

UPPER SOURIS WATER DISTRICT

INTRODUCTION

The reason for the existence of Upper Souris Water District is to provide water to its members.

The Articles of Incorporation and Bylaws of the District are the primary rules by which the corporation management is governed. The Bylaws grant the Board of Directors certain powers. One of these is the right to adopt regulations as a guide for the manager of the system.

The policies set by the Board of Directors are designed to provide a degree of uniformity in the solution of similar problems. The intent of this is to prevent any discrimination which might occur by reason of different solutions to similar problems.

The purpose of these guidelines is to centralize management in the position of the manager and allow him to function without having to request a Board of Directors' opinion for each individual transaction.

THE RULES AND REGULATIONS OF UPPER SOURIS WATER DISTRICT HEREIN AFTER REFERRED TO AS THE DISTRICT

OBJECTIVES:

- A. To establish rules and regulations setting forth the district's intentions for the conduct for the business affairs of the district in a manner that will result in a successful operation.
- B. To treat all consumers with respect to recurring situations requiring the establishment of a set of rules and regulations.
- C. To provide high-quality service to the consumers of the district at the lowest possible cost, consistent with sound business practices.
- D. To make known to the consumers, the rules and regulations of the district.
- E. To create a favorable image among the consumers and general public.
- F. To promote maximum beneficial utilization of water among the consumers by providing additional services desired by the consumers.
- G. To represent at all times, the interests of the consumers in the most fair and equitable manner.

The Board of Directors of the Upper Souris Water District resolves that the following rules and regulations shall be recognized, established and maintained as representing their intentions in governing affairs of the District. It is intended that these rules and regulations reflect long range intentions and authority on actions to be taken by the management. Rules and regulations affecting consumers will be available for their review. The Board of Directors shall review all rules and regulations at least annually and make whatever changes necessary.

I. CLASSIFICATION OF SERVICE:

A. RESIDENTIAL: This category applies to and shall include all single family dwellings and each residential unit in a multiple-dwelling building, trailer court, duplex, auto court, apartment house, and in general to any structure or arrangement of structures wherein more than one family resides.

B. FARM AND RANCH: This category applies to all service where residence and farm and ranch operation consist of one integrated unit of operation. Rental units shall be separate membership,. Exception-special approval.

C. RENTAL: Applies to renters who wish to be served water from the District at a location which no longer has a active permanent membership.

In the event there is any question as to the proper type or classification the Board of Directors shall have the right to determine the classification of the consumer and such determination shall be conclusive.

II. APPLICATION FOR SERVICE:

A. The consumer will make application for service at the District office. The fee for the membership and service shall be \$600.00 and shall be paid in advance of services provided by the District. The fee for a rental membership and service shall be \$300.00 and shall be paid in advance of services provided by the District.

B. In the event that water services is inadequate to provide to an applicant, the applicant can guarantee future water service by entering into a water user's agreement and paying the membership fee. When or if water service becomes possible (as determined by the District) the applicant will be notified that water service is available, at which time, should the applicant want water service, the applicant will be charged the monthly debt retirement charge whether the member or applicant uses water or not. Should the applicant refuse water service, the membership fee will be refunded without interest and the next applicant as dated on the water users agreement will be offered water service and so applications or membership will be prioritized according to the late listed on the water users agreements.

C. The district may reject any application for service when the applicant is delinquent in payment of bills incurred for service previously supplied at any location, provided that when the premises of the owner have been served water, and have not paid for the same, the district shall not be required to render service to anyone at said location where the water was used, until said water bill has been paid or until satisfactory arrangements have been made.

D. For violation of any of the provisions of these rule regulating to application for service, the district may at expiration of seven days after mailing a written notice to the last known address of the consumer, remove the meter and discontinue service. Where the meter is thereafter reinstalled, the consumer shall first pay to the district a reinstallation charge. For disconnect and reconnect the charges shall be as follows:

In an event it becomes necessary for the district to discontinue service to a member because of a delinquent account, that member will be charged a reconnection fee of \$300.00 plus all monthly minimum accrued from the date of last payment. Part or all of this may be waived for good cause shown.

III. INITIAL OR DEBT RETIREMENT CHARGE:

A. The initial or debt retirement charge, as provided in the rate schedule, shall be made for each meter installed, regardless of location. Each meter unit and membership requires a separate meter reading sheet, and each meter reading sheet shall cover a separate and individual account.

B. The charge for water available to the property between the 1st and 15th of the month shall be made at the rate in effect during that calendar month. The charge for water available to the property between the 15th and the end of the month shall be made at a rate in effect on the 1st day of the following month.

C. Each consumer's service must be separately metered at a single delivery point. A meter must be installed with a each curb stop. Each curb stop meter unit in use shall require an active membership. That a consumer has more than one curb stop meter unit and has paid more that one membership fee does not entitle that member to more than one vote.

D. A consumer may serve the business which he operated in conjunction with the residence for which he has a membership. Business does not include a place of abode unless it is provided for an employee. An employee is a person whose only participation in the business is the exchange of labor for wages.

E. A consumer may install a new curb stop meter unit without purchasing a new membership if the former curb stop meter unit remains unused. Before the former unit can be reactivated, a new membership fee will be required of the person making use of the unit.

F. If the title to property on which a curb stop meter unit are installed changes, the membership will remain with the owner of the property where is unit is located. If the property is subdivided the membership will remain with the owner of the property where the unit is located.

IV. THE DISTRICT'S RESPONSIBILITY AND LIABILITY:

A. The district shall run a service line from its distribution line to a connection point provided by the consumer.

B. In regard to farm and ranch, residential, or rental classification, the district may install its meter at the property line, or at the option of the district on the consumer's property, or in a location mutually agreed upon.

C. When two or more meters are installed on the same premises for different consumers they shall be closely grouped and each clearly designated to which consumer it applies.

D. The district does not assume the responsibility of inspecting the consumer's piping or apparatus and will not be responsible therefore, however, all meters will be checked periodically or caused to be checked periodically by the district.

E. The district reserves the right to refuse service unless the consumer's line or piping is installed in such a manner as to prevent cross-connection, or back-flow.

F. The district shall not be liable for damages of any kind whatsoever resulting from water or the use of water on consumers premises unless such damages results directly from negligence on the part of the district. The district shall not be responsible for any damage done by or resulting from and defects in the piping, fixtures, or appliances on the consumers premises. 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.

V. CONSUMERS RESPONSIBILITY:

A. Piping on the consumer's premises must be so arranged that the connections are conveniently located with respect to the district's line or mains. The Board of Directors shall, through its manager or agent, determine the location of the curb stop. The consumer shall furnish, install, and maintain a service line from the curb stop to the consumers metering point. The district will furnish to each member service, the curb stop with box, meter, backflow preventor, and pressure regulator. Installation of each of these items shall be responsibility of the consumer and installed according to the specification furnished by the district.

B. If the consumer's piping on the consumer'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.

C. The consumers shall provide a suitable frost-proof place for a meter placed on the consumer's premises. It shall be unobstructed and accessible at all times for reading.

D. The consumer's piping and apparatus shall be installed and maintained by the consumer and at the consumer's expense in a safe and efficient manner and in accordance with the corporation rules and regulations and in full compliance with the sanitary regulations of the State Board of Health.

E. The consumer shall guarantee proper protection for the district property placed on the consumer's premises and shall permit access to it only by authorized representatives of the district.

G. In the event that any loss or damage to the property of the district or any accident or injury to persons of the property is caused by or results from the negligence or wrongful act of the consumer, his agents, or employees, the cost of the necessary repairs or replacements shall be paid by the consumer to the district and any liability otherwise resulting shall be assumed by the consumer.

H. The amount of such loss or damage or the cost of repairs shall be added to the consumer's bill and if not paid, service may be disconnected by the district.

I. Water furnished by the district shall be used according to the classification of the consumer. The consumer shall not sell or give water or water service to any other person or persons or dwelling which he or she does not own. Water shall not be used for irrigation, or other purposes, except that when water is available in sufficient quantity without interfering with the regular classified use, in the area served, the water may be used for any other purpose. The user may use as much water as he desires unless he is informed by the district that he must restrict his use of water. Disregard for this rule shall be sufficient cause for refusal or discontinue service.

J. In regard to watering livestock, the consumer may be required to provide a constant flow valve or other device acceptable to the district so that water will be more uniformly delivered to the livestock watering trough throughout the twenty-four hour period. Such device shall be installed at all principal livestock watering places.

K. A member may terminate membership upon signing a termination agreement which provides:

- 1) That the district shall retain any easement granted by the member.
- 2) That the district shall have the right to maintain any facilities installed pursuant to said easement.
- 3) That if the former member, or his or her spouse, ever desire the reconnection of the premises the former member or his wife shall pay a reconnection fee of \$300.00. If the member discontinues water use without signing a termination agreement, the board upon 30 days notice shall have the right to terminate the membership. The former member shall not be served water at the premises again unless and until:
 1. The member makes good on all previous unpaid accounts to the district.
 2. The

member pays a reconnection fee of \$300.00.

L. Any one who is allowing any other person to tamper with the district's curb stop to illegally bypass the meter or who steals water or water service in any manner shall be subject to a minimum of \$1,000.00 penalty to be enforced each time the offense occurs. In addition, the district may proceed with legal action against the individual responsible for tampering or bypassing the meter or theft of water or water service.

M. Upper Souris Water District Water Rationing Policy: As you know, in the past years we have experienced outages throughout the system because we simply can't keep up with the demands that agriculture spraying puts on our system

Because of these increasing water demands for crop spraying and the burden that demand puts on our system, the Board of Directors have to adopted the following policy to be put in place when deemed necessary by management, see we can at least provide service to everyone's home for domestic needs.

1. Public notice by a radio announcement (910 AM or 97.1 FM) to all customer to conserve water usage and prohibit any usage for agriculture spraying.

2. Meet the minimum requirements for the city contracts.

3. Close off all bulk hauling as long as necessary.

4. Prohibit any outdoor water use such as garden or lawn irrigation or washing of vehicles or farm equipment.

5. Shut off discharge flows at Reservoirs 2 & 3 beginning at 11:00 pm and return discharge flows at both Reservoirs at 5:00 am the following morning.

This policy was amended by the Board of Directors on June 2008 and will be enforced by the management and be implemented as long as management feels our system capacity is no longer at risk in supplying water needs for our members health and household needs.

VI. EXTENSIONS TO MAINS AND SERVICE:

A. The district will 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 service must pay in advance to the district an estimate of the cost of labor and material less salvage on removal, for installing and cost of removing such service, at the rates established by the district for the classification of use.

B. In extending a water main to serve an applicant, the applicant is required to deposit in addition to the price of a benefit unit, an amount which is equal to the entire cost of the extension to the district.

VII. ACCESS TO PREMISES:

A. Duly authorized agents of the district shall have access, at all reasonable hours, to the premises of the consumer for the purpose of installing or removing the district property,

inspecting piping, reading or testing meter or any other purpose in connection with the district service and facilities.

B. Each consumer shall grant or convey, or shall cause to be granted or conveyed, to the district a permanent easement and right of way across any property owned or controlled by the consumer wherever said permanent easement and right of way necessary for the district water facilities and lines, so as to furnish service to the consumer. No crop or surface damages will be paid during the initial construction of any line. If repairs are required to a line after its initial construction, the member may be paid for damages caused by the repairs of the leakage of water. Crop damages will be compensated at market value of the crop or replacement of damaged plants.

VIII. CHANGE OF OCCUPANCY:

A. Not less than seven days (7) notice shall be given by the consumer to the district's office to discontinue service or change occupancy.

B. The outgoing party shall be responsible for all water consumed up to the time of departure or the time specified for departure, whichever period is longest.

C. In the event of any change of resident or tenant of a premises served by the district, a service fee may be charged.

D. The district will refund the entire three hundred dollars (\$300.00) hook up fee when initial construction in the area of any member is completed, and water is not available to the member.

IX. METER READING-BILLING-COLLECTING:

A. Billing will be conducted by the District on a monthly basis. Consumers will read their meter each month and remit that reading, and the amount indicated by the approved rate schedule, to the District's office, or its agents, prior to the final day of each month.

B. Bills for water will be figured in accordance with the district's published rate schedule and will be based on the amount consumed for the period covered by the meter readings except where a consumer orders turnoff less than one month after turn-on, the debt retirement charge to such consumer for such period shall be equal to the debt retirement charge for one full month's service.

C. The debt retirement charge for service shall commence 45 days after the district has given the member notice that water is available a curb stop for use, regardless of whether the member utilizes the water or not.

D. Readings from different meters will not be combined for billing, irrespective of the fact that said meters may be for the same or different services.

E. Accounts must be paid in full *and have a current meter reading submitted* within ten (10) days of the due date, or they are considered delinquent and subject to a ten percent (10%) penalty on the delinquent amount. After 60 days, past due accounts, and accounts with outdated meter readings, will be charged an additional \$50 per month late fee, and may be disconnected without notice. If a District employee must make a trip to obtain a meter reading for billing purposes, a \$150 trip charge will be added to the account. Further, if water service is disconnected due to delinquency, there will be a \$300 reconnect fee.

F. The district shall cause all meters to be read at least annually: The district may obtain readings as often as it feels necessary.

G. A \$75.00 minimum charge will be charged to consumers who require repairs or service for the district to be made if such repairs or services are the result of the consumer's responsibility. Any materials needed for such repairs or services shall be charged to the consumer in addition to the minimum charge. If the actual cost of such repairs and services, excluding the cost of materials, exceed the minimum charge, the consumer shall be charged for the actual cost plus the cost of materials needed for such repairs and services. Any required repairs or services made by the district during times outside of the district's office hours or on holidays and weekends shall be charged at one and one half times the regular rate for such repairs and services plus the cost of materials needed. If the repairs or service required are then responsibility of the district, there will be no charge to the consumer.

H. There will be a hand billing of users who haul water from a water plant or reservoir station. The charge will be \$10.00 per 1,000 gallons. Any member who has paid a membership fee and has terminated his or her membership is entitled to lifetime service of hauling water from a water plant or reservoir station, provided that the original membership is not owned by another active member of the district.

I. If a user does not send in an accurate meter reading, or in the case of seasonal users, a meter reading that indicates no water usage since last months' reading, the district shall enter a reading which is equal to the user's last reading, plus the system's average monthly usage per meter, or the individual user's monthly average per meter. *This does not relieve the obligation to report an updated meter reading.* Until such time as a current meter reading is submitted, the account will be assessed a \$50 monthly penalty, as outlined in paragraph E above.

J. The consumer shall not send in an artificial meter reading. All meter readings shall be the actual reading which is registered on the consumer's meter. Failure to abide by this rule is cause enough for service to be disconnected. *NOTE: Readings taken directly from the water meter supersede those from remote readers, which are installed for the user's convenience.*

K. The district may use whatever means necessary to recover bad checks received for payments of water bills, materials, and supplies, or any other services performed by the

district. Such accounts will be treated as delinquent, and the charges applicable to such accounts will be applied. Any additional expenses incurred by the district to make payments good will be borne by the consumer.

L. The district may refuse personal checks for consumers who have established an unreliable payment record; or the district may require a security deposit in an amount equal to three months average bills.

M. The district will charge a \$25.00 fee on any NSF check which is received by the district.

X. SUSPENSION OF SERVICE:

A. The district reserves the right to discontinue service without notice for the following additional reasons:

1. To prevent fraud or abuse.
2. Consumers willful disregard of the district's rules.
3. Emergency repairs.
4. Insufficiency of supply due to circumstances beyond the district's control.
5. Legal processes.
6. Direction of public authorities.
7. Strike, riot, fire, accident or any unavoidable cause.

B. The district may, in addition to prosecution by law and penalty, permanently refuse service to any consumer who tampers with a meter or other measuring device.

XI. COMPLAINT-ADJUSTMENTS:

A. If the customer believes his meter reading to be in error, he shall present his claim in writing, 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 heretofore provided. The consumer may pay such bill under protest and said payment shall not prejudice his claim.

B. Meters will be tested at the request of the consumer upon payment of \$50.00 to the district for the actual cost to the district of making the test, provided, however, that if the meter is found to over register beyond three percent of the correct volume, no charge will be made to the consumer.

C. Without authorization the consumer shall not break the meter seal. The district may test or cause to be tested a meter with a broken seal. The consumer may be subject to pay the actual cost, to the district of making such a test.

D. Members must give 10 days notice of any problem to the manager before any Board meeting to allow the manager to investigate the problem before the meeting.

XII. RV COURT RATE SCHEDULE:

Trailer court rate schedule to be as follows: The monthly rate for each trailer space every month shall apply, thereafter the regular rate schedule shall be applied to the aggregated consumption of the court each month over and above the monthly minimum multiplied by the number of trailer spaces.

XIII. CHURCHES AND PARSONAGES:

A. If there is a parsonage to be served; the parsonage will pay the membership fee and will pay the minimum monthly charge. A line may be run from a point after the meter to a church without additional membership or meter, the water will be metered through and billed to the parsonage. The cost of installing the additional line will be paid by the parsonage.

B. As an alternative, the church may be serviced from another point on a water line, an additional meter will be required and the cost of the line and meter will be paid by the church. The meter reading will be combined with the parsonage reading. No additional membership will be required.

C. A church without a parsonage will pay the usual membership and for water on actual use, but there will be no minimum charge made.

XV. HOLIDAYS-OFFICE HOURS:

A. The district's office will be closed on Saturdays and Sundays and the following holidays:

New Year's Day
President's Day
Good Friday
Memorial Day
Independence Day
Labor Day
Columbus Day
Veteran's Day
Thanksgiving Day
Christmas Eve
Christmas Day

B. The district's office hours are from 8:30 am to 12 pm and 1 pm to 4:30 pm Monday through Thursday, and 8:30 am to 12 pm Fridays.