

RULES AND REGULATIONS FOR

RURAL WATER DISTRICT NO. 5,
WASHINGTON COUNTY, INC., WASHINGTON COUNTY, OKLAHOMA

By resolution the Board of Directors of Rural Water District No. 5, Washington County, Inc., has formerly compiled existing Rules and Regulations and adopts the following as its official guideline in the conduct of the affairs of the District.

Rule 1. The source of authority for the District shall be the following and in the following order:

- (a) The Constitution and Statues of the State of Oklahoma.
- (b) Applicable decisions of the Supreme Court of the State of Oklahoma.
- (c) The Incorporation Documents of Washington County Rural Water District No. 5, Inc.
- (d) Duly adopted By-Laws of the District.
- (e) These Rules and Regulations and Amendments thereto.
- (f) Duly passed and applicable Resolutions of the Board of Directors.
- (g) Decisions of the Board of Directors as voiced by the Chairman thereof.
- (h) Decisions of the duly appointed Manager of the District.

Rule 2. DEFINITIONS: The following expressions when used herein will have the meaning stated below:

- (a) Applicant: Any individual, firm, partnership, corporation or other agency owning or leasing land located within the District, applying for water service.
- (b) Membership Certificate: A right entitling the holder to one water service connection as provided in the District By-Laws.
- (c) Board: The Board of Directors of Rural Water District No. 5, Washington County, Inc.
- (d) Consumer: 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 membership certificate have been subscribed and paid for.
- (e) Point of Delivery: The point of delivery shall be at the meter, unless otherwise specified in the Application for water service and Water Users' Agreement.
- (f) Service: The term service when used in connection with the supplying of water shall mean the availability for use by the consumers of water adequate to meet the consumer's requirements. Service shall be considered as available when the District maintains the water supply at normal pressure at the point of delivery, in readiness for the

consumer's use, regardless of whether or not the consumer makes use of it.

- (g) Application for Water Service and Water User's Agreement: The agreement or contract between the consumer and the District, pursuant to which water service is supplied is supplied and accepted.
- (h) Water Service: A water service shall consist of facilities for supplying water to one residence or business establishment located on land within the District. A landowner must purchase a membership certificate and accept a water service for each residence or business establishment served. The Board of Directors reserves the right to interpret the definition of the term "Business Establishment" in each individual application for water service.

Rule 3. The supplying and taking of water will be in conformance with these Rules and the applicable rate schedule attached hereto, and filed with the Secretary of the District: Provided, however, that such rate schedule is subject to change by action of the Board: and, Provided that the total amount derived from the collection of water charges is insufficient for the payment of operating costs, emergency repairs, or debt service, the Board shall increase the minimum water rate for the first month thereafter in an amount sufficient to pay such operating costs, emergency repairs, or debt service.

Rule 4. Applicants for service shall make application to the Secretary of the District. If the application for service is approved by the Board of Directors, the applicant will purchase a membership certificate for each water service desired, and sign the standard Application for Water Service and Water User's Agreement for an indefinite period. For new residence or mobile home tap, the applicant shall attach proper documentation of compliance with Planning Commission requirements.

Rule 5. Before installing a service extension and providing water available for use, the Board may require the applicant to pipe his home and be in readiness to accept service.

Rule 6. A standard water service connection is for the sole use of the applicant or the consumer, and does not permit the extension of pipes to transfer water from one property to another, nor to share, resell, or sub-meter water to any other consumer. If an emergency or specific situation should make such an arrangement advisable, it shall be done only on specific written permission of the Board of Directors for the duration of the emergency. The Board may, by special contract, provide for the resale to another consumer such as mobile home parks, apartment units, etc.

Rule 7. The District through its Board of Directors may make specific water service contracts with the Federal Government, the State of Oklahoma, or agencies thereof, school districts and municipal corporations, differing from stipulations set out in the rate schedule and rules.

Rule 8. Representatives of the District shall have the right at all reasonable hours to enter upon consumer's premises to read and test meters, inspect piping, and to perform other duties for the proper maintenance and operation of service, or to remove its meters and equipment upon discontinuance of service by consumers.

Rule 9. The District will make all reasonable efforts to supply continuous, uninterrupted service. However, it shall have the right to interrupt services for the purpose of making repairs, connections, extensions, or for other necessary work. Efforts will be made to notify consumers who may be affected by such interruptions, but the District will not accept responsibility for losses which might occur due to such necessary interruptions.

Rule 10. The District does not accept responsibility for losses which might occur due to interruptions to service caused by storms, strikes, floods, or other causes beyond its control.

Rule 11. Meters will be furnished, installed, owned, inspected, tested and kept in proper operating condition by the District, without cost to the consumer. A complete record of tests and histories of meters will be kept. Meter tests will be made according to methods of the American Waterworks Association by the District, as often as deemed necessary by its Board of Directors. Service meters whose errors do not exceed two percent (2%) fast or slow shall be considered as being within the allowable limits of accuracy for billing purposes. The percentage of error will be considered as that arrived at by taking the average of the error at full load and that at ten percent (10%) load, unless a consumer's rate of usage is known to be practically constant in which case the error at such constant use will be used.

Meters shall be set in an accessible place on the outside of buildings except where otherwise directed by the District. All meters shall be set horizontally and never connected into a vertical pipe. Meters set outside of a building shall be placed in a meter box furnished and installed by the District.

Rule 12. Bills will be rendered for service by the 5th day of the month following that in which the service was rendered as set forth in the rate schedule. Service bills not paid by the 16th of the month shall be subject to a 5 percent (5%) late charge. Failure of the District to submit a service bill shall not excuse the consumer from his obligation to pay for the water used when the bill is submitted. Failure to pay a bill by the 1st day of the month following the month in which the bill is rendered, shall result in the disconnection of the service.

Rule 13. 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 charge to date against the consumer's membership certificate, plus six percent (6%) interest, and a sum to cover the reasonable cost of labor necessary to make such reconnection which is determined at this time to be \$ _____. Fee for installation of meter is fixed at \$ _____, transfer fees are fixed at \$ _____.

Rule 14. Meter tests requested by consumers will be performed without costs to the consumer if the meter is found to be in excess of two percent (2%) fast. Otherwise the consumer for whom the requested test made will be charged for the cost of making the test.

Rule 15. The consumer shall be responsible for any damage to the meter installed for his service, on account of any cause other than normal wear and tear.

Rule 16. It shall be the consumer's responsibility to anticipate changes of occupancy, and to have his membership certificate transferred to the new consumer as prescribed in the By-Laws. Until the membership certificate is formally transferred, the original holder shall be responsible for payment of service.

All charges levied against a membership certificate must be paid, before the membership certificate can be transferred, or service resumed where there has been a suspension.

Rule 17. In extending a water main to serve an applicant, the Board may at its discretion exercise one of the following options:

- (a) If the cost of the extension is less than the average cost of the entire system to each member, and sufficient construction funds are available, the Board may elect to make the extension upon the applicant's purchase of a membership certificate.
- (b) If the cost of the extension is greater than the average cost of the entire system to each member, the funds are available to the extent of such average cost, the Board may elect to contribute to the extension in the amount of such average cost, and require the applicant to deposit in cash the additional cost in addition to the price of a membership certificate. If, and as additional consumers are connected to the extension, and as funds become available, all or part of the original consumer's deposit may be returned to him. Any portion of the original deposit remaining after the expiration of a five-year period will become the property of the District. In no case will interest be paid on such deposits.
- (c) In the event that the District does not have funds available to pay for construction in the amount of the average cost per member of the entire system, it may require as a condition of extending service, that the applicant deposit in addition to the price of a membership certificate, an amount which may equal the entire cost of the extension. In such event, the Board may, as funds become available, return to the consumer that portion of his deposit equal to the average cost of the system per number. No interest will be paid on such deposits. The Board may require applicants for membership certificate within the extended area who did not participate in the original extension contribution, as a condition precedent to the purchase of said membership certificate, to contribute to said extension costs an amount up to and equal to the average cost per member of the entire system. Provided, said requirement shall terminate after expiration of five years or less, in the discretion of the Board, or the agreement to reimburse the original contributors has been satisfied, whichever event first occurs.
- (d) Require the applicant to defray the full cost of the extension to be built in accordance with the District's standards and to post a one year maintenance bond. The District shall retain full unencumbered title to the extension.
- (e) Extensions made into subdivisions shall be by specific standard subdivision contract.

Rule 18. The District will install and pay for all water services pipes (except for private fire protection) from its mains to the meters on property abutting the travelway along which the main is installed. The service pipe shall not be less than 3/4ths inch in size. The District will also install and pay for the District cock, meter and meter setting. The meter will be set in front of the premises to be served or at the closest point on the consumer's premises as designated by the District.

Rule 19. The cost of Membership Certificates is fixed at \$ _____ except for service to Business Establishments, which shall be \$ _____.

Rule 20. In the event an applicant whose water requirements are found to exceed the District's ability to supply it from existing plant without adversely affecting service to other consumers to a reasonable extent, the District will not be obligated to render such service, unless and until suitable self-liquidating financing is arranged to cover necessary investment in additional plant.

Rule 21. There shall be no cross-connections made between the system of the District or any other system (private or otherwise), except by contract with duly authorized municipal or Water District System. That all new structures constructed within the District shall, prior to service connections, comply with the plumbing standards of the State of Oklahoma. In addition, all sewage disposal systems shall comply with the standards contained in Oklahoma Department of Health Engineering Bulletin Nos. 600, 587 and 575. Representatives of the District, the state and local Health Departments shall have the right at all reasonable hours to enter upon consumer's premises for the purpose of inspection and enforcement of this provision. Violation of this provision shall constitute cause for disconnection of a consumer's service.

Unanimously adopted by resolution at a regular meeting of the Board of Directors held the _____ day of _____, 198__, with all members present.

RURAL WATER DISTRICT NO. 5, WASHINGTON COUNTY, INC.

BY: _____
PRESIDENT

ATTEST:

Secretary