

**INDEX TO THE RULES AND REGULATIONS OF
THE MISSOURI WEST WATER SYSTEM**

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RULES AND REGULATIONS OF THE MISSOURI WEST WATER SYSTEM

The Morton County Water Resource Board hereby adopts the following Rules and Regulations for the Missouri West Water System, hereinafter referred to as the "MWWS", in Morton County. The Morton County Water Resource Board, hereinafter referred to as "Board", may from time to time amend and revise these Rules and Regulations, as the Board deems necessary, to continue the efficient operation and management of the system and to make the system fair and equitable to water users.

I. OBJECTIVES

- A.** To conduct the business affairs in a manner that will result in a successful and efficient operation.
- B.** To treat all system subscribers alike with respect to recurring situations.
- C.** To provide high quality, reliable service to subscribers of the MWWS at a lowest possible cost.
- D.** To make the Rules and Regulations known to the subscribers of the MWWS.
- E.** To create a favorable image among the subscribers and the general public.
- F.** To promote maximum beneficial utilization of water among the subscribers by providing additional services desired by subscribers.
- G.** To represent the interests of the subscribers in a fair and equitable manner.
- H.** To promote water conservation.

II. CLASSES OF SERVICE

The MWWS will maintain subscriber lists in its files. Subscribers shall be identified according to the classification of the hookup. All changes in water user Class must be processed through the MWWS's office. Upon question as to the classification of a water user, the Board shall retain the right of determining the classification assigned. The types of water hook-ups shall be classified as follows:

- A. Standard User:** An individual water hookup located at an approved residential or business service location. Service is provided through a standard 5/8-inch X 3/4-inch water meter. A Standard User subscribes for access to from one (1) water unit up to four (4) water units per month. The Standard User category is sub-categorized by subscription amounts, in units, and the system's capacity to provide that service at the location requested.
- 1. Unit Subscription Amounts:** Water is subscribed for in 15,000-gallon units. Users should subscribe for an adequate number of water units to supply their needs. The "Unit(s) of Water" are accessible in each month up to a maximum of four units per location. Sub-Classes include Std-1 (one unit), Std-2 (two units), Std-3 (three units), Std-4 (four units). (Std = Standard) Service to subscribers requesting over one unit will be based on providing demand service only for household usage. Use for other applications shall be based upon providing the required water over an extended period of time or at times of low overall system demand. High consumption users may be subject to restrictions if the actual use exceeds the capacity they subscribe for or deteriorates the level of service to other subscribers.
 - 2. System Capacity:** The ability of the MWWS to provide a hookup at a particular location. The application may be granted with the written understanding that the flow may be restricted mechanically or because of system capacities to deliver the quantity of water requested.
- B. Livestock Pasture User:** A hookup restricted to livestock use. These will only be located along main lines which were placed to serve other users. The service may be subject to flow restrictions based on system capacities in the service area.
- C. Contract User:** A hookup that cannot be adequately served by a standard, (5/8" X 3/4"), meter assembly or that places special demands on the system. A contract will be developed for each specific user. The water service contract will specify whether the user will be required to install storage facilities in conjunction with their water requirements. The contract will be based on anticipated Peak Flow demands of the applicant.

- D. Agri-Business:** A service provided through a standard, (5/8" X 3/4") meter that requires more than 1 (one) Unit of water, most months, throughout the year. The service location will generally be, but is not limited to, a farm, dairy or agricultural related business. Applicants should subscribe for an adequate number of water units to supply their needs, not to exceed four (4) total units per subscription. Service to high consumption users will be based on providing demand service only for household usage. Use for other applications shall be based upon providing the required water over an extended period of time or at times of low overall system demand. Agri-Business subscribers may be subject to restrictions if the actual use exceeds the water units they subscribe for or their demand deteriorates the level of service to other subscribers.

III. SERVICE APPLICATIONS

- A. WHERE TO APPLY** The water user will make application for service with the office of the MWWS.
- B. APPLICATION ACCEPTANCE** The MWWS will approve or disapprove each application for water service.
1. The MWWS may reject any application for service not listed under the Classifications section of the Rules & Regulations, or which involves excessive service cost, or which may affect the supply of service to other water users, or for other good and sufficient reasons which shall be specified to the applicant.
 2. The MWWS may reject any application for service when the applicant is delinquent in payment of bills incurred for service previously provided at any other location. When a property has been provided service, and MWWS has not been paid for that service, the MWWS shall not be required to render service to anyone at said location until the debt has been paid or until satisfactory arrangements have been made and agreed to by MWWS.
 3. Applicants may be approved subject to water use or other restrictions when a full-service application cannot be provided. In those cases where extension and/or upgrading of existing water mains proves to be too costly, or capacity is not adequate, the MWWS may authorize service on a "constant flow" basis. These restrictions will be written and provided to the potential user for their concurrence before a service is installed.

4. A water subscription shall remain at the location of the service connection. Therefore, in the case of property being sold, or transferred, the MWWS subscription and water hook-up will remain with the property. A water user selling property on which a service connection is located shall relinquish the subscription to MWWS at that location. A water user is not entitled to transfer their water service to a new property location.
 5. The Application for Service contract will bind the subscriber to keep the water subscription in effect by paying the base fee for a minimum of five (5) years.
 6. Prospective applicants requesting water service from an existing Curbstop may not proceed until it has been determined by the MWWS that an adequate supply and capacity is available.
- C. APPLICATION FEES** Specific application fees, as deemed appropriate regarding the specific application, by MWWS, will be assessed to each application for water service. The total of the fees is payable before the application for service will be considered for approval.
1. **Hydraulic Study Fee:** A fee to cover the costs incurred by MWWS in determining if it is feasible to provide a water service at a requested location. The Hydraulic Study fee is non-refundable.
 2. **Hookup Fee:** A fee required to allow an applicant to access the water system. The fee reflects a share of the imbedded costs incurred to construct the existing system. The fee is specific to the "Class" of service being requested. This fee is fully refundable if a service is not provided to the requested location because of an action or determination of the MWWS.
 3. **Construction Fees:** An estimated amount based on the complexity of the individual hookup being requested. MWWS personnel shall base the estimated cost on past experience and probable material expenses encountered in previous like situations and distances. The fees will reflect anticipated crop damages when necessary. The fee is applicable to expenses anticipated to make serviceable a line that has not been in use. Estimated amounts paid in excess of the actual costs are refundable. Expenses in excess of the estimate are the responsibility of the applying member and are payable before the water service is initiated.

D. Developers Application for Service Due to the commercial and speculative nature of rural subdivisions; Developers requesting expansion of MWWS facilities, into areas that are not served or are under served, must make a written application to MWWS. Two areas of expense must be addressed when developing new areas. (1) The construction expense of the new/additional facilities and (2) the ongoing payment of base fees to share in ongoing operations and maintenance expense of operating the system while reserving capacity dedicated to serving the new area. Developers will be required to pay an initial engineering feasibility study fee, and upon agreement between MWWS and the developer to serve the development, the developer shall post a cash deposit for the estimated costs of construction and engineering including system upgrades needed to provide the necessary capacity.

- 1. Construction:** The developer will provide the funds necessary for the MWWS to build a distribution system within the development area. These facilities being proposed, will be the property of the MWWS and will be built by the MWWS using materials and labor selected by the MWWS. All pipe, materials and installation methods will adhere to the standards of the MWWS. These improvements will be owned by the MWWS when construction is complete. Failure to complete the development will result in forfeiture of the cash deposit at terms to be established by the Board of Directors.
- 2. Base Fee Commitment:** Developers will reserve capacity for the number of adjacent platted lots within their subdivision and shall so advise the MWWS at the time of application and designate those lots on the application for development. The application shall include a listing of lots included in the subdivision and included within blocks of the development. The developer shall agree to pay the base fees per lot for a minimum of five years as a portion of the initial application and after said five years may elect to cancel service to the designated lot. Should the number of units included within the minimum be reduced, the developer shall no longer have access to those waived units. Nor shall the MWWS have any responsibility to reserve system capacity to serve the lots at a future time.

3. Developers Conversion: At such time when a property included in a Developers Unit is sold, the new owner may transfer the unit of a Standard subscription and the monthly base fee of the Developers Unit would go down by one unit. The conversion fee is the Standard Hookup Fee, less the amount paid by the original applicant for the unit, plus any required construction cost. Should a subsequent owner elect to not convert a unit the developer will continue to fulfill the five-year commitment to pay the base fees.

E. Temporary Service The MWWS will supply service for temporary purposes, provided the MWWS has water available, in excess of regular needs, and provided the MWWS has available material and equipment necessary to supply said service. Each applicant for such service must pay in advance, to the MWWS, an estimate of the cost of labor and materials, less salvage value upon removal, for installing and removing such service at the rates established by the MWWS for the type of use.

F. Special Projects At such times when MWWS has special funding available through grants or loans of agencies, when it is possible to improve or expand the system and add subscribers with the aid of such funds, the Board will designate appropriate fees that may be different from fees published in the Rules and Regulations. Any such project will be specifically identified as to area and scope.

IV. SERVICES PER METER

A. Standard Meter: A permanent residence, business facility, farm or similar location will require one membership, have one meter, and pay one monthly minimum charge. All water users shall be metered separately, except as follows:

1. Water users who have their homes on the same premises as their commercial establishment and receive service through the same meter and service line.
2. Additional residences on a farm, where the occupant is fully employed by, or fully dependent on the farming operation and the residence is provided as a part of that farming employment or dependence, may be served by a single meter that is serving the main farm. An additional water unit will be subscribed to for each such residence. In this case the water user shall file, with the MWWS, a statement to the effect that such is the case. The Board may from time to time, request that the subscriber provide an updated statement.

- B. Agri-Business Meter:** A business facility, farm or similar location will require one membership, have one meter, and pay one monthly minimum charge. All water users shall be metered separately, except as follows:
1. Water users who have their homes on the same premises as their commercial establishment and receive service through the same meter and service line.
 2. Additional residences on a farm, where the occupant is fully employed by, or fully dependent on the farming operation and the residence is provided as a part of that farming employment or dependence, may be served by a single meter that is serving the main farm. An additional water unit will be subscribed to for each such residence. In this case the water user shall file, with the MWWS, a statement to the effect that such is the case. The Board may, from time to time, request that the subscriber provide an updated statement.
- C. Contract Meters:** Cities, housing cooperatives, home owners associations or cooperatives, and trailer courts, that provide their own storage and distribution system, will have one metering point. The governing body, that has the contract with MWWS, shall have the authority to resell water supplied by the MWWS to subscribers connected to their distribution system.

V. METER ARRANGEMENTS

- A. Meter Assemblies:** A Meter Assembly consisting of a 3/4-inch X 5/8-inch meter, a 3/4-inch pressure reducing valve, and a 3/4 inch back-flow preventer will be supplied by the MWWS, for each user class except contract users. The meter assembly is provided by and is subject to the standards of MWWS. MWWS reserves the right to add or delete items contained in the meter assembly including the right to install equipment to monitor system performance.
1. The meter assembly shall remain the property of MWWS. Upon termination of service, the water user will return the complete meter assembly to the MWWS.
 2. The water user shall guarantee that the MWWS property be placed on the water user's premises and shall permit authorized representatives of MWWS access, at reasonable hours, to the premises of the water user for the purpose of installing or removing the MWWS's property, inspecting piping, reading or testing meters or for any other purposes in connection with the MWWS's service and facilities.

B. Meter Installations:

1. The water user shall provide a suitable frost-proof place for the meter assembly on the water user's premises; it shall be unobstructed and accessible for reading and inspection. The user shall be fully responsible for the meter assembly and responsible for repair or replacement of damaged meter assembly parts where the damage was caused by lack of protection from freezing or any other negligence.

A metering location on Pasture-Taps may be located on other than the subscriber's property, if approved, on an individual case basis, if the MWWS find it to be in the best interest of the water system.

2. Without written authorization, the water user shall not break the meter seal. The MWWS may test or cause to be tested a meter with a broken seal. The water user may be subject to pay the actual cost to the MWWS of making such test.
3. The water user shall maintain the setting of the pressure reducing valve at a setting of not greater than 45 PSI.
4. If the water user's piping on the water user's premises is so arranged that the MWWS is called upon to provide additional meters, each place of metering will be considered as a separate and individual membership.
5. When two or more meters are installed on the same premises for different water users, they shall be closely grouped and each clearly designated to indicate which water user it serves.
6. Contract User's metering arrangements will be specified in the contract specific to that contract subscriber.

VI BILLING

A. Billing Periods:

1. **Standard, Agri-Bus and Contract Subscribers:** The billing period consists of 12 periods per year, one each calendar month. The payments are due on the 15th of each month and are late after the 21st of each month. The "Base Fee" is assessed for the coming month. The water is billed is for usage up to the last meter reading or estimate.
2. **Pasture Taps:** Pasture Taps are billed once each year in November. The billing is for water used during the preceding year and the Base Fee for the coming year.

B. Billing Name & Addresses:

1. Periodic billing statements will be sent to the name and address of record for each individual account number. The address of record can be changed by the water user with a written directive to the MWWS offices.
2. Not less than seven (7) days' notice shall be given by the water user to the MWWS's office in person or in writing, to discontinue service or change the billing name.
3. 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.
4. A water user that is renting or leasing a location to a tenant may direct that the periodic billing be sent directly to the tenant. The property owner is ultimately responsible for payment of the water service provided to the property. Statements will be sent to only one (1) address. The property owner of record will be notified in event of a notice of suspension of service is deemed necessary.

C. Meter Readings and Billing: Meters for Contract Users will be read by MWWS personnel each month. Meter readings for Pasture Taps will be obtained at the end of the grazing season after October 15 but before November 15 in each year.

1. **Meter to Read:** The water meter located on the water line is the prevailing meter for reporting water use.
 - a. **Estimated Readings:** Estimated bills will be rendered for water users who fail to submit a meter reading when required. A "Meter Estimating Fee" or a meter reading fee, as appropriate, shall be applied to the water users billing for each time that a meter reading is not provided in the required manner.
 - b. **Dispatching for Readings:** Following two (2) months of estimated readings in the absence of readings from the water user, the MWWS will dispatch system personnel to the service address to obtain a reading. A "Meter Reading Fee" will be applied to the account for each attempt made to gain access to the meter to obtain the reading.
2. **Meter Verification:** The MWWS may verify all meter readings at least annually. The MWWS may obtain readings as often as it believes necessary.

- a. Meters will be tested for accuracy at the request of the water user and upon payment to the MWWS of a meter testing fee, provided, however, that if the meter is found to over or under-register beyond three percent of the correct volume, no charge will be made.
 - 3. **Combined Usage:** Reading from different meters will not be combined for billing, irrespective of the fact that said meters may be for the same or different premises, or for the same or different services.
- D. Bill Payments:**
- 1. **Where to Send:** Payments should be sent via the U.S. Postal Service to the address for the MWWS that is printed on the bill statement.
 - 2. **When to Send:** The due date for bills is the 15th of the month. They may be sent in anytime between receipt and the 21st of the month without incurring late fees.
 - a. **Late Charges:** Bills shall be declared delinquent after the 21st day of the month. Thereafter, service may be discontinued by the MWWS with notice to the water user, and to the landowner if the water user is the tenant. All delinquent bills are subject to a late charge equal to 1.5% of the outstanding bill or the "Late Payment Minimum", whichever is greater. The "Postmark" will be used to determine if a payment was mailed on or after the delinquent date.
 - 3. **Other Billing Arrangements:**
 - a. **Auto-Payments:** An account can be paid monthly by making arrangements with MWWS and the subscriber's bank to automatically pay the water billing. A meter reading is still required each month.
 - b. **Advance Payments:** Monthly billing subscribers may elect to pay in advance. The advance amount will be posted as a credit on the account. Each month a debit will be posted against the credit balance on the account. Statements will not be sent during months when the account has a zero balance or a credit balance. No interest will be paid on credit balances.
- E. Bill Challenges:** If the water user believes their billing statement to be in error, they shall present their claim at the MWWS's office before the bill becomes delinquent. Such claim, if made after the bill has become delinquent, shall not be effective in preventing late fees or discontinuance of service, as heretofore provided. The water user may pay such bill under protest and said payment shall not prejudice their claim.

F. Bill Collections: The MWWS may use whatever means available to them to effectuate recovery of bad checks received for payment of water bills, materials and supplies, or any other services performed by the MWWS. Such accounts will be treated as delinquent accounts and the charges applicable to such accounts will be applied. Additional expenses incurred by the MWWS to make payment goods will be borne by the water user. A "NSF Check Charge" shall be assessed on checks returned by the bank.

G. Credit Acceptance & Ratings:

1. As a requirement of membership, the MWWS reserves the right to check credit references before accepting application for service, renewing service, or to continue water service.
2. The MWWS may refuse personal checks for payment of amounts due from water users who have established an unreliable payment record as defined by MWWS.
3. The MWWS may require a security deposit (which will not accrue interest) in an amount sufficiently equal to three month's average bills.
 - a. When services are permanently discontinued, all bills are paid, and the meter assembly is returned to MWWS, the deposit, if one was required, will be refunded.

VII. SUSPENSION OR TERMINATION OF SERVICES

- A. Base Fee Obligations:** Temporary suspension or disconnection of service will not suspend the obligation to pay monthly base service fees required to keep an account in good standing.
- B. Service Restored:** Service discontinued for nonpayment of bills shall constitute a disconnection and will be restored only after bills are paid in full and provided that water capacity is still available. Service restored payments shall include the accumulated monthly minimum bill since the date service was discontinued (not to exceed a New Hookup fee), any requested deposits, and appropriate labor charges for each meter reconnected.
- C. Debt Collection:** Upon suspension of service for nonpayment of bills, the deposit, if any, will be applied toward settlement of the account. If any available deposit is not sufficient to cover the outstanding amount on the account, the MWWS may proceed to collect the balance in the usual way provided by law for the collection of debts.

- D. Subscription Abandonment:** When a water service is disconnected, at the request of the water user or by violations of the Rules and Regulations, the subscriber waives their rights to a subscription to the MWWS and any rights to water service at that service location. Any application for water service at a later time will be considered and treated as a new membership application and will be subject to the considerations of Applications section of these Rules & Regulations. The applicant shall also agree to pay, whichever is less:
1. A reconnecting cost of either the amount of minimum bill accumulated since the time of termination of service at the location and any labor charges; or
 2. The cost of a hookup fee for a new applicant plus actual reconnecting costs.
- E. Notice of Disconnection:** For violation of any of the provisions of these Rules and Regulations, the MWWS may at the expiration of seven (7) days after mailing a written notice to the last known address of the water user, remove the meter and/or disconnect service. If the water user is a tenant, the MWWS shall also give notice to the property owner of record at the MWWS office, and provide an opportunity to pay any past due amounts for such service location. If the subscriber thereafter requests that the service be reactivated, the water user shall first pay the MWWS a meter connection charge plus actual expenses, including mileage and appropriate labor charges.
- F. Equipment Tampering:** The MWWS may, in addition to prosecution by law, permanently refuse service to any location, or person(s) deemed responsible, at which a meter or other measuring device has been tampered with or at which other means were used to attempt theft of services.
- G. Rule & Reg. Application:** The provisions of these Rules and Regulations governing the suspension of services may be applied by the Board as they deem appropriate.

VIII. SERVICE CALLS

- A. Subscribers Responsibility:** For service calls that are made and no problem is found with the system's equipment or service; the member may be charged at an hourly labor rate with a one hour minimum. This will include travel time.
- B. System Equipment:** Service calls made to repair the system's equipment that has been misused, allowed to freeze or tampered with, will be charged the hourly rate plus the cost of parts. When outside equipment is used to make these repairs, the user shall be responsible for the costs incurred by the system.

- C. Temporary Disconnects:** Service calls made to connect and disconnect temporary (i.e.: summer) services will be charged 1/2 of a meter reconnection charge per request.

IX. WATER USER'S RESPONSIBILITY

- A. Service Lines:** The water user shall furnish, install and maintain the portion of the service line from the curb stop to the water user's metering point. Installation of each of these items shall be a responsibility of the water user and installed according to specifications developed by the ND State Plumbing Board and the MWWS
- B. Subscriber Plumbing:** The water user's piping and apparatus shall be installed and maintained by the water user and at the water user's expense, in a safe and efficient manner and in accordance with the MWWS rules and regulations and in full compliance with the sanitary regulation of the State Department of Health and the ND State Plumbing Codes.
- 1. Physical Separation:** The water user's private piping shall be installed in such a manner as to prevent cross-connection or back-flow. A physical separation shall be maintained between all other water sources and the MWWS supply. The MWWS reserves the right to refuse service unless the water user's line or piping are installed in such a manner as to prevent cross-connection, or back flow, and all connections from other sources are disconnected from the MWWS.
- 2. Expansion Tank:** A device to relieve the effects of water expansion within the subscriber's piping is the responsibility of the subscriber. A "Cold Water Expansion Tank" is a requirement of the ND State Plumbing Code on newly constructed homes and businesses. Due to the dual check valve in the meter assembly, MWWS expressly recommends an expansion tank be added to the subscriber's plumbing system.
- C. Protecting Equipment:** In the event that any loss and/or damage to the property of the MWWS or any accident or injury to person or property is caused by or results from the negligence or wrongful act of the water user, his agent, or employees, the cost of the necessary repairs or replacement shall be paid by the water user to the MWWS and any liability otherwise resulting shall be assumed by the water user. The amount of such loss or damage or the cost or repairs shall be added to the water user's bill and if not paid, service may be disconnected by the MWWS.

- D. Water Uses:** Water furnished by the MWWS shall be used according to the classification of the water user. The subscribers, except "Contract Users", shall not sell water to any other person. Water shall not be used for irrigation or other purpose, 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 other lawful purposes. Disregard for this rule shall be sufficient cause for the refusal or discontinued service.
- E. High Usages:** During high usage processes, above normal household use, the water user may be required to provide a constant flow valve and/or other device(s) or storage, acceptable to the MWWS, so that water will be more uniformly delivered throughout a twenty-four-hour period. This policy may also be applicable to water users using water for livestock, spraying or other high-water volume usage, which cause undue hardship or deteriorated service to other subscribers of the MWWS.

X. MWWS'S RESPONSIBILITY AND LIABILITY

- A. Curbstop Placement:** MWWS will install a service line from its main line to a point convenient to the MWWS at or near the edge of the yard area of the subscriber, at which point MWWS will install a curb stop.
- B. Liabilities:** The MWWS shall not be liable for any damage whatsoever resulting from water or the use of water on water user's premises unless such damage results directly from negligence on the part of the MWWS.
1. The MWWS shall not be responsible for any damage done by or resulting from any defects in the piping, fixtures, or appliances on the water user's premises.
 2. The MWWS shall not be responsible for negligence of third persons or forces beyond the control of the MWWS resulting in any interruption of service.
 3. The MWWS shall not be liable for any damage of any kind whatsoever resulting from snow melt, rain water runoff and/or ground water.
- C. Service Interruptions:** The MWWS reserves the right to discontinue its service without notice for the following additional reasons:
1. To prevent fraud or abuse
 2. Water user's willful disregard of the MWWS's rules and Regulations
 3. Emergency repairs
 4. Insufficiency of supply due to circumstances beyond the MWWS's control.
 5. Legal processes.

6. Direction of public authorities.
7. Strike, riot, fire, accident, or any unavoidable cause.
8. To prevent system contamination through an unintentional or intentional cross-connection.

D. Planned Interruptions: Interruption of service to the members shall be planned, whenever practical, to be of the least inconvenience to the members.

XI. Miscellaneous

A. Easements:

1. **Subscriber Easements:** Each water system subscriber shall grant or convey, or shall cause to be granted or conveyed, to the MWWS, a permanent easement and right-of-way across any property owned or controlled by the water user wherever said permanent easement and right-of-way is necessary for the MWWS water facilities and lines, so as to be able to furnish service to the water user and other subscribers of the MWWS.
2. **Obtaining Easements:** The applying subscriber will assist the MWWS, as necessary, in identifying, contacting and obtaining easements from other landowners as needed to construct the requested water system expansion.
3. **Refused Easement:** This policy applies to any parcel of property on which the MWWS needs an easement to construct its system and on which the owner refuses to grant an easement. For each such parcel, the construction cost increase caused by the refused easement shall be calculated and recorded in the records of the MWWS. If water service from the MWWS's system may be desired on said parcel of any other property owned by a person who has refused to grant an easement, such person, if he or she is the applicant, shall be required to pay for the construction cost increase due to such refused easement, in addition to any regularly applicable membership fees and charges for water service.

B. Crop Damages:

1. **Construction:** The MWWS will not reimburse for crop damage resulting from the construction of MWWS project features across property controlled or owned by the applicant requesting water service.

2. O&M Repairs: The MWWS will pay crop damages resulting after the project features are in operation. Compensation shall be based upon the actual average yield for the field in question and the price of the product at the time the damage occurs. No crop damage will be paid for when the crop exists within the public right-of-way.

C. Relocation Requests of MWWS's facilities, to accommodate the needs of members or others, shall be done only if there is an agreement entered into which provides that the cost of such relocation is borne by the beneficiaries of such relocation.

XII. System Rates

- A. General Policy:** The rates shall be set to insure revenues cover all the expenses of the water system. The expenses include month to month operating expenses, administration expense, equipment expense, debt retirement and contribution to required reserve funds. At least annually, the board will review system expenses and revenues. A determination of reduction or increase for each rate category will be made based on this comparison. The new rate will become effective upon action of the Board.
- B. Base Rates:** Will provide for payment of principal and interest on loans, building of necessary reserves and a portion of the administrative expenses.
- C. Water Rates:** Will provide for payment of operating and maintenance expenses incurred while operating the system. These include water and treatment, pumping, electricity, labor, repairs and other day to day expenses.
- D. Billing Fees:** Fees that are assigned to accounts that are not complying with the Rules and Regulations and thereby are creating a need to give special handling or perform extra functions to service the account. Examples are failing to submit a meter reading, late payments and NSF checks.
- E. Occasional Rates:** Services provided, outside of normal system operations, will be charged for as the services are requested. Labor, mileage and machine rates will reflect the expenses incurred by the system to provide the needed resources including general overhead expenses.
- F. Applications for Service:** Fees associated with a new or re enabled subscription will reflect a share of the imbedded cost of borrowing and building the initial infrastructure of the water system as well as the actual cost of placing or energizing existing services lines.

DEFINITIONS

Base Fee: A specific recurring fee paid by members regardless of water usage. These funds are used to cover principle and interest on construction loans, building of required reserves and ongoing administrative expenses associated with operating a water system.

Constant Flow: Uniform delivery of water throughout a 24-hour period by using a flow restriction device.

Construction Estimate: An estimated cost of providing a water service based upon current price lists of material, excavations, boring, etc. that probably will be involved in the requested construction. Can include the expense of reactivating of an existing service line.

Curb Stop: Demarcation point designated by MWWS for connection of service line. The valve or point at which the MWWS's responsibility for maintenance stops and the water user's responsibility begins.

Expansion Tank: A sealed diaphragm type tank that is attached to the cold-water line within the home or business to relieve pressure caused when water warms and expands. The expansion can cause damage to plumbing especially the hot water heater. The pressure build up can be dangerous.

Good Standing: A term used to describe an account that is current on payment of monthly base fees and water used.

Hookup Fee: The total amount of the added fees, as proscribed in the Rules & Regulations, required before a potential member is allowed to have access to the system for a water service hookup.

Hydraulic Study Fee: A fee that covers all or part of the expense incurred by MWWS to determine if an additional hookup can be supported at the location requested by the applying landowner.

Livestock Use: The use of water for stock watering.

Main Line: Pipeline generally parallel to public right-of-way and section lines that make up the supply and distribution system of the MWWS. Mainline will generally be located such that it serves or may serve more than one user.

Member: All water users who meet the requirements of these Rules and Regulations shall be members of the MWWS. (same as: "subscriber")

Meter Assembly: A configuration of control and measuring devices, along with interconnecting fittings, piping and valves that is proscribed as necessary, by MWWS, to provide a service at an individual location. The assembly is the property of MWWS. Responsibility for its protection from damage or tampering along with assuring reasonable access, is the responsibility of the member.

NSF Checks: Non-Sufficient Funds. A bank check refused by the bank when presented for payment.

Post Mark: The date placed on a piece of mail by the U S Postal Service when handling mail.

PSI: Pounds per Square Inch. A measurement of pressure indicating ability to deliver water flows.

Residential Development Area: A tract of property that has been properly platted into residential lots for resale to individual homeowners.

Security Deposit: An amount equal to approximately 3 months of service for base fees and water.

Service Call: A dispatch of a technician to correct a perceived problem, either on the water system or at the water user's premises; generally initiated by the water user.

Service Line: The waterline running from the curbstop to the water meter.

Standard Meter: A meter described by industry as a 5/8"X3/4". The orifices are 5/8" within the meter and are attached to the connecting piping by 3/4" fittings.

Storage: A container, cattle tank, or any reservoir used by the subscriber to take water to store for later use.

Subscriber: All water users who meet the requirements of these Rules and Regulations shall be subscribers of the MWWS. (same as: "member")

Subscription: The right to obtain water from the MWWS under the constraints of the particular class of service that a water user has applied for.

Subsequent Applicant: An application for water service that comes after the initial building of a section of waterline.

System Expansion: A project that will increase the ability of the MWWS to provide water or the building of the system into an area not previously served.

Tapping Saddle: A manufactured device used to add a branch line to a length of water pipe.

Temporary Disconnect: Any interruption of water service not of permanent nature.

Tenant: Person(s) leasing or renting a property that pays the water bill for a water service location on the property not owned by that person. Tenants desiring service will need written authorization from their landlord. The subscription is the responsibility of the owner.

Unit of Water: A subscribed to portion of water that can be accessed each month. A "Unit" is equal to 15,000 gallons monthly.

Water Service: A location at which MWWS has built the necessary features to allow access to the water system at a specific address or location. The term implies an ability to serve a meter at that point.

Water User Connection Point: The point at which the water user's private system is connected to the curb stop.

Wet Tap: A process in which a working water line is tapped and a branch is added without disrupting service to existing connections.

Yard Area: The area of a farmstead, rural residence, cabin, place of business, commercial feed lot, house lot, or other accepted and approved service location which contains buildings, fences, wells, windmills, buried pipes, buried wires, sewers, or other obstructions such that the installation of buried waterline by large high production trenches or plows is rendered impractical or very difficult.