

BY-LAWS

and

RULES & REGULATIONS



Rural Water District #1

Murray County

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“This facility is an equal opportunity provider
and employer.”

RURAL WATER DISTRICT NO. 1
MURRAY COUNTY, OKLAHOMA

BY-LAWS

ARTICLE 1

NAME AND PLACE OF BUSINESS

- Section 1. The name of this corporation shall be Rural Water District No. 1, Murray County, Oklahoma.
- Section 2. The principal office of this District shall be located in Sulphur, Murray County, Oklahoma.

Article 2

Corporate Powers

- Section 1. The corporate powers of the District shall be vested in the Board of Directors, hereinafter referred to as the Board.

Article 3

Purpose and Objectives

- Section 1. The purpose and objectives of this District are as follows:
- (a) To acquire water and water rights and to build and acquire pipelines and other facilities, and to operate the same for the purpose of furnishing water to serve the needs of owners and occupants of land located within the

District, and others as authorized by these By-laws.

- (b) To borrow money from any Federal or State agency, or from any other source, and to secure said loans by mortgaging or pledging all of the physical assets and revenue and income of the District, including easements and right-of-way.
- (c) To hold such real and personal property as may come into its possession by will, gift, purchase, or otherwise, as authorized by law, and to acquire and dispose of such real and personal property, including rights-of-way and easements, wherever located, and as may be necessary and convenient for the proper conduct and operation of the business of the District.
- (d) To establish rates and impose charges for water furnished to participating members and others.
- (e) To enter into contracts for the purpose of accomplishing the purpose of the District with any person, firm, corporation, or governmental agency.
- (f) To cooperate with any person, firm, corporation, or with any governmental agency in any undertaking designed to further the purpose of the District.

(g) To do and perform any and all acts necessary or desirable for the accomplishment of the purpose of the District which may lawfully be done by such District under the laws of the State of Oklahoma and of the United States of America.

Article 4

Water Users

Section 1. Water shall be supplied only to rural residents of land located within the District. Provided, however, that the board may make water available to the public for purchase at such distribution points as it may establish.

Section 2. No owner of land located within the District shall be eligible to become a water subscriber unless he has first subscribed and paid for one or more Benefit Units. Tenants occupying land located within the District may become water subscribers: Provided that the owner, or someone on behalf of the owner, has subscribed and paid for one or more Benefit Units in favor of the land or premises occupied by the tenant.

Article 5

Right to Vote

Section 1. Only participating members shall have the right to vote, and each participating

member shall be entitled to a single vote, regardless of the number of Benefit Units to which he may have subscribed: There shall be no proxy voting, and no dual ownership of Benefit Units for voting purposes. A participating member may be an individual, firm, partnership, association, or corporation.

Participating members shall be:

- (a) Owners of land located within the District who have subscribed to one or more Benefit Units: Provided, payments of charges are current on at least one of the Benefit Units.

Article 6

Benefit Units

Section 1. The Board shall at the proper time cause a declaration of availability of Benefit Units for subscription to be entered in its minutes and shall establish a unit price for said subscriptions. Each benefit Unit shall carry with it the obligation of paying a minimum monthly meter charge from the time service is available. The Board in its discretion may from time to time, if the capacity of the District's facilities permit makes additional Benefit Units available. Subscriptions for Benefit Units shall be given preference and priority in order in which received. The Board may refuse the subscription for a Benefit Unit in favor of a particular tract of land located within the District, or impose special

conditions on granting the same if in the judgment of the Board, the granting of said subscription and the furnishing of water pursuant thereto, would impair the service to other water users in that locality or be uneconomical, unfeasible, and place an undue burden on the District. Any landowner who feels himself aggrieved by such denial, or imposition of special conditions, may appeal from the action of the Board to a vote of the members at the next regular meeting of the members, or special meeting of the members called for such purpose: Provided, the decision of the Board shall stand, unless $\frac{3}{4}$ ths of all participating members vote in favor of a motion to overrule the decision of the Board.

Section 2. Upon the purchase of Benefit Units, the owners of land shall designate the tract of land to which the Benefit Units shall be assigned to one tract of land shall at the time of said subscription designate as nearly as practical the location on said tract where he intends to utilize said Benefit Units and no major change in location shall be made without the approval of the Board. Benefit Unit Certificates shall be issued by the Board, signed by the Chairman and Secretary, showing name of owner, and tract of land to which the Benefit Unit is showing name of owner, and tract of land to which the Benefit Unit is assigned, numbered consecutively in the order in which issued.

Section 3. The consideration paid for Benefit Units shall be considered donations to the District and shall in no event and under no circumstances be refunded to the subscriber.

Section 4. Benefit Units shall follow the title of the land unless the owner of the land designates otherwise. Owners may transfer Benefit Units from one tract of land to another tract owned by them within the District, subject however, to the approval of the Board. No transfer in ownership of Benefit Units shall be permitted without the approval of the Board. No transfer will be approved unless all charges against the Benefit Unit are paid. All transfers when approved shall be recorded in the books of the District.

Section 5. Each Benefit Unit shall entitle the owner to not to exceed one line from the District's water system. Each line shall serve not to exceed one residence or business establishment together with the necessary and usual out-buildings.

Section 6. Failure to pay the minimum monthly meter charge, or failure to pay for water used through a meter shall constitute a forfeiture of the Benefit Unit on behalf of which such failure occurs: Provided, that such Benefit Unit shall be reinstated if within (3) three months after such failure all back charges are paid in full, plus six per cent (6%) interest and reasonable labor charges necessary to affect such

reconnections. Provided, further, that the Board may permit such re-instatement within (6) six months after such failure upon payment of all back charges, plus six per cent (6%) interest, and reasonable labor charges necessary to effect such reconnection: Provided, further, that if the defaulting water subscriber is a tenant, the time set out above shall not commence to run until the Secretary of the District has mailed or caused to be mailed, by registered or certified mail notice of such default of the tenant to the landowner at his address as shown on the books of the District.

Article 7

Election of Directors

Section 1. The Board of this District shall consist of Nine (9) members, all of whom shall be participating members of the District. The Directors elected at this time of the incorporation of the District shall be elected for staggered terms of one, two and) three years, and shall serve until the expiration of the term for which they were elected as shown by the minutes of the original meeting of the stockholders, and until their successors are elected and have qualified. At each annual meeting of the participating members the participating members shall elect for a term of (3) three years the number of Directors whose terms of office have expired.

- Section 2. Immediately following the annual meeting of the participating members, the Board shall meet and shall elect a Chairman, Vice-chairman, Secretary and Treasurer, from among themselves, each of whom shall hold office until the next Annual meeting and until the election and qualification of his successor unless sooner removed by death, resignation or for cause. The office of the secretary and treasurer may be held by one person.
- Section 3. Any vacancy in the Board, other than from the expiration of a term of office, shall be filled by appointment by the remaining members of the Board. The disqualification of a Director as a participating member of the District shall operate to disqualify him as a Director and to create a vacancy in the office of the Director.
- Section 4. A majority of the Board shall constitute a quorum at any meeting of the Board.
- Section 5. Any Director of the District may be removed from the office for cause by a vote of not less than $\frac{3}{4}$ ths of the participating members of the District at any annual or special meeting called for the purpose. The Director shall be informed in writing of the charges preferred against him at least 10 days before such meeting, whether regular or special, and at the meeting shall have an opportunity to present witnesses and be heard in person in answer thereto. Officers of the Board may be removed for cause by

vote of 2/3rds of the members of the Board, and employees and agents discharged or removed from office or employment at any time by action of the Board.

Article 8

Powers and Duties of Directors

Section 1. The Board, subject to the restrictions of law, and these By-laws, shall exercise all the powers of the District and without prejudice to or limitation upon their general powers, it is hereby expressly provided that the Board shall have, and is hereby given full power and authority in respect to the matters as hereinafter set out:

- (a) To select and appoint all agents and employees of the District or remove such agents and employees of the District for just cause, prescribe such duties and designate such powers as may not be inconsistent with these By-Laws, and fix their compensation and pay for faithful services.
- (b) To borrow from any source money, goods, or services and to make and issue notes, and other negotiable and transferrable instruments, mortgages, deeds of trust and trust agreements, and to do every act and thing necessary to effectuate the same.
- (c) To prescribe, adopt and amend, from time to time, such equitable and uniform rules and regulations, as, in their discretion, may be deemed essential or

convenient for the conduct of the business and affairs of the District, and the guidance and control of its agents and employees.

- (d) To fix charges to be paid by each water user for services rendered by the District to him, the time of payment, and the manner of collection, and to establish equal rates for farm members and non-farm members according to the amount of services furnished.
- (e) To require all officers, agents, and employees, charged with the responsibility for the custody of any funds of the District to give adequate bond, and cost thereof to be paid by the District, and it shall be mandatory upon the Directors to so require.
- (f) To select one or more banks to act as depositories of the funds of the District and to determine the manner of receiving, depositing and disbursing the funds of the District in the form of checks, and the person by whom the same shall be signed on behalf of the chairman, with the power to change such bank or person signing such checks and the form thereof at will.
- (g) Prepare annually an estimated budget for the coming year, adjust water rates, if necessary to produce sufficient revenue required by such budget, cause an annual audit of the District records and accounts to be made by a qualified public accountant and make a report on said matters at each annual meeting of participating member.

Article 9

Powers and Duties of Manager

Section 1. The Board may employ for the District a manager, who shall have charge of the business of the Association under the general control, supervision and direction of the Board. No Director shall serve as manager. Subject to the approval of the Board, the manager shall employ, supervise and dismiss all agents and employees of the District and fix their compensation. He shall also, so far as practical, conduct the business in such a way that all patrons receive equal services and treatment, deposit in a bank selected by the Board, all money belonging to the District, which comes into his possession; maintain his records and accounts in such a manner that the true and correct condition of the business may be ascertained therefrom at any time; furnish the Board a current statement of the business and affairs of the District at each scheduled meeting of the Board and at the end of each fiscal year and at such other times and in such forms as the Board may direct; carefully preserve and turn over to his successors all books, records, documents and correspondence pertaining to the business of the District which may come into his possession; and to perform such other duties as may be prescribed by the Board.

Article 10

Duties of Officers

- Section 1. Chairman. The Chairman , who shall be a member of the Board, shall preside over all meetings of the District and the Board, call special meetings of the District and the Board, perform all acts and duties usually performed by an executive and presiding officer, and shall sign all Benefit Unit Certificates and such other papers of the District as he may be authorized or directed to sign by the Board, provided the Board may authorize any person to sign checks, on behalf of the District, provided that all checks must be countersigned by the Treasurer. The Chairman shall perform such other duties as may be prescribed by the Board.
- Section 2. Vice-Chairman. In the absence or disability of the Chairman, the Vice-Chairman, who shall be a member of the Board, shall perform the duties of the Chairman.
- Section 3. Secretary. It shall be the duties of the Secretary, who shall be a member of the Board, to keep a record of the proceedings of the meetings of the Board and of the District. He shall serve, or cause to be served, all notices required to be served by law or the By-Laws of the District; and in case of his absence, inability, refusal or neglect to do so, then such notices may be served by any member of the Board directed by the Chairman.

Section 4. Treasurer. The Treasurer, who shall be a member of the Board, shall receive and account for all funds of the District, shall deposit the same in some bank designated by the Board as a depository, and pay the amounts, or cause them to be paid out of the depository only in the checks of the Chairman, or someone authorized to sign on the Chairman's behalf, countersigned by the Treasurer. At each annual meeting of the District, he shall submit for the information of the participating members a complete statement of his account for the past year and he shall discharge such other duties pertaining to his office as shall be prescribed by the Board, and shall give a good and sufficient bond in such amount as may be fixed by the Board.

Article 11

Books and Records

Section 1. The books and records of the District, and such papers as may be placed on file by vote of the Directors, shall during all reasonable business hours, be subject to inspection of any participating member of the District.

Article 12

Annual Meeting of Participating Members

Section 1. The annual meeting of the participating members of the District shall be held at some suitable location within the District designated by the

Board, at 7:30 P.M., the first Tuesday in March, (commencing in 1966).

- Section 2. Special meeting of participating members may be called at any time by the Chairman or upon resolution of the Board, or upon written petition to the Chairman of the Board, signed by fifty-one per cent (51%) of the participating members of the District. The purpose of every special meeting shall be stated in the notice thereof, and no business shall be transacted there at except such as is specified in the notice.
- Section 3. Notice of meeting of participating members of the District shall be given by mail to each participating member of record directed to the address shown upon the books of the District at least ten (10) days prior to the meeting. Such notice shall state the nature, time, place and purpose of the meeting, but no failure or irregularity of a notice of any annual meeting, regularly held, shall affect any proceeding taken thereat.
- Section 4. The participating members present at any meeting of participating members shall constitute a quorum for the purpose of the transacting business.
- Section 5. The order of business at the regular meeting and so far as possible, at all other meetings shall be;
- (a) Call to Order
 - (b) Proof of Notice of Meeting;

- (c) Reading and approval of minutes of last meeting;
- (d) Report of Officers and Committees;
- (e) Election of Directors;
- (f) Unfinished Business;
- (g) New Business
- (h) Adjournment

Article 13

Board Meeting

Section 1. The Board shall meet annually, immediately following the meeting of the participating members, and may meet at such or other times as may be determined by the board, or upon call by the Chairman or any three (3) members of the Board. Notice of all meeting of the Board, other than the Annual meeting to be held on the First Tuesday in March of each year, shall be by mailing a notice to the last known business or residence address of each Director, at least two (2) days before the holding of such meeting: Provided, however, that when all of the Directors are present at any meeting: however called, or consent in writing that such meeting may be held, the proceedings thereat shall be as valid as though the previous written notice aforesaid had been given.

Article 14

Manner of Election and Voting

Section 1. At all meeting of the District, each participating member, qualified as stated in these By-Laws, shall be entitled to vote upon all propositions coming before said District. No

cumulative voting shall be permitted and each participating member of the District shall have but one vote.

Article 15

Seal

Section 1. The District shall have a Corporate Seal, consisting of a circle having in its circumference and face the words, "Rural Water District No. 1, Murray County, Oklahoma", which shall be in the custody of the Secretary.

Article 16

Fiscal Year

Section 1. The fiscal year of the District shall begin the first day of January of each year.

Article 17

Amendment

Section 1. These By-Laws may be repealed or amended by a vote of 3/4ths of the participating members present at any regular meeting of the District, or at any special meeting of the District called for that purpose except that the participating members shall not have the power to change the purposes of the District so as to impair its rights and powers under the laws of the State of Oklahoma or the United States of America or to waive any requirement of bond or other provision for the safety and security of the property and funds of the District or its participating members, or to deprive any participating member or land owner of rights and privileges then existing, or to so amend the By-Laws as to affect a fundamental change in the policies of the District. Notice of any amendment to be made at any regular or special meeting of the participating members must be given at

least ten (10) days before such meeting and must set forth the amendments to be considered.

Article 18

Basis of Operation

Section 1. The District shall at all times be operated on a non-profit basis for the mutual benefit of its participating members.

Article 19

Benefits and Duties of Members

Section 1. The District shall install, maintain and operate a main distribution pipe line or lines from the source of water supply, and lines from the main distribution pipe line or lines, to the property line of each participating member of the District at which point designated as delivery points, meters to be purchased, installed, owned and maintained by the District shall be placed.

Section 2. Each participating member shall be entitled to purchase from the District, pursuant to such agreement as may from time to time be provided and required by the District and the Board, such water for domestic, livestock, garden and other purposes as a participating member may desire, subject, however, to the provisions of these By-Laws and such rules and regulations as may be prescribed by the Board. The water delivered to each participating member shall be metered.

Section 3. In the event the total water supply shall be insufficient to meet all of the needs of the members and users, or in the event there is a shortage of water, the District may pro-rate the water available among the various members and users on such basis as is deemed equitable by the Board, and may also prescribe a schedule of hours, covering the use of water for

garden purposes and require adherence thereto, or prohibit the use of water for garden purposes if at any time the total water supply shall be insufficient to meet all of the needs of all of the participating members for domestic, livestock, garden and other purposes, and the District must first satisfy all the needs of the participating members for domestic purposes before supplying any water for livestock purposes and must satisfy all the needs of all the participating members for domestic and livestock purposes before supplying water for gardens or other purposes

Article 20

Printing

Section 1. After adoption, these By-Laws shall be prepared in pamphlet form, and a copy thereof shall be delivered to each participating member.

AFFIDAVIT

STATE OF OKLAHOMA,)

COUNTY OF MURRAY,)

Roger Jameson, Dave Roberson, R. Glenn Haines, Onnel Hunter, Abe Smith, Frank Grider, Pete Jones, Bob Mobly and Glenn L. Haines, being first duly sworn, depose and state, each for himself, that he is a Director of Rural Water District No. 1, Murray County, Oklahoma, that the foregoing By-Laws were adopted at a meeting of the landowners of said District, duly held on the 4th day of January, 1965, at 7:30 o'clock P.M., that there were thirty-one (31) stockholders present in person and that the vote for the adoption of the By-Laws was unanimous.

_____ Glenn L. Haines

_____ Onnel J. Hunter

F.M. Jones Edgar A. Smith
Frank Grider Roger Jameson
R. Glenn Haines Dave Roberson
Bob Mobly

Subscribed and sworn to before me this 8th day of January, 1965

Jean Jameson

Notary Public

My commission expires: May 31, 1966

AMENDMENT TO BY-LAWS

Article 12

ANNUAL MEETING OF PARTICIPATING MEMBERS

Section 1. The annual meeting of the participating members of the District shall be held at some suitable locations within the District designed by the Board, at 7:30p.m., the third Monday in February, (commencing in 1985).

Following required notice, the above amendment was approved by 100% of the participating members present at the annual meeting held March 6, 1984, 7:30p.m.

Following required notice, the following changes to the By-Laws of Rural Water District #1, Murray County were approved by unanimous vote of those attending the annual membership meeting on Feb. 15, 1988.

1. Article 7, Election of Directors, Section 1 originally states: The Board of the District shall consist of (9) members, all of whom shall be participation members of the District. (first sentence) The approved change (subject to FmHA Concurrence) to Article 7, Section 1, first sentence will state: The Board of the District shall consist of (9) members, all of whom shall be participating members of the District, and all of whom shall reside, as permanent residents, within the annexed area of the District.
2. Article 7 – add Section 6 (subject to FmHA concurrence) Board Members will be expected to attend Board Meetings: if a Board member misses as many as three consecutive regular meetings, at the discretion of the Board will fill the position in accordance with the By-Laws of the District.

Farmers Home Administration would not approve change No.1

Change No.2 was approved by Farmers Home Administration

Article 7

ELECTION OF DIRECTORS

Add Section 6. Board Members will be expected to attend Board Meetings; if a Board Member misses as many as three consecutive regular meetings, at the discretion of the Board of Directors, the position on the Board will be vacated and the Board of Directors, the position on the Board will be vacated and the Board will fill the position in accordance with the By-Laws of the District.

Following required notice, the above amendment was approved by 100% of the participating members present at the annual meeting held February 15, 1988, 7:30 p.m.

AMENDMENT TO BY-LAWS

Article 12

ANNUAL MEETING OF PARTICIPATING MEMBERS

Section 1. The annual meeting of the participating members of the District shall be held at some suitable location within the District, as designated by the Board, at 7:30p.m. the first Tuesday following the third Monday in February (commencing in 1991).

Following required notice, the above amendment was approved by 100% of the Participating members present at the annual meeting held on February 19, 1990, 7:30 p.m.

AMENDMENT TO BY LAWS

Article 12

ANNUAL MEETING OF PARTICIPATING MEMBERS

Section 1. The annual meeting of the participating members of the District shall be held at some suitable location within the District, as designated by the Board, at 7:00 p.m. the first Tuesday following the third Monday in February (commencing in 2018).

Following required notice, the above amendment was approved by 100% of the Participating members present at the annual meeting held on February 20, 2017, 7:30 p.m.

RURAL WATER DISTRICT NO. 1

Murray County

RULES AND REGULATIONS

These rules are issued in compliance with the provisions of the Rural Water Districts Act of Oklahoma and the By-Laws of the District, and are designed to govern the supplying and taking of water service in a uniform manner for the benefit of the District and its members. They are subject to change from time to time.

No Water System Employee or Board Member is authorized to change or make exceptions. Exceptions or changes must be approved by the Board at a duly called meeting.

DEFINITIONS: The following expressions when used herein will have the meaning stated below:

APPLICATION: Any individual, firm, partnership, corporation, or other agency, owning land located in the District, applying for water.

BENEFIT UNIT: A legal right to one service connection to the District's facilities and to participate in the affairs of the District.

PARTICIPATING MEMBER: The owner of land, located within the district, who has subscribed to one or more Benefit Units-provided payments of charges are current on at least one of the Benefit Units. Each participating member shall be entitled to a single vote regardless of the number of Benefit Units to which he has subscribed.

BOARD: The Board of Directors of Rural Water District #1, Murray County, Oklahoma.

CONSUMER USER: Any individual, firm, partnership, corporation, or other agency receiving water from the District's facilities and owning or occupying land located

within the District in favor of which one or more Benefit Units have been subscribed and paid for.

POINT OF DELIVERY: The point of delivery of water shall be at the meter.

SERVICE: The term service, when used in connection with the supplying of water, shall mean the availability for use by the consumer of water adequate to meet normal requirements. The District cannot guarantee uninterrupted service; however, all problems will be attended to with the utmost urgency so that service can be restored as quickly as possible.

WATER USERS AGREEMENT: The agreement or contract between the consumer and the District, pursuant to water service is supplied and accepted.

OPERATING RULES OF A MEETING

- Board meetings will follow the Oklahoma Open Meeting Act Title 25 of the Oklahoma Statutes and Parliamentary Procedures.
- The agenda should list all items to be discussed including the action.
- Requests for items to be placed on the agenda have a deadline of 3 business days prior to posting the agenda. Emergency circumstances may apply.
- Minutes of the previous meeting must be approved, but do not have to be read aloud, unless a Board Member wants them read aloud.
- Any citizens that want to speak must keep comments directly pertaining to an agenda item and each citizen

should get a limited time to speak, decided by the chairman.

- All questions and comments should be directed to the board chairman, no board member should answer any questions except by permission of the chairman.

GENENERAL RULES

ONE RESIDENCE OR RESIDENCE-BASED BUSINESS

ESTABLISHMENT PER METER

1. A standard water service connection is for the sole use of the applicant, or consumer, and does not permit the extension of pipes to transfer water from one residence or residence-based business establishment to another, nor to share, resell, or sub-meter water to any other consumer. Each Benefit Unit shall entitle the owner not to exceed one line from the District's water system.
2. Each line shall serve not to exceed one residence or residence-based business establishment together with the necessary and usual outbuildings.
3. A "residence" means any single-family dwelling house, mobile home, tiny house, travel trailer, self-propelled recreational vehicle, cabin or other structure used as a dwelling permanently or periodically. "Residence" also means any structure used permanently or periodically as a secondary dwelling or guest house that is located on tract of land owned by a Benefit Unit owner, provided that a separate Benefit Unit and meter is required for such secondary dwelling or guest house.

4. A residence-based business located in the same structure as the residence-based business owner's residence may be served by the on meter that serves the residence-based business owner's residence.
5. Any manufacturer, commercial or retail business, not located in the same structure as the owner's residence, that desires water service, is considered to be a non-residence-based business requiring a Benefit Unit. As authorized by Article 6, Section 1 of the District's Bylaws, the Board may impose special conditions on granting a subscription to a Benefit Unit or to continue provide water to serve a manufacturer or commercial or retail business.
6. The term "Necessary and Usual Outbuildings" refers to necessary outbuildings on farms such as barns, poultry house, etc. The term does not refer to buildings used for retail sales of goods or services to the public.

CROSS CONNECTIONS AND BACKFLOW PREVENTION

There shall be no cross-connections made or maintained between the water system of the District and any private system, or with any substance of hazardous or questionable quality which may backflow or be back-siphoned into the system—such as water from stock tanks or chemicals from spray tanks, etc. Private Wells must be physically disconnected from water lines to be served by the District.

RIGHT OF ACCESS

Representatives of the District shall have the right, at all reasonable hours, to enter upon the consumer's premises to read and test meters, inspect piping for cross-connections, and to perform duties for the proper maintenance and operation of service, or to remove it's meters and equipment and operation of service, or to remove it's meters and equipment upon discontinuance of service.

Engineering Data Worksheet for Benefit Unit Application

The District's engineering firm will do a hydraulic study. The hydraulic study will be used to determine if water service can be obtained at the legal location of the application. The engineer must approve all service before service can be rendered.

APPLICATION FOR SERVICE

The Board must approve all new applications for service before service can be rendered. The applications (subscriptions for Benefit Units) will be given priority and preference in the order in which they are received. It is possible that applications will not be approved immediately or may be delayed.

In accordance with the By-Laws of the District, the Board may refuse the subscription for a Benefit Unit on a particular tract of land located within the District, or impose special conditions on granting the same if in the judgement of the Board, the granting of said subscription and the furnishing of water pursuant thereto, would impair the service to other water users in that locality or

be uneconomical, unfeasible, and place an undue burden on the District.

All new meter settings on lots and/or tracts of land within approved developments must also be approved individually.

Applicants for service will also need to produce Proof of Ownership, Deed along with the Application of service.

The applicant must contact the Department of Environmental Quality to obtain a perk test and approval on their waste water system.

Water meters can be set on a temporary basis for construction purposes, or for agricultural purposes.

However, failure of the applicant to obtain a final inspection and approval on their waste water system forfeits the water meter and the Benefit Unit payment.

Applications are valid for 90 days from the date of approval. After the 90 days, if all requirements have not been met, the application will be cancelled, and must be resubmitted if the applicant still wants water service from the District.

The consideration paid for the Benefit Unit shall be considered donations to the District and shall in no event and under no circumstances be refunded to the subscriber.

ROAD CROSSINGS

The Benefit Unit Fee includes the cost of installation except when a road crossing or extensions of system lines are necessary. When a road crossing is necessary in order to make water service available to a Benefit Unit owner's

property, construction will be done by the District or by a contractor hired or approved by the District. The Benefit Unit Owner will be charged the actual cost of construction in addition to the Benefit Unit Fee. County roads cannot be cut without prior approval from the County Commissioners. County Commissioners may require that improved roads be bored instead of cut.

EXTENSION OF LINES

When extensions of water system lines are necessary in order to make service available to an applicant the following conditions must be met prior to construction of the extension:

- The Board must approve the extension.
- The applicant or applicants must agree to pay the full cost of the extension, and will be required to sign a “Line Contract” with the District.
- The District will not accept or install lines less than 4” in diameter.
- All State and County Health Department approvals and permits must be obtained in the name of the District and must be submitted to the District’s Office.
- The quality of materials and workmanship must meet or exceed the minimum requirements of Rural Development, the State Health Department, and the District.
- The extension, if at all possible, will be installed on private property.
- Except in special circumstances, the District will not accept a line that does not follow a public road.

- Construction of the extension must be done by the District or by a contractor approved by the District.
- All right-of-way easements must be obtained in the name of the District and must be submitted to the District's office.
- If done by a contractor, the contractor will warrant and maintain the extension for a period of one year from the date of completion.
- The District will not accept any line unless an employee of the District is there when the line is being constructed.
- The District must be notified before any work is begun.
- Upon approval and acceptance by the District, the Benefit Unit owner, or owners, must give to the District legal documents conveying complete control and ownership of the extension to the District. The extension will be part of the District's system and others may be permitted to receive service from such line.
- The Board may, based on existing conditions or needs, make additional requests or requirements on a case by case basis

The above mentioned requirements will also apply to developers within the District.

BENEFIT UNIT TRANSFER

The Benefit Unit is assigned to a particular tract of land. The unit stays with the tract of land on which the unit was installed. * When ownership of a tract of land changes,

transfer in ownership of the Benefit Unit, from one owner to the next, shall be permitted if all charges against the unit are paid up to date. The buyer will need to sign a Water Users' Agreement form and produce a copy of the deed, proving ownership. A transfer fee must be paid by the buyer/transferee.

- When selling/transferring the benefit unit a Transfer of Membership form must be signed by the seller, naming the buyer/transferee. Until the benefit unit is formally transferred, the original holder shall be responsible for payment of service.
- All charges levied against a benefit unit must be paid, before the benefit unit can be transferred, or service resumed where there has been a suspension.
- A Benefit Unit can be transferred from one tract of land to another, provided the party requesting the transfer owns both locations and there is no change in ownership. The Benefit Unit owner will be required to pay all cost of the relocation.

METER LOCATION

Meters shall be set in an accessible place not to exceed five feet inside the Benefit Unit owner's property, unless conditions warrant otherwise. A representative of the District will determine the location of the meter, giving consideration to the preference of the Benefit Unit owner. Benefit Unit owners should not run service lines until the location of the meter has been determined.

PAYMENTS AND LATE CHARGES

After service has been made available, the current minimum monthly fee for availability of water must be paid each month plus any additional water used through the meter. The minimum charge must be paid each month whether water is used or not.

The District will read the water meters, each month and send a bill for water used. The bill shall be rendered by the District on or around the 1st day of the month, following the month in which the water is used as set forth in the rate schedule. Failure of the District to submit a service bill shall not excuse the consumer from his/her obligation to pay for water used when the bill is due.

Subscribers will be required to pay for all water registered through their meter/meters and for any other charges set forth by the Board of Directors. However, if water registered on a meter is on a District's connection and is determined by the District's Board of Directors and the System Manager to be the fault of the District, an adjustment can be made by the Board.

Bills are due from the 1st through the 10th of each month. An 18% late charge is due on all bills paid or postmarked after the 10th of the month. After being notified, failure to pay the late charge due with the next month's water bill will result in suspension of service.

When a consumer owns more than one unit and owes for water registered on one of the units, or owes the District any other bill, the unpaid bill, or bills, will be applied to the other unit, or units, owned by the consumer.

If a tenant owes a bill at one location within the District and moves to another location within the District, the

tenant will not be allowed to receive water service unless and until all back bills, owed by the tenant are paid in full.

COLLECTION CHARGES & SUSPENSION OF SERVICE

On or about the 15th of each month the District will send notices to the customers whose bills are not paid, notifying them of the intent to terminate service if the payment is not received by the 25th of the month.

If a bill is not paid by the 25th day of the month, in which the bill is due, a 48 hour disconnect notice will be served. A \$20.00 charge will be made on each disconnect notice. Should the matter not be settled within 48 hours after the notice is served, service will be disconnected without further notice.

If an employee of the District makes a trip to discontinue service to a customer because of unpaid bill and the customer pays the bill, at the time, a \$20.00 collection charge will be added to the bill.

RECONNECTION CHARGE

The reconnection charge for restoration of service, if reconnection is authorized and approved under the provisions of the By-Laws of the District, after each suspension of service because of delinquent payment or for other infraction of these Rules, shall be the unpaid amount charged to date against the consumer's benefit unit, plus \$30.00 to make such reconnection. If service is disconnected, payment for reconnection of service will be accepted only during regular office hours.

The following situations apply in reconnection procedures:

If the meter is authorized for reconnection where one has been taken out, the charge will be the current minimum charge per month up to six (6) months for each month the meter has been out, plus any other bills charged against the unit, and \$30.00 reconnects charge. After six (6) months the fee will be the cost of a new benefit unit. A Benefit Unit cannot be transferred from one owner to the next unless all charges against the Benefit Unit are paid up to date.

If a previous consumer wants a meter reconnected and still owes for water used or owes other charges to the district, all back charges must be paid plus the current monthly minimum charge for each month up to six (6) months the meter has been out, plus a \$30.00 reconnect charge: or pay all back charges on water used and any other charges owed by the consumer plus the fee for the new benefit unit.

REINSTATING SERVICE

To reinstate service after suspension for a delinquent bill, all back bills must be paid in full plus the \$20.00 48 hour disconnect notice and the \$30.00 reconnect charge. If service is suspended for non-payment of a bill, payment for reinstatement of service will be accepted only during regular office hours.

OWNER-TENANT RESPONSIBILITIES

All Benefit Units are kept in the name of the property owner. The District will accept payments from the tenants,

but the owner of the Benefit Unit will be responsible for all charges and obligations against his Unit. The District will not be responsible for turning off service between tenants, read-outs between tenants, or for pro-rating bills between any two parties: any arrangements of this sort are the responsibility of the property owner. However, the Board suggests that the owner may want to take a water deposit from his tenant to cover any bills that the tenant might not pay (this is entirely between the owner and the tenant). Upon written request to the Water District, the property owner can have service suspended at any time.

RETURNED CHECKS

The consumer will be charged \$25.00 for any check returned to the District, also, and bank fees charged to the District for the returned check.

When a check is returned to the District's Office, payment for which the check was given is considered unpaid at that time and the account is considered to be delinquent, subject to the terms of these rules and regulations. The delinquent Benefit Unit owner will be contacted and given forty eight hours to pay the delinquent bill or service will be suspended. Payment by personal check in order to avoid suspension of service will not be accepted in this situation.

NONWORKING METERS

If a meter quits working the consumer will be charged an average bill for the month that the meter wasn't working.

The last three working months will be used to average the bill.

METERS AND CUTOFF VALVES

The District shall purchase and install a cutoff valve and meter in each service. The District shall have exclusive right to use such cutoff valve and water meter. Continued use of the District's valve will result in damage to the valve. Consumers wanting to turn the water off to their property should buy and install a cutoff valve in their service line. Note: System Damage regulations apply to cut-off valves. There will be a charge for each time the District turns on or off the meter for the customer.

METER TAMPERING & STEALING

Benefit Units will be automatically cancelled to any property where the meter is by-passed or if there is any tampering or altering of the proper metering of water or any attempts to take or release unmetered water from system.

A new Benefit Unit will be required to receive further water service from the District. Payment of any and all previous charges will also be required.

In addition, the offender may be subject to criminal prosecution.

SYSTEM DAMAGE

Water meters, meter connections and enclosures, blow offs, and all other appurtenances to the system are the property of the District.

Any person or company who by intent or neglect causes damage to District property will be charged repair or replacement cost including labor, mileage, and water loss, if applicable.

Damage done by County and State workmen on County and State right-of-way will be excluded from this policy.

PRESSURE REGULATORS

If Benefit Unit owners feel that the pressure furnished by the District to there is excessive, the owner should purchase and install a pressure regulator on their side of the meter. The District is not and cannot be responsible for anything past the user's side of the meter.

MONTHLY PAY OUT POLICY (FOR LEAKS)

In case of high water bills caused by leaks, arrangements can be made with the District's office to pay the bill in monthly installments. Arrangements must be made prior to 9:00 a.m. on the service suspension date. Arrangements must include a payment of at least the amount of the consumer's average bill. The remaining amount is to be paid in a minimum payment of at least \$50.00 per month in addition to the regular monthly bill. Failure to pay any monthly installment will result in suspension of service on the next suspension date.

Benefit Unit fees may be paid out with a down payment of \$275.00 before a meter is set and a minimum payment of \$100.00

each month thereafter, in addition to the monthly water bill, until the full amount of the Benefit Unit is paid.

LARGER THAN STANDARD SIZE METERS

Only standard 3/4" X 5/8" meters will be used to meter water to customers with normal needs.

When a customer's needs require a larger than standard meter, the District shall determine the type, size, and location of the larger meter. Larger sized meters will be approved only after it is determined that system facilities can adequately provide the additional demand, and with board approval.

When a larger than standard meter is used, the customer will be charged the additional cost of installation, including the additional cost of the larger meter and the connections.

When both high and low flows of water are expected, a compound meter will be required.

TRAILER PARKS, RV PARKS, RV RESORTS, MOBILE HOME PARKS & MOBILE HOMES

1. Definitions

- a. "Mobile Home" means a dwelling structure over 400 square feet built on a steel chassis fitted with axles and wheels intended to be moved to a location having utilities including but not limited to water and electricity available.
- b. "Recreational Vehicle" (or "RV") means a vehicle designed for recreational use including but not

limited to overnight sleeping that can be driven on roads and highways and is manufactured with engine, transmission, wheels and tires.

- c. “Tiny house “and “tiny home” means a dwelling 100 square feet or less to be used as permanent housing with permanent provisions for living, eating, sleeping, eating, cooking, and sanitation.
- d. “Travel Trailer” means a trailer designed to be drawn or pulled by a motor vehicle such as an automobile or pickup truck and equipped for overnight sleeping and other uses for recreation or semi-permanent dwelling.
- e. “Trailer Park” includes RV Parks, PV Resorts and Mobile Home Parks and means a facility owned or operated by one or mote benefit unit owners and which uses one or more meters owned by the District through which water supplied by the District flows into distribution pipes owned and maintained by the benefit unit owner to serve more than one Residential Dwelling Unit, Mobile Home, RV, Travel Trailer, or any combination thereof.
- f. “Residential Dwelling Unit’ means a building or structure or any part of a building or structure that is used for a home or residence by one or mote persons who maintain a household and includes but is not limited to a mobile home, tiny house, cabin, or travel trailer regardless of ownership of the land.

2. General

Water supplied by the District may flow through one meter into distribution pipes owned and maintained by the Benefit Unit owner to serve more than one Mobile Home, RV, Travel Trailer, or any combination thereof within the confines of a Trailer Park.

3. Trailer Park Additional Monthly Fee for Each permanently Affixed Residential Dwelling Unit

- a. In addition to water rates for usage and the minimum monthly charge for each meter serving a Trailer Park, the owner or operator of a Trailer Park will be charged a monthly fee equivalent to the monthly minimum charge set by the District for all other Benefit Unit owners for each Residential Dwelling Unit within the Trailer Park that is permanently affixed and located on sites or lots having partial (water and sewer) or full (water, sewer and electricity) hookups.
- b. For purposes of Section(3) (a), a Residential Dwelling Unit shall be considered permanently affixed to sites or lots in a Trailer Park if (i) the wheels of such Residential Dwelling Unit have been removed: or (ii) such Residential Dwelling Unit has been equipped with skirting; or (iii) such Residential Dwelling Unit has been connected to an external tanks(s) of any kind (except sewer or water tanks to which connected to an external tanks(s) of any kind (except sewer or water tanks

to which travel trailers or RV may connect during their stays).

- c. An employee of the District will make a drive through surveys of the Trailer Park between January 1 and January 15 each year to count the number of Residential Dwelling Units that are permanently affixed and the count with the total fee, which will be used for the next twelve (12) months, will appear on the next monthly, billing cycle after the survey. The owner or operator of the Trailer Park may make a written request to be notified of the drive-through survey and be allowed to accompany the District employee that makes the survey count.
- d. After a drive-through survey by the District employee, the owner may submit a notarized written statement to the District about permanently affixed Residential Dwelling Units that have been moved from the Trailer Park, and the District employee will perform a re-survey to confirm a new count to adjust the monthly fee due for the next billing cycle.

FIRE PROTECTION

The District's water system was designed and constructed to provide water for domestic use, and not for the purpose of providing fire protection.

WITHDRAWAL OF BULK WATER

Except under the following conditions, no bulk water will be sold or withdrawn from system.

- Any individual or company wanting to buy bulk water from the system must first get Board approval.
- After receiving approval, and prior to each withdrawal, the District's office must be notified as to the time, place, and the amount of withdrawal.
- No withdrawal will be allowed that will adversely affect other District consumers.
- All County and State Health Department regulations must be met regarding backflow prevention and cross-connection safeguards.
- The District requires that a District employee be present at the time of withdrawal. The employee's time and transportation will be added to the cost of the water.

VIOLATION OF ANY OF THE PROVISIONS OF THE DISTRICT'S RULES AND REGULATIONS SHALL BE GROUNDS FOR DISCONTINUANCE OF SERVICE.

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REVISED 01-29-2018 ON THE RETURNED CHECKS

REVISED 06/21/2021 ON THE ON/OFF FEE

REVISED 07/26/2022 ON GENERAL RULES & TRAILER PARKS, RV PARKS