

**RURAL WATER, SEWER, GAS  
AND SOLID WASTE MANAGEMENT  
DISTRICT No. 3  
CRAIG COUNTY, OKLAHOMA**

**BY-LAWS  
RULES AND REGULATIONS  
POLICIES AND PROCEDURES**

**RURAL WATER, SEWER, GAS AND SOLID WASTE MANAGEMENT  
DISTRICT NO. 3, CRAIG COUNTY, OKLAHOMA**

**BYLAWS**

**Article 1**

**Name and Place of Business**

**Section 1.** The name of this corporation shall be Rural Water, Sewer, Gas and Solid Waste Management District No. 3, Craig County, Oklahoma.

**Section 2.** The principal office of this District shall be located Craig County, Oklahoma.

**Article 2**

**Corporate Powers**

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

**Article 3**

**Purposes and Objectives**

**Section 1.** The purposes and objectives of this District are as follows:

- (a) To acquire water and water rights and to build and acquire pipelines and other facilities, to build, operate and maintain a sewage disposal system and to acquire, operate and maintain a solid waste management system and to operate the same for the purpose of furnishing water, gas, sewerage collection and treatment and solid waste management to serve the needs of owners and occupants of land located within the district, and others as authorized by the bylaws.
- (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 rights-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 the rights-of-way and easements, wherever located, and as may be necessary and convenient for proper conduct and operation of the business of the District.
- (d) To establish rates and impose charges for water, sewer, gas and solid waste management services furnished to participating members and others.
- (e) To enter into contracts for the purpose of accomplishing the purposes of the District with any person or governmental agency.
- (f) To cooperate with any person 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 purposes of the District which may lawfully be done by such District under the laws of the State of Oklahoma.

## **Article 4**

### **Users**

**Section 1.** Water, Sewer, Gas and Solid Waste Management service 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 user of the facility unless he has first subscribed and paid for one or more Benefit Units. Tenants occupying land located within the District may become users of the facility: 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: Provided all owners of land located within the District shall be eligible to vote at meetings of landowners until ninety (90) days after a declaration of availability of Benefit Units and unit fees has been entered by the Board in its minutes. 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 has 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 and/or waste disposal charge from the time service is available. The Board, at its discretion, may from time to time, if the capacities of the District's facilities permit, make 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 and/or sewer and/or gas and/or solid waste management services pursuant thereto would impair the service to other 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 three-fourths of all participating members (or landowners at meetings where the only qualification to vote is ownership of land within the District) 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, and the Benefit Unit shall not be transferred from one tract of land to another within the District without the approval of the Board. The owner of lands subscribing for more than one Benefit Unit to be assigned to one tract of land shall at the time of said subscription designate as nearly as practical the location of 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 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 not to exceed one line from the District's water system and/or one line from the District's sewage system and/or one line from the gas system and/or solid waste management service for one residence or business. Each line and waste disposal service 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 and/or sewer and solid waste management charge, or failure to pay for water or gas 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 three months after such failure all back charges are paid in full, plus 10 percent interest and reasonable labor charges necessary to effect such recommendations. Provided further, that the Board may permit such reinstatement within six months after such failure upon payment of all back charges, plus 10 percent interest, and reasonable labor charges necessary to effect such reconnection: Provided, further, that if the defaulting 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 last known address as shown on the books of the District.

### **Article 7**

#### **Election of Directors**

**Section 1.** The Board of this district shall consist of five (5) members, all of whom shall be participating members of the District: Provided, however, that the original Board shall consist of owners of land located in the District. The Directors elected at the 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 landowners 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 three years the number of Directors whose terms of office have expired. If a city or town becomes a part of the District, the Board of Directors must be composed of residents of said city or town in direct proportion to the number of users in said city or town.

**Section 2.** There shall be only two Directors elected from participating members for each section/quadrant (north, south, west) of the District of the Rural Water, Sewer, Gas and Solid Waste Management District No. 3, Craig County, Oklahoma.

**Section 3.** 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 of the participating members or until they are removed by death, resignation or for cause. The office of the secretary and treasurer may be held by one person.

**Section 4.** 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 or failure of any original Director to become a participating member within 30 days after subscription to Benefit Units are made available through action of the Board, shall operate to disqualify him as a Director and to create a vacancy in the office of the Director.

**Section 5.** A majority of the Board shall constitute a quorum at any meeting of the Board.

**Section 6.** Any Director of the District may be removed from office for cause by a vote of not less than three-fourths of the participating members of the District at any annual or special meeting called for that purpose. The Director shall be informed in writing of the charges preferred against him at least ten (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 to answer thereto. Officers of the Board may be removed for cause by vote of three (3) of the members of Board, and employees and agents may be discharged or removed from office or employment at any time by action of the Board.

**Section 7.** Every member of the Board of Directors shall be indemnified by Rural Water, Sewer, Gas and Solid Waste Management District No. 3, Craig County, Oklahoma, against all expenses and liabilities, including

counsel fees reasonably incurred by or imposed upon such member in connection with any threatened action, pending action or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or on behalf of the District against said member) to which he or she may be made a party or in which he or she may become involved by reason of being or having been a member of the Board of Directors of said District, or any settlement thereof, whether or not he or she is a member of the Board of Directors at the time such expenses are incurred, if such member acted in good faith, and in a manner reasonably believed to be in or not opposed to the best interest of the District. This indemnification shall not apply in such cases where the member is found to not have acted in good faith or in a manner reasonably believed to be in or not opposed to the best interest of the District, or where the member is adjudged guilty of willful misfeasance or malfeasance in the performance of his or her duties. Provided that in the event of a settlement, the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interest of the District. The provisions of this Section shall be applicable to actions, suits or proceedings pending at the adoption hereof or commenced after the adoption hereof or commenced after the adoption hereof, whether arising from acts or omissions occurring before or after the adoption hereof and to members of the Board of Directors and other persons who have ceased to render such service, and shall inure to the benefit of the heirs, executors, and administrators of the members of the Board of Directors referred to in this Section.

## **Article 8**

### **Powers and Duties of Directors**

**Section 1.** The Board, subject to the restriction of law, and these bylaws, shall exercise all the powers of the District and without prejudice to or limitation upon their general powers; it is hereby expressly provided 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 bylaws, 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 transferable 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, sewer, gas or solid waste management user for services rendered by the District to him or her, 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 employee, 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 depositaries 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 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 licensed municipal public accountant or a qualified independent accountant, and make a report on said matters at each annual meeting of participating members.

## **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 or she shall also, so far as practical, conduct the business in such a way that all patrons receive equal service and treatment, deposit in a bank selected by the Board, all money belonging to the District, which comes into his or her possession; maintain his or her 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 or her successor all books, records, documents, and correspondence pertaining to the business of the District which may come into his or her 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 or she 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 duty 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 or she shall serve, or cause to be served, all notices required to be served by law or the bylaws of the District; and in case of his or her 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 by checks signed by the Chairman, or someone authorized to sign on the Chairman's behalf, countersigned by the Treasurer. At each annual meeting of the District, he or she shall submit for the information of the participating members a complete statement of his or her account for the past year and he or she shall discharge such other duties pertaining to his or her 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 District or Directors, shall during all reasonable business hours, be subject to inspection of any landowner or 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, during the month of April of each year.

**Section 2.** Special meetings 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 51 percent 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 thereat except such as is specified in the notice.

**Section 3.** Notice of meetings 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 Meetings**

**Section 1.** The Board shall meet each year to adopt a budget for the following year, and will also meet annually to elect officers immediately following the time for election of any new Director. The Board shall meet at such other times as may be determined by the Board or upon call by the Chairman or any two members of the Board. Notice of all meetings of the Board 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 has been given.

### **Article 14**

#### **Manner of Election and Voting**

**Section 1.** At all meetings of the District, each participating member, qualified as stated in these bylaws, 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, Sewer, Gas and Solid Waste Management District No. 3, Craig County, Oklahoma," which shall be in the custody of the Secretary.

### **Article 16**

#### **Fiscal Year**

**Section 1.** The fiscal year of the district shall be the first day of May of each year.

### **Article 17**

#### **Amendment**

**Section 1.** These bylaws may be repealed or amended by a vote of three-fourths of the participating members present at any regular meeting of the District, or 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 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 landowner of rights and privileges then existing, or to so amend the bylaws 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 pipeline or lines from the source of water supply, and lines from the main distribution pipeline 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. The District may operate a gas distribution system for the benefit of its participating members. The District may also install, maintain, and operate a sewage disposal system with lines running from points designated by the Board of Directors as sewer delivery points for each participating member, to main sewage disposal lines and then to a sewage disposal facility. The District may operate a solid waste disposal system including containers at designated pick up points and the sanitary landfill or other disposal facility.

**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, sewer, gas or solid waste management services for domestic and other such purposes as a participating member may desire, subject, however, to the provisions of these bylaws 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 prorate 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 needs of all the participating members for domestic and livestock purposes before supplying water for gardens and other purposes.

### **Article 20**

#### **Printing**

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



**AFFIDAVIT**

STATE OF OKLAHOMA        )  
COUNTY OF CRAIG         )       SS.

\_\_\_\_\_ and \_\_\_\_\_,

Being first duly sworn, depose and state each for himself, that he is a Director of Rural Water, Sewer, Gas and Solid Waste Management District No. 3, Craig County, Oklahoma, the foregoing bylaws were adopted at a meeting of the landowners of said District, duly held on the \_\_\_\_\_ day of \_\_\_\_\_, 2016, at 7:30 o'clock p.m. That there were \_\_\_\_\_ landowners present in person and that the vote for the adoption of the bylaws were unanimous.

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Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Notary Public

My Commission expires:  
\_\_\_\_\_

**RURAL WATER, SEWER, GAS AND SOLID WASTE MANAGEMENT  
DISTRICT NO. 3, CRAIG COUNTY, OKLAHOMA**

**RULES AND REGULATIONS**

These rules are designed to govern the supplying and taking of water and waste disposal service in a uniform manner for the benefit of the District and its members. They are subject to change from time to time. However, all such changes must be approved by the State Director of the Farmers Home Administration until such time as the District is no longer indebted to the United States of America or until such time as the District has completely retired all loans by or insured by the United States of America. If a provision of the rules conflict with a provision of the rate schedule, the provision of the rate schedule will prevail. If any portion of these rules shall be declared invalid by competent authority, such voidance shall not affect the validity of the remaining portions.

**Definitions:** The following expressions when used herein will have the meaning stated below.

**Applicant:** Any individual, firm, partnership, corporation, authority or other agency living or owning land located within the service area applying for water and waste disposal service who applies for membership.

**Membership Certificate:** A right entitling the holder to one water and waste disposal service connection.

**Board:** The Governing Body.

**Consumer:** Any individual, firm, partnership, corporation, authority or other agency receiving water and/or waste disposal service from the District's facilities.

**Point of Delivery:** In rural areas water transmission lines will be installed parallel to section lines and highways and on private property, where possible. Service lines to the meter will not extend across private property unless necessary to serve users whose property does not join the section lines or road.

Water will be delivered at the meter which will be located five (5) feet inside the user's property line. However, if the cost to serve the last user or users on any line segment exceeds the average cost per user of the entire system, the last user or users will be required to pay all costs which exceed the average cost per user of the entire system.

Sewer collection lines will normally be installed in the alley and the user required to connect to the sewer riser at the collection line. When the collection line must be installed on one side of a street, the District will extend the line across the street to the user's property line where the user on the opposite side of the street will connect.

**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 and adequate waste disposal collection and treatment facilities when the collection lines are installed. 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 and when the District has available to the member waste disposal collection and treatment facilities.

**Users Agreement:** The agreement or contract between the consumer and the District, pursuant to which water and waste disposal service is supplied and accepted.

**State Director:** The State Director of the Farmers Home Administration.

**Water and Waste Disposal Service:** Water and waste disposal service shall consist of facilities for supplying water and waste disposal to one residence or business establishment.

## General Rules

1. The supplying and taking of water and use of waste disposal service will be in conformance with these rules and the applicable rate schedule attached hereto, provided, that such rate schedule is subject to change by action of the governing body with the approval of the State Director. Provided further, that if at any time the Governing Body determines the total amount derived from the collection of water and waste disposal charges is insufficient for the payment of operating costs, emergency repairs, or debt service, the Governing Body shall increase the minimum water and waste disposal rate for the first month thereafter in an amount sufficient to pay such operating costs, emergency repairs, or debt service.

2. Applicants for service shall make application to the Secretary of the District. If the application for service is approved by the Governing Body, the applicant pays the required costs and signs the standard application for water and waste disposal service, he or she shall receive service.

3. Before installing a service extension and providing water available for use, the Governing Body may require the applicant to pipe his or her home and be in readiness to accept service.

Service is for Sole Use of the Consumer: A standard water and waste disposal 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 or allow another user to connect to the applicant's sewer line. If an emergency or specific situation should make such an arrangement advisable, it shall be done only on specific written permission of the Governing Body for the duration of the emergency. Each residence or business establishment will pay the established waste collection fee for each residence or business establishment served.

Multiple Users: The classification, method of service, and minimum charge to be assessed each mobile home resident, whether located in a trailer park or located on an individual lot, will be the same as for any other residential user on the system. Each mobile home resident is expected to pay the same water charges as other users on the system. Normally, this would be accomplished by installing a water meter at each mobile home. If the residents of mobile homes are not permanent residents, the Governing Body may elect to serve mobile homes located in a trailer park through a master meter, provided the owner of the trailer park agrees in writing that he will be responsible for collecting a minimum water bill each month for each mobile home, plus water used through the master meter in accordance with the rate schedule used for other residential users. Owners of trailer parks serving non-resident users will be expected to contribute an amount equal to the cost of enlarging the District's water system as required to serve the trailers. The trailer park owners must also pay for constructing their own lines within the trailer park. Waste disposal service will be provided on the same basis as water.

Subdivisions and Developers: Developers are expected to pay for essential utilities to new or developing areas, including subdivisions. Owners of subdivisions or developments will be expected to contribute an amount equal to the cost of enlarging the District's water or sewer system to serve the area being developed. The owner must also pay for constructing their own lines within the development or subdivision. If the District's consulting engineer and Board of Director's determines that the owner has installed service and main lines within the subdivision or development in accordance with approved plans and specifications, the District may agree to accept ownership and overall operation and maintenance responsibility of the service lines within the subdivision or development. Also, if the Board of Directors determines adequate water is available, water service may be provided to the development or subdivision through a master meter.

Agreements with Governmental and Public Bodies: The District through its Governing Body may make specific water and waste disposal service contracts with the Federal Government, the State of Oklahoma, or agencies thereof, school districts, municipal corporations and nonprofit corporations, differing from stipulations set out in the rate schedule and rules.

Continuity of Service: The District will make all reasonable efforts to supply continuous, uninterrupted service. However, it shall have the right to interrupt service 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.

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.

Meters: 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 Governing Body.

Meter Accuracy: 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.

Bills: Bills will be rendered for service by the 5<sup>th</sup> 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 15<sup>th</sup> of the month shall be subject to a ten percent (10%) late charge. Failure of the District to submit a service bill shall not excuse the consumer of obligation to pay for the water or waste disposal services used when the bill is submitted. Failure to pay a bill within 45 days from the due date shall result in the disconnection of the service.

Reconnection Charge: The reconnection charge for restoration of service, if reconnection is authorized and approved under the provisions of the Bylaws 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 membership plus ten percent (10%) interest, and a sum to cover the reasonable cost of labor necessary to make such reconnection.

Requested Meter Tests: Meter tests requested by consumers will be performed without cost 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 was made will be charged for the cost of making the test.

Consumer's Responsibility: The consumer shall be responsible for any damage to the meter installed for his or her service, on account of any cause other than normal wear and tear.

Change of Occupancy: It shall be the consumer's responsibility to anticipate changes of occupancy, and to have his or her membership certificate transferred to the new consumer as prescribed in the Bylaws. Until the certificate is formally transferred, the original holder shall be responsible for payment for service. The Governing Body may refuse to transfer a membership until all back bills have been paid. However, this would not preclude a new owner from purchasing a new membership in the District.

Main Extensions:

1. In extending a water or sewer main to serve an applicant, the Governing Body 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 Governing Body may elect to make the extension upon the applicant's purchase of a membership or payment of the required fee.
  - b. If the cost of the extension is greater than the average cost of the entire system to each member, but funds are available to the extent of such average cost, the Governing Body 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 the membership. 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, an amount which may equal the entire cost of the extension. In such event the Governing Body may, as funds become available, return to the consumer that portion of his deposit equal to the average cost of the system per member. No interest will be paid on such deposits.

2. However, the Governing Body shall not issue any bonds, notes, indentures, obligations, or other form of indebtedness in connection with the extension of lines hereunder, or mortgage or encumber the system in any manner.

Services: The District will install all water service pipes (except for private fire protection) from its main to the meters. The service pipe shall not be less than three-fourths (3/4) inch in size. The District will also install 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. The District will install the sewer collection lines which normally will be located in the alley. The user will be responsible for all piping from the dwelling to the collection lines and at the discretion of the Governing Body pay for all cost of extending.

Applicants Having Excessive Requirements: 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.

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 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 Bulletins Nos. 600, 0587, and 0575.

Representatives of the District, the state and local Health Department 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 at a meeting of the Governing Body, held the \_\_\_\_\_ day of \_\_\_\_\_  
in the year \_\_\_\_\_, at \_\_\_\_\_, Oklahoma, with five (5) members of the Governing Body present.

\_\_\_\_\_  
Ted Ingram, Chairman

ATTEST:

\_\_\_\_\_  
Leland Mayfield, Secretary

**WATER RATE SCHEDULE (MONTHLY)**  
**RATES ARE PER 1000 GALLONS**

Base Rate .....	\$30.00
First 1,000 gallons .....	\$0.00
Next 2,000 gallons (1000-3000) .....	\$4.10
Next 2,000 gallons (3000-5000) .....	\$4.20
Over 5,000 gallons.....	\$4.30

**OTHER FEES**

Return Check .....	\$30.00
Reconnect Fee .....	\$100.00
Transfer Fee .....	\$50.00
New Membership.....	Starts at \$1850.00
Road Crossing .....	\$500.00