RULES -- RURAL WATER MANAGEMENT DISTRICT NO. 15 OSAGE COUNTY, OKLAHOMA

(the "District")

These Rules are adopted pursuant to the provisions of the Bylaws 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. In the event of any conflict between these Rules and the District's *Bylaws*, the *Bylaws* shall control. These *Rules* are subject to change from time to time by a majority vote of the Board of Directors.

DEFINITIONS

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

<u>APPLICANT</u>: Applicant means any person, firm or entity living on or owning land located within the District's service area which applies to become a Purchaser or Participating Member (as defined in the District's Bylaws).

APPLICATION FOR WATER SERVICE AND WATER USER'S AGREEMENT:

Means a form of application for Water Service to be submitted by all Applicants seeking to purchase the District's Water. The form of application shall be in form and substance as from time to time designated by the District's Manager and shall, except as hereafter provided, include a copy of the applicant's recorded deed describing and covering the tract of land proposed to be provided Water Service.

BENEFIT UNIT: Benefit Unit has the meaning set forth in the District's *Bylaws*.

<u>POINT OF DELIVERY</u>: Point of Delivery means the point at which the District delivers water to a Purchaser which shall be at the meter, unless otherwise specified in an approved Application for Water Service.

PURCHASER: Purchaser means all purchasers of the District's water.

<u>WATER SERVICE</u>: Water Service means the District's provision of water available for use by a Purchaser. Water Service shall be deemed available when the District maintains water supply at a minimum of 25 p.s.i at the Point of Delivery, in readiness for the Purchaser's use, regardless of whether or not the Purchaser makes use of it.

RULES

All supplying and taking of the District's water shall be in conformance with these Rules, and the District's *Bylaws*, and the napplicable rate schedule and schedule of charges as may from time to time be amended by the District's Board of Directors.

ADJUSTMENT PROCEDURE POLICY: When a Purchaser has a leak, adjustment will be as follows:

- a. If the leak is 75,000 gallons or less, no adjustment will be given.
- b. If the leak exceeds 75,000 gallons, the Purchaser will receive a credit in an amount then specified in the District's "Schedule of Charges" per thousand gallons for each thousand gallons over 75,000.

Any adjustment will be calculated at the rate as specified in the then applicable Schedule of Charges.

AGREEMENTS WITH GOVERNMENTAL AND PUBLIC BODIES: The District may make specific contracts with the Federal Government, the State of Oklahoma, or agencies of either, school districts, municipal corporations and nonprofit corporations differing from the provisions of the rate schedule and these rules.

APPLICATION FOR WATER SERVICE: All prospective Purchasers of the District's water shall:

- 1. Submit a signed Application for Water Service and Water User's Agreement. The form of Application shall include the prospective Purchaser's best estimate of the prospective purchaser's maximum monthly usage. Although District personnel may assist a prospective purchaser in estimating the prospective Purchaser's anticipated maximum monthly, the prospective Purchaser shall be solely responsible for the estimate provided.
- 2. Pay the then current Benefit Unit Fee.
- 3. Provide the District with an easement for water lines and connections.
- 4. Be responsible for the expenses of road crossings and/or borings and any other extraordinary expenses incurred by the District in providing the requested Water Service to the Applicant.

PROVIDED -- a Tenant or other prospective Purchaser of the District's water which seeks only to become a Water User (a Purchaser of the District's water which is not a Participating Member) shall not be required to pay a Benefit Unit Fee or grant an easement. All applications for any purchase of the District's water by a Tenant must be approved by the holder of the Benefit Unit covering the Tract proposed to be served. In the event of any default by a Tenant, the Benefit Unit owner shall remain responsible to the District for all charges, costs and expenses attributable to the Tract served.

In the event the projected needs of an applicant for Water Service exceed the District's ability to supply such Water Service without adversely affecting Water Service to other Purchasers, the District will reject the application and shall not be obligated to approve any such application or

provide Water Service to the applicant. All Applications for Water Service shall be promptly processed by the District's staff and approved or rejected by the District's Board of Directors. All Applications for Water Service and the Water User's Agreement contained therein shall be conditioned upon and subject to the approval thereof by the District's Board of Directors.

BILLING PROCEDURES: Payment for Water Service is due and payable by the 19th day of the month following that in which Water Service was rendered. Billing procedures shall be as from time to time determined by the District's Manager and shall at all times be posted in the District's business office on its website.

CHANGE OF OWNERSHIP: It is the Purchaser's responsibility to anticipate any change of occupancy, and to have the Benefit Unit transferred to a new owner as required by the *Bylaws*. Until the Benefit Unit is transferred, the registered owner thereof shall be responsible for payments for Water Service. All charges on the account must be paid before any Benefit Unit can be transferred or Water Service resumed when there has been a suspension. The form of application for transfer shall be in form and substance as from time to time designated by the District's Manager

CONTINUITY OF WATER SERVICE: The District will make all reasonable efforts to supply continuous, uninterrupted Water Service. HOWEVER, it shall have the right to interrupt Water Service for the purpose of making repairs, connections, extensions, or for other necessary work. Efforts will be made to notify Purchasers who may be affected by any such interruption, but the District will not be liable or responsible for losses which might occur due to any such necessary interruptions. The District shall have no responsibility for losses which might occur due to interruptions to Water Service caused by pandemic, storms, strikes, floods, or other causes beyond the District's control.

CROSS-CONNECTIONS: There shall be no cross-connections made or maintained between the water system of the District or any other system (private or otherwise) and all new structures constructed within the District shall, prior to Water Service connection, comply with the plumbing standards of the State of Oklahoma. In addition, all sewage disposal systems shall comply with all applicable standards from time to time promulgated by the Oklahoma Department of Health, the Oklahoma Department of Environmental Quality, or any other governmental authority having jurisdiction thereof. Representatives of the District and all state and local authorities having a lawful right to do so shall have the right at all reasonable hours to enter upon all Purchaser's premises for the purpose of inspection and enforcement of this provision. Violation of these provisions shall constitute cause for disconnection of a Purchaser's Water Service.

CURTAILMENT: Water meters which the District will provide Purchasers, based upon their expected usage and the system's available distribution capacity at the applicable point of delivery, shall be in the following sizes (unless the District determines a meter of a greater size than specified below is appropriate) each of which has a design continuous flow rate as designated below:

5/8" = 10 gallons per minute 1" = 25 gallons per minute 1.5" = 50 gallons per minute 2' = 100 gallons per minute

The size of meter to be provided by the District shall be determined by the District based upon the Purchaser's anticipated usage. In the event that any Purchaser's actual usage at any time exceeds the flow rate specified above for the Purchaser's meter, then the District may, in the District's discretion, and at the Purchaser's expense, limit and restrict the flow available to the Purchaser to the applicable flow rate designated above.

If a Purchaser requests that the Purchaser's existing meter be replaced with a larger meter, District staff, in consultation with the District's engineers, shall analyze the system's capacity to provide the requested, corresponding higher flow rate at the applicable point of delivery. The Purchaser making the request shall pay District for all engineering fees associated with such analysis. If the District determines that system capacity at the applicable point of delivery is sufficient, and approves the request, the Purchaser shall be responsible for all costs for the installation of the larger meter, together with any then applicable demand fee and all such other charges as may be specified in the District's schedule of charges as may from time to time be amended by the District's Board of Directors.

<u>FIRE RISERS</u>: Members can make application to the District (with approval of the applicable fire district) for installation of a fire hydrant or riser. The form of Application shall be in form and substance as from time to time designated by the District's Manager. Any such application shall be subject to the Board's approval and shall be denied by the District if the Board determines the District does not have sufficient water supply or resources in the subject area sufficient to support the proposed fire riser or if the Board determines the proposed fire hydrant or riser is not necessary because the subject area has adequate fire protection.

<u>LINE EXTENSIONS</u>: Line extensions will be installed only after application has been made to and approved by the District, all in conformity with the District's Line Extension Policy as may then be in effect.

MANDATORY APPROVALS PRIOR TO HUMAN CONSUMPTION: Until any required septic system approval (or any other or similar approval which may be lawfully required at any time by any health department, ODEQ or other governmental entity or agency having jurisdiction or authority to impose such a requirement) is obtained and furnished to the District, no water service may be connected or used for human consumption in any manner whatsoever (i.e. there shall be no connections to any residence, mobile home, travel trailer, or commercial establishment or any other facility for human consumption) and any connection in contravention hereof is expressly forbidden and may result in forfeiture of the Benefit Unit. It is the intent hereof that a Benefit Unit may be used *only* for agricultural, construction or similar purposes -- and not for human consumption -- until any and all required health department, ODEQ or similar approvals required for human consumption are obtained by the Purchaser and provided to the District.

METER ACCURACY: Water Service meters with errors not exceeding two percent (2%) fast or slow shall be considered 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 Purchaser's rate of usage is known to be practically constant in which case the error at such constant use will be used

METER LOCATION: Meters shall be set in an accessible place adjacent to the property line of the Participating Member 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. The meter will be set in front of the premises to be served at the closest point on the tract to be served to the District's distribution facilities as designated by the District. The Benefit Unit owner will be responsible for all piping from the meter.

METER TESTS: Meter tests requested by the Purchaser will be performed without cost to the Purchaser if the meter is found to be in excess of two percent (2%) fast. Otherwise, the Purchaser will be responsible for the costs of the test. In no event shall any claim be recognized for alleged overcharges for water charges incurred more than six months prior to the date the Purchaser requests a meter test which reveals an inaccurate meter and in no event shall the District be liable for any interest on any such claim.

METERS: Meters will be furnished, installed, owned, inspected, tested and kept in proper operating condition by the District without cost to the Purchaser (except as provided in the District's Schedule of Charges). A complete record of tests and histories of meters will be kept. Meter tests will be made according to methods of the American Water works Association, as often as deemed necessary by its Board of Directors. The District may read all of the Purchaser meters each year to check for accuracy. The Purchaser shall be responsible for any damage to the meter, meter loop, meter can and lid installed for Water Service, on account of any cause other than normal wear and tear.

RECONNECT POLICY: Disconnected Meters will be reconnected when a Purchaser is entitled to a reconnection only between 8:00 a.m. -4:00 p.m. Monday through Friday (excluding holidays).

SERVICES: Except for line extensions, the District will install and pay for all Water Service pipes (except private fire protection) from its main to Purchaser meters. The District's service pipe shall not be less than ³/₄" in size. The District will also pay for (except as provided in the District's Schedule of Charges) and install the stop, meter, meter loop, meter can and lid.

<u>WATER SERVICE AVAILABILITY LETTERS</u>: At the request of a prospective water Purchaser, the District will accept and evaluate requests for Water Service Availability. The form of request for a determination of water service availability shall be in form and substance as from time to time designated by the District's Manager and all such requests will require a minimum of five (5) business days' notice for the District to process. The charge for submission and review of

a request for Water Service Availability shall be as from time to time stated in the District's Schedule of Charges.

WATER SERVICE IS FOR THE SOLE USE OF THE PURCHASER: A Water Service connection is for the sole use of the Purchaser, 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 person, firm or entity. If an emergency or similar situation should make such an arrangement necessary, it shall be done only on specific written permission of the Board of Directors and only for so long as directed by the Board of Directors. Any Purchaser in violation of this paragraph, shall be subject to the following consequences as well as those as may be prescribed by law:

- 1. Unauthorized Water usage, first offense:
 - a. Meter will be disconnected when offense is detected.
 - b. A five hundred dollar (\$500) reconnect fee will be assessed to the offending Benefit Unit holder.
 - c. Meter will not be reconnected until the five hundred dollar (\$500) reconnect fee has been paid.
- 2. Second offense: Meter will be disconnected and the Benefit Unit will be forfeited.

NOTE: ALL PERSONS OBSERVED OR OTHERWISE SUSPECTED OF ILLEGALLY TAKING WATER WILL BE REPORTED TO LEGAL AND MAY BE SUBJECT TO ARREST AND PROSECUTION AS PROVIDED BY OKLAHOMA LAW.

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