the Corporation will determine whether the location for which application is made, has satisfactory water supply and availability. If both are found sufficient, the following actions will be taken:
 - a. The applicant will be provided a written estimate of costs associated with providing services to his/her location.
 - i. Estimates are good for thirty (30) days from the date provided.
 - ii. Costs contained within the estimate are not final.

- iii. Estimates include costs for work to install service to subject property and include the following SLRW-owned infrastructure:
 1. Connection to mainline
 2. Service line valve
 3. Meter pit
 4. Meter and related equipment
 - iv. Estimates do not include costs for final connection to homes or other private infrastructure.
 - b. If the applicant agrees to the terms and conditions for services, he/she will pay a membership fee, sign the cost for services estimate and be given a copy. The original estimate will be filed in applicant's personal file at the office of the Corporation.
 - c. Construction for service infrastructure will then be scheduled between SLRW staff and a contractor of SLRW's choosing. Members are not permitted to perform work on SLRW owned infrastructure nor hire a contractor to do the same.
3. The Corporation has the right to reject an application if it cannot obtain all necessary easements to supply services to the applicant's location.
4. If the Corporation has begun construction to provide services and the applicant decides not to receive services, the applicant will forfeit the deposit paid for membership and will be charged for any expenditure the Corporation has accumulated.
5. Members having multiple services with the Corporation are required to have a membership for each service.
6. Multiple consumers are not allowed on a single membership and meter. Each consumer shall have its own membership and meter.
7. All devices including service line to the meter pit, , meter, valves, and other items used to deliver services to the consumer are the property of the Corporation. Consumer's property begins at the point of discharge or where water leaves the meter or meter pit.

Tenant Policies

1. A non-negotiable meter deposit shall be required of all tenants. The deposit can be redeemed only at the Corporation's office provided all amounts due the Corporation are paid in full. Non-payment of the meter deposit is cause for disconnection of service.
2. The meter deposit for a meter of required size shall be as follows
 - a. Up to and including 1": \$150.00
 - b. Larger than 1": \$300.00

3. The individual in whose name the deposit is made shall be responsible for payment of all bills incurred in connection with the service furnished. The landowner is responsible for any unpaid invoices due the Corporation.

Water Rates

1. South Lincoln reserves the right to adjust water rates as needed to ensure the Corporation's financial health.
2. Rate adjustments are adopted by the Board of Directors and communicated to Members of all classes.

Billing and Collecting

1. Water bills are paid monthly in accordance with the Corporation's established rate schedule.
 - a. Monthly bills include both monthly minimum and volumetric charges.
 - b. Payment is due to the Corporation by the 15th of each month.
 - c. Failure to make payment by the 15th of each month carries a late fee according to the Corporation's established fee schedule.
2. Members are responsible for all water that is measured by the meter. Leaks downstream of the meter are the responsibility of the member. Bill credit for water lost to leaks will not be provided.
3. Monthly minimum payments are due from each user even if no water is used. This includes payments from members whose service has been temporarily disconnected for reasons such as seasonal absence.

Change of Ownership

1. Notice of change in ownership shall be provided to the Corporation.
2. The outgoing party shall be responsible for the monthly minimum and all water used until the time of departure or the time of specified departure, whichever is longer.
3. A membership transfer fee shall be paid by the incoming party according to the Corporation's fee schedule.

Service Classes

1. Class 1: Individual User
 - a. Typical residential, farm, and/or commercial user. Service is for single property.
2. Class 2: Annual User
 - a. Alternately referred to as "Pasture Taps."
 - i. No livable dwelling on property.

- b. Annual users are billed in January each year. The bill includes the sum of charges for the volume pumped in the previous calendar and the annual minimum for the current calendar year. For example:
 - i. Bill received in January 2025. Charges include:
 - 1. Annual minimum for 2025.
 - 2. Volume used in 2024.
 - c. Note: Annual users are no longer added to the system. Any individual seeking an annual membership can become a Class 1 member. All existing Annual Users are grandfathered until service is terminated.
3. Class 3: Bulk User
- a. Municipalities and large commercial or industrial users.
 - b. Subject to individual written agreement between South Lincoln Rural Water and subject entity.

Service Termination

- 1. An existing service may be terminated with written notice from a system member.
- 2. Termination relinquishes the allocation of water to said service and terminates membership with the Corporation.
- 3. Reactivation of a terminated service is considered a new user and is subject to application and membership fees. Construction costs may or may not be necessary depending on the condition of the existing service infrastructure at the terminated service.

Fee Schedule

- 1. The corporation charges the following fees, as set by the Board of Directors, in the ordinary course of its business:
 - a. Application Fee: \$250.00
 - b. Membership Fee: \$500.00
 - c. Membership Transfer Fee: \$35.00
 - d. Family Membership Transfer Fee: \$5.00
 - e. Late/Missing Payment Fee: \$5.00
 - f. Reactivation Fee: \$500.00
 - g. Disconnection Fee: \$150.00
 - h. Reconnection Fee: \$150.00

Denial for Membership and Service

- 1. The Corporation reserves the right to deny any and all applications for membership and services. The list below is not a complete list, but a sampling of reasons for rejection.
 - a. Any person(s) or entity that has denied the Corporation an easement for services to other applicants or Members.

- b. Any current Member asking for additional service that is past due or delinquent.
- c. Any previous member or member of another rural water system that was terminated.
- d. Any previous Member that was the sent to collections for non-payment of services.
- e. Any person(s) or entity stealing unmetered water from the Corporation.
- f. Any person(s) or entity diverting water to another person(s) or entity through the Member's meter to avoid membership.

Member Responsibilities

1. Now your residence or location has been connected, you can start enjoying the services provided by the Corporation. When becoming a member, you accept certain responsibilities that are designed to protect you and the integrity of our entire system.
2. "*Common Sense Rule*" applies to the term "*Responsibility*". If you believe there are situations that the Corporation needs to examine or have knowledge of, as a member you are obligated to inform the Corporation. Listed below are examples of responsibilities you have accepted as a member:
 - a. Not to auger, dig or excavate in the Corporation's easement or near the meter pit, service line or distribution mains in advance of calling "811" for locates.
 - b. To notify the Corporation fourteen (14) days in advance of building, razing, rebuilding, replacing or the removal of any structures or foundations that are connected to the system or near the Corporation's easement.
 - c. Immediately notify the Corporation if you should suspect or discover a leak near or around any meter pit, service line, or mainline owned by the Corporation.
 - d. Notify the Corporation if you suspect any person(s) or entities illegally tampering with, discharging, or diverting service from the Corporation's system without the Corporation's knowledge.
 - e. Paying monthly invoice for services on or before the 15th of each month.
 - f. Protect all equipment located at the Member's location which the Corporation uses in the delivery of services to Members, i.e. meter pit, meter, satellite reader, service line valve marker and signs.
 - g. Members and all Class 3 users are responsible for all piping, fittings and appliances downstream of the meter pit.

- h. Members are responsible for damages to equipment owned by the Corporation and the labor to repair said equipment due to the carelessness of the Member or their tenants.
3. If it is unclear if a condition or situation falls under the Member's responsibility or Corporation's responsibilities, contact the Manager of the Corporation and ask for clarity.

Corporation's Responsibilities

1. Provide a safe and sanitary environment that delivers a safe quality product for consumption.
2. Protect and maintain wells, pumps, pumping stations, controls, main distribution lines, service lines, generators, towers, storage devices and Member utilities.
3. Employ competent personnel having appropriate credentials to conduct the affairs of the Corporation.
4. Establish and set rates for services as maybe required to maintain a healthy budget and balance sheet.
5. Develop a short- and long-range strategy that permits the system to expand; allowing opportunity for additional consumers and commerce.
6. Collect debts owed for services
7. Pay bills as required. Make financial decisions and investments as necessary to make the Corporation whole.
8. Enforce and interpret the Rules and Regulations as written, make changes or modifications to this document as necessary.
9. Provide assistance and information, when necessary, to preserve the quality of Member's services.

Other Information

1. Members from time to time may experience discoloration in their water. The discoloration comes from mineral suspended in the water. In these times, we recommend that consumers run water through a garden hose from an outside faucet for a period of no less than one hour (1). If after flushing your service line the discoloration persists, the consumer should contact the Corporation and ask to have a Service Personnel address the problem.
2. At times Members may experience low water pressure or no services. Generally, this happens when water is shut off for repairs. Services will in these cases be restored as

soon as the repair has been made. The Corporate Office may be able to provide you with an approximate time that services will be restored.

3. The Corporation is the only entity that is authorized to remove, repair, place, add to, divert, tamper with devices, or handle equipment owned by the Corporation. Unless the Corporation has given its consent to other individuals or contractors to do the same. Any unauthorized individual or contractor found tampering with the Corporation's property will be held accountable for his or her actions.
4. The Corporation reserves the right to restrict, interrupt, or discontinue services at any time for repairs, break downs, lack of sufficient supply, acts of God and/or reasons of security.
5. If the Corporation makes a repair and crops are damaged, the Member or landowner has the right to ask the Corporation to be reimbursed for damages pursuant the Corporation's Crop Damage policy.
6. When Members or other entities request the Corporation's personnel to investigate a presumed problem and the problem is found to be the Member's responsibility, the Corporation has the right to bill for its labors and supplies.

Adopted: January 21, 2025