

**CONSOLIDATED RURAL WATER DISTRICT NO. 1,
OTOE COUNTY, NEBRASKA**

RULES AND REGULATIONS

These Rules are issued in compliance with Chapter 46, Article 10, Sections 46-1001 through 46-1026, Revised Statutes of Nebraska, as amended and the By-Laws of the District and are designed to govern the supplying and taking of water service in a uniform manner for the benefit of the District and its members. They are subject to change from time to time. If a provision of the Rules conflicts 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, public or private corporation, or other agency owning land located within the District, applying for water service.

BENEFIT UNIT: A right entitling the holder to one water service.

BENEFIT UNIT CERTIFICATE: A certificate showing ownership of a Benefit Unit.

BOARD: The Board of Directors of Consolidated Rural Water District No. 1, Otoe County, Nebraska.

CONSUMER: Any individual, firm, partnership, private or public corporation or other entitle receiving water from the District's facilities.

POINT OF DELIVERY: The point of delivery shall be at the meter, unless otherwise specified by the Board.

SERVICE: The term service, when used in connection with the supplying of water, shall mean the availability for use by the consumer of water at the point of delivery. 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.

APPLICATION FOR WATER SERVICE AND WATER USER'S AGREEMENT: The agreement of contract between the consumer and the District, pursuant to which water service is supplied and accepted.

WATER SERVICE: A water service shall consist of facilities for supplying water to one residence or business establishment.

GENERAL RULES

1. The supplying and taking of water will be in conformance with these Rules and the applicable rate schedule adopted by the Consolidated District, and on file with the Secretary of the District; provide, however, that such rate schedule is subject to change by action of the Board. Provided, further, that if at any time the Board determines that the total amount derived from the collection of charges is insufficient for the payment of the operating costs, emergency repairs, debt service, and a reasonable reserve, the Board shall increase the water rate in an amount sufficient to pay such operating costs, emergency repairs, debt service, and to accumulate reasonable reserves.

2. Applicants for service shall make application to the Secretary of the District. If the application for service is approved by the Board, the applicant will purchase a benefit unit for each water service desired, and sign the standard Application for Water Service and Water Users' Agreement for an indefinite period.

SERVICE IS FOR THE SOLE USE OF THE CONSUMERS:

A standard water service connection is for the sole use of the applicant or the consumer, and does not permit the extension of pipes to transfer water from one property to another, not to share, resell, or sub-meter water to any other consumer. If an emergency or specific situation should make such an arrangement advisable, it shall be done only on specific written permission of the Board for the duration of the emergency.

AGREEMENTS WITH GOVERNMENTAL AND PUBLIC BODIES:

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

RIGHT OF ACCESS:

Representatives of the District shall have the right at all reasonable hours to enter upon the consumers' premises to test control valves, inspect piping, and to perform other duties for the proper maintenance and operation of service, or to remove its service equipment and shut off water upon discontinuance of service by consumers.

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, extension, 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 interruptions, or for interruptions caused by acts natural or otherwise beyond its control.

CONTROL EQUIPMENT:

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 as often as deemed necessary by the Board. No water will be supplied to a service except through a properly installed meter.

METER LOCATION:

Meters shall be set in meter wells along the distribution main directly in front of the point of use along the Right-of-Way. Where service is on the opposite side of the Right-of-Way from where the distribution main is located, the service line will be extended across the road Right-of-Way and the meter service installed on the subscriber's property directly in front of his point of use, at the subscriber's expense. However, the Board reserves the right to select a different location for the meter box if the above stipulated point of deliver would not be practical.

- a. The cost of bringing the water line from the main to the residence shall be the responsibility of the

unit holder.

- b. In the event a line break occurs between the main distribution line and the residence of the unit holder, the cost of repairing said break, and any water loss caused by said break shall be the responsibility of the unit holder.

In those locations where the benefit unit holder, or his or her predecessor, has specifically requested that the meter be located in the residence of the unit holder and the same has previously been installed, the following regulations shall be applicable:

- a. In the event a line break occurs inside the residence of the unit holder, the unit holder shall be responsible for all damages and for payment of any unmetered water loss, as determined by the district.
- b. Remote readers and curb stop valves shall be required at all locations where meters are retained inside the residence of the unit holder.
- c. The District reserves the right to require removal of in-house meters and that the meters be relocated near the main.

BILLS AND PENALTIES FOR NON PAYMENT:

Water users will read their own water meters on the last day of each month, or the earliest date thereafter, and determine their water bill from the rate schedule. Payment of the month's water bill is due by the 15th day of the following month. Bills not paid by the 15th day of the month shall be subject to a ten percent (10%) late charge. Bills not paid within thirty (30) days following the addition of the ten percent late charge to the user's water bill shall be subject to an additional charge of \$10.00 per month for each month the user's bill remains unpaid. This charge shall be in addition to the ten percent late charge for nonpayment of the water bill by the 15th day of the month, as herein provided. Failure to pay a bill within ninety (90) days of the due date shall result in discontinuance of the service.

DISCONTINUANCE OF SERVICE AND CHARGE FOR RECONNECTION:

Upon failure of a consumer to pay a water bill, within ninety (90) days of the due date, the Board of Directors may direct the Manager to write a letter advising the consumer when the service will be disconnected. In the event such a cut off letter is issued, there will be an additional charge levied against the consumer's account in the sum of \$125.00. In the event the consumer fails to respond to the cut off notice by paying said water bill or making arrangements for said payment, within ten (10) days after the date of said cut off notice, the Manager shall have the consumers service disconnected. The reconnection charge for restoration of service, if reconnection is authorized and approved under the provisions of the By-Laws of the District, after each suspension of service because of delinquent payment or for other infraction of these Rules, shall be the unpaid amount charged to date against the consumer's benefit unit, plus a charge in the sum of \$125.00, to cover the reasonable cost of labor necessary to make such reconnection. The charges made herein for disconnection and reconnection shall be in addition to the charges for late payment as set forth above. (Adopted on 1/17/2011)

REQUESTED METER TEST:

Meter tests requested by consumers will be performed without cost to the consumer if the meter is found to be in excess of ten percent (10%) slow or 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. The minimum charge for testing a water meter is \$25.00.

CONSUMER'S RESPONSIBILITY:

The consumer shall be responsible for any damage to service equipment installed by the District for his service, on account of any cause or other than normal wear and tear.

CHANGE OF OCCUPANCY:

It shall be the owner's responsibility to anticipate changes of occupancy, and to have his benefit unit and additional water supply unit(s) transferred to the new owner as prescribed in the By-Laws. Until the benefit unit is formally transferred, the current owner shall be responsible for payment for service. All charges levied against a benefit unit must be paid before the benefit unit can be transferred or service continued. It shall be the responsibility of the new owner to collect any delinquencies of the previous owner.

MAIN EXTENSIONS:

Applicant shall be responsible for the extension of the line from the main to the Applicant's meter, pursuant to specifications as determined by the Board, at Applicant's expense, before the District will assume ownership and responsibility for maintenance. The service line for meters shall not be less than 1 inch in size. The District will also install and pay for the District cock, meter, and meter setting.

COST OF BENEFIT UNITS AND ASSIGNMENT:

The cost of Benefit Unites shall be such amount as designated from time to time by the Board of Directors. Upon transfer of ownership of property or interest in property, application for an Assignment of Benefit Units shall be submitted to the Board of Directors, together with a fee in the sum of \$15.00, per Benefit Unit, to cover the costs involved in the assignment of the Benefit Unit.

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 capacity without adversely affecting service to other consumers to an unreasonable 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 capacity.

If in the event that it becomes impracticable or cost prohibitive for the District to maintain, repair or replace infrastructure to a Benefit Unit holder, it shall be the right of the District to properly notify and request participation of the Benefit Unit holder to attend a Board meeting to discuss continuance of discontinuance of service.

The District shall at that meeting consider the cost and impact of maintaining existing service, or replacing damaged or decayed infrastructure if service is interrupted, while evaluating the revenue generated by such service to offset that cost in a life-cycle cost evaluation. If the District finds that it cannot maintain, repair or replace infrastructure that would achieve a payback period of 10 years or less, the District shall find that such service should be discontinued, refunding the Benefit Unit holder of the current value of a Benefit Unit and eliminating such Benefit Unit. The Board may entertain cost-sharing with the Benefit Unit holder to offset the cost to the District in an effort to override an otherwise decision to discontinue service. (Adopted on 1/16/2017)

CONNECTION WITH PRIVATE WATER SYSTEM:

There shall be no physical connection between any private water system and the water system of the District. Representatives of the District shall have the right, at all reasonable hours, to enter upon consumer’s premises for the purpose of inspection and enforcement of this provision.

SUBDIVISION BENEFIT UNIT OR WATER SERVICE REQUESTS:

A property owner, or an official agent of the owner serving as the preparer of the subdivision, must formally present in person to the District a request for water service. The owner or agent shall provide an officially prepared and signed preliminary plat with a detailed explanation of the intent of the subdivision and total number of lots to be served under full buildout of the subdivision. Based upon this information, the district will either recommend approval or deny such request based upon the remaining capacity of the system and infrastructure available. The District may, with or without consulting with its Engineer, condition such approval for water service with improvement or expansion of the District’s infrastructure to be constructed at Developer (Owner) expense.

Upon approval of a Benefit Unit for a single full buildout subdivision, the property owner will be granted up to a maximum of ten (10) years to exercise the service request. The cost for the Benefit Unit will be charged at the current rate applicable at the time of payment. Costs for the physical connection and the monthly water charge will be charged and commence once physical connection is requested and made to the District infrastructure.

For approved requests to a multiple lot subdivision, the Developer/Owner shall immediately pay the Benefit Unit rate current at the time of the approval for each lot within the full buildout of the subdivision plat. Approval for service and requests for physical connection will be valid for a maximum of five (5) years following the District approval. If no physical connections are made within that period, the Developer/Owner will forfeit and surrender the approval of service to lots not connected within that period. Developer/Owner may elect to pay the cost of physical connection and the monthly water charge during the five (5) year period and effectively extend the approval as long as payments are kept current. (Adopted on 12/11/2018)

VIOLATIONS:

Violation of any of the provisions of the Rules and Regulations as set forth above or as may be amended from time to time by the Board, shall constitute cause for disconnection of a consumer’s service.

NATIONAL STANDARD PLUMBING CODE ADOPTED:

The Board of Directors has adopted the provisions of the National Standard Plumbing Code, 19 Edition, as published by the National Association of Plumbing, Heating, Cooling Contractors, the provisions of which are hereby incorporated in these Rules and Regulations the same as if set out in full.

MISCELLANEOUS PROVISIONS:

a. Trailers - A trailer house will be considered the same as a permanent home and must purchase a benefit unit and shall pay the regular rate.

b. No Multiple Hookups - Each benefit unit shall entitle the owner not to exceed one line from the District’s water system. Each line shall service not to exceed one residence or business establishment

together with the necessary and usual out-buildings (see Article 6, Section 5 of the By-Laws)

c. Tenants - Payment for water service shall be the responsibility of the benefit unit owner whether water is utilized by the owner or the tenant.

Unanimously adopted at a meeting of the Board of Directors, held on the ____ day of May, 2019, at Nebraska City, Otoe County, Nebraska.

Gary Sasse, Secretary