



WATER TARIFFS

For Regional Water, Inc. Rural Water Association

RESOLUTION: # _____ (Effective February 1, 2020)

A RESOLUTION ESTABLISHING RATES, CHARGES AND RULES FOR THE USE AND SERVICE OF THE WATER SYSTEM OF REGIONAL WATER, INC., SHELBY COUNTY, IOWA

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF REGIONAL WATER, INC., SHELBY COUNTY, IOWA THAT THE FOLLOWING ARE HEREBY ADOPTED AS THE CURRENT POLICIES AND PROCEDURES FOR REGIONAL WATER INCORPORATED'S WATER OPERATIONS:

SECTION 1: WATER RATES AND CHARGES:

There shall be, and is hereby, established, for the use of and service rendered by the waterworks systems of REGIONAL WATER, the following rates and charges, based on the use of water supplied by the waterworks system:

I. PERMANENT USERS:

A. METERED RATES:

1. RURAL USERS SERVED BY THE AVOCA TREATMENT PLANT SYSTEM:

First 2,000 gallons	\$53.00 minimum bill
Next 8,000 gallons	\$9.20 per 1,000 gallons
Next 10,000 gallons	\$7.45 per 1,000 gallons
All Over 20,000 gallons	\$5.95 per 1,000 gallons

2. RURAL USERS SERVED BY THE URBAN BLUFFS DISTRIBUTION SYSTEM:

First 2,000 gallons	\$53.00 minimum bill
Next 8,000 gallons	\$9.20 per 1,000 gallons
Next 10,000 gallons	\$7.45 per 1,000 gallons
All Over 20,000 gallons	\$5.95 per 1,000 gallons

3. CLASS "A": FRANCHISED STANDARD METER ACCOUNTS:

Shall be those within the Corporate City Limits of Tennant, Westphalia, and Kirkman, Iowa and shall be charged:

First 2,000 gallons	\$47.00 minimum bill
Next 18,000 gallons	\$8.20 per 1,000 gallons
All Over 2,000 gallons	\$5.95 per 1,000 gallons

This exclusive rate applies to the cities of Tennant, Westphalia, and Kirkman only, and is based on a construction grant contribution on behalf of these communities' low and moderate income residents.

4. CLASS "B" FRANCHISED STANDARD METER ACCOUNTS:

Shall be those within the Corporate City Limits of Underwood, Iowa and shall be charged:

First 2,000 gallons	\$33.00 minimum bill
All Over 2,000 gallons	\$7.45 per 1,000 gallons

This exclusive rate applies to the city of Underwood only.

6. CLASS "C": FRANCHISED STANDARD METER ACCOUNTS:

Shall be those within the Corporate City Limits of McClelland, Iowa and shall be charged:

First 2,000 gallons	\$38.00 minimum bill
All Over 20,000 gallons	\$7.45 per 1,000 gallons

This exclusive rate applies to the city of McClelland only.

7. CLASS “D”: FRANCHISED STANDARD METER ACCOUNTS:

Shall be those within the Corporate City Limits of Persia, Iowa and shall be charged:

First 2,000 gallons	\$33.00 minimum bill
Next 18,000 gallons	\$7.95 per 1,000 gallons
All over 20,000 gallons	\$5.95 per 1,000 gallons

This exclusive rate applies to the city of Persia only.

B. MINIMUM CHARGE:

Each user shall pay a minimum monthly charge based on the quantity of water subscribed according to the following schedule:

1. RURAL USERS SERVED BY THE AVOCA TREATMENT PLANT SYSTEM:

0 to 2,000 gallons per month: \$53.00 per month

Of the first 2,000 gallons minimum billing, water not consumed will be forfeited at the end of each months billing cycle.

The user will be entitled to the quantity of water set in the metered schedule of rates. However, the minimum rate shall be payable irrespective of seasonal use, and whether or not any water is used during the month.

2. RURAL USERS SERVED BY THE URBAN BLUFFS DISTRIBUTION SYSTEM:

0 to 2,000 gallons per month: \$53.00 per month

Of the first 2,000 gallons minimum billing, water not consumed will be forfeited at the end of each months billing cycle.

The user will be entitled to the quantity of water set in the metered schedule of rates. However, the minimum rate shall be payable irrespective of seasonal use, and whether or not any water is used during the month.

3. CLASS “A” FRANCHISE USERS (TENNANT, WESTPHALIA, AND KIRKMAN):

0 to 2,000 gallons per month: \$47.00 per month

Of the first 2,000 gallons minimum billing, water not consumed will be forfeited at the end of each months billing cycle.

The user will be entitled to the quantity of water set in the metered schedule of rates. However, the minimum rate shall be payable irrespective of seasonal use, and whether or not any water is used during the month.

This exclusive rate applies to the cities of Tennant, Westphalia, and Kirkman only, and is based on a construction grant contribution on behalf of these communities’ low and moderate income residents.

4. CLASS “B” FRANCHISE USERS (UNDERWOOD):

0 to 2,000 gallons per month: \$33.00 per month

Of the first 2,000 gallons minimum billing, water not consumed will be forfeited at the end of each months billing cycle.

The user will be entitled to the quantity of water set in the metered schedule of rates. However, the minimum rate shall be payable irrespective of seasonal use, and whether or not any water is used during the month.

This exclusive rate applies to the city of Underwood only.

5. CLASS “C” FRANCHISE USERS (MCCLELLAND):

0 to 2,000 gallons per month: \$38.00 per month

Of the first 2,000 gallons minimum billing, water not consumed will be forfeited at the end of each months billing cycle.

The user will be entitled to the quantity of water set in the metered schedule of rates. However, the minimum rate shall be payable irrespective of seasonal use, and whether or not any water is used during the month.

This exclusive rate applies to the city of McClelland only.

6. CLASS “D” FRANCHISE USERS (PERSIA):

0 to 2,000 gallons per month: \$33.00 per month

Of the first 1,000 gallons minimum billing, water not consumed will be forfeited at the end of each months billing cycle.

The user will be entitled to the quantity of water set in the metered schedule of rates. However, the minimum rate shall be payable irrespective of seasonal use, and whether or not any water is used during the month.

This exclusive rate applies to the city of Persia only.

C. CONNECTION FEES:

1. New Rural and Franchised Services Where The Metering Device Is Installed Externally (Meter Pits):

- a. One-time, non-refundable connection, membership, and engineering/title search/administrative fees shall be charged for all new rural services. During funded construction projects, all applicable regulations of Section 12 shall apply. Membership, and therefore the “membership fee”, shall be optional for Customers in Franchise Communities added after January 1, 2000, but all customers must be members to exercise the membership rights of voting and service on the Board of Directors.
- b. Meters larger than the standard 5/8” household meter shall be assessed their connection fee in accordance with Section 1, Paragraph IV. Standard “5/8” meters shall be billed in accordance with the following schedule:

Connection Fee (Plus Actual Connection Costs)	\$800.00
Membership Fee (Optional for all new Franchise Customers after 1-1-00)	\$50.00
Engineering/Title Search/Administrative Fee	\$50.00

2. New City of Underwood and City of Persia Franchised Services Where The Metering Device Is Installed Internally By A Developer/Contractor During Initial Construction of the Structure Only (Curb Stops and “Inside Meters”):

- a. A reduction of the normal one-time, non-refundable connection fee shall be made, and the engineering/title search/administrative fee shall be waived, for all new developer and/or contractor installed services in the Cities of Underwood and Persia, provided that the entity installs all required service lines, curb stops, and other required appurtenances. Membership, and therefore the “membership fee”, shall be optional for Customers in these Franchise Communities, but all customers must be members to exercise the membership rights of voting and service on the Board of Directors.
- b. Meters larger than the standard 5/8” household meter shall be assessed their connection fee in accordance with Section 1, Paragraph IV. Standard “5/8” meters shall be billed in accordance with the following schedule:

Connection Fee	\$450.00
Membership Fee (Optional)	\$50.00

D. RECONNECTION CHARGE:

Any customer whose service has been disconnected, and requests restoration of service, shall pay a reconnection charge of \$150.00.

Any honored request for reconnection outside the normal operational hours of 8am to 5pm, Monday through Friday and any such reconnection occurring on a Holiday observed by the Water System, shall result in an additional \$50.00 “after hours/weekend service call fee”.

The “Snowbird” rule which previously allowed for temporarily/seasonal disconnection in some accounts with a waiver of reconnection fees no longer exists. Customers in franchise communities with mandatory connection ordinances or who are still within the periods of required monthly minimums established by their user agreements cannot avoid paying those monthly minimums by voluntarily disconnecting. Customers who do not fall into either category can voluntarily disconnect and in subsequent billing cycles would not owe any monthly minimums. However, in no case will the reconnection fee be waived.

E. CHANGE OF TENANCY/OWNERSHIP FEE:

New tenants or owners of a property with an existing service connection shall pay a non-refundable administrative fee of \$50.00.

Where service has been previously disconnected, this fee shall be considered to be included in the usual \$100.00 reconnection fee for the account and shall not be assessed in addition to the reconnection fee.

If a tenant has vacated the property for more than thirty (30) days, this is considered a change in occupancy commencing on the first day of the month that is at least thirty (30) days after the date the tenant vacated the premises. Unless otherwise notified of a new tenant, Regional Water will then regard the property owner as responsible to pay monthly utility service bills for the property, and any disconnect and reconnection fees.

F. DEPOSITS FROM TENANTS:

1. A deposit of \$75.00 shall be required for each residential or commercial tenant separately metered and separately billed, except where the potential real estate lien is not applicable. A new deposit shall be required at any time that all, or part, of the deposited funds have been applied towards a delinquent account.
2. In the case of a member/customer receiving both water AND wastewater services from the Association; the deposit shall be in the amount of \$150.00 instead of the usual \$75.00 deposit amount, except where the potential real estate lien is not applicable.
3. In the case where a landlord has provided written notice to the Association, as required under law, that a tenant shall be solely responsible for water and/or wastewater and/or trash service billing; the required deposit shall be equal to the usual cost of ninety (90) days of applicable service(s), in lieu of the customary deposit(s).

Based on current rates and experience, the required deposit is as follows:

Rural residential services (ATP and UB)	\$365.00
Class A Properties (Westphalia, Tenant, Kirkman)	\$335.00
Class B Properties (Underwood)	\$275.00
Class C Properties (McClelland)	\$295.00
Class D Properties (Persia)	\$420.00

4. At the time of disconnection or transferal of the account to a new tenant, the deposit shall be applied to any current and/or delinquent balance for water and/or wastewater service.
5. Any unused deposit will be refunded to the person or entity that paid the deposit (tenant or landlord) within thirty (30) days of the end of the last billing period of the tenant, provided the Association has received written notification from the tenant of his or her forwarding address.
6. All accounts on tenant occupied properties must be brought current and all required deposits must be received, prior to the activation of water and/or wastewater services for a subsequent tenant on that property.

G. RETURNED CHECK FEE:

Checks returned for insufficient funds shall result in a \$30.00 “returned check fee”. Any applicable late payment charges shall apply.

II. TEMPORARY USERS:

- A. Water furnished to temporary users, such as construction contractors, shall be charged at rates of \$6.00 per 1,000 gallons of water metered from the Avoca Treatment Plant Distribution System or the Urban Bluffs Distribution System.

- B. Where metering is not possible, the estimate of water used shall be determined by a licensed operator and reported to the office manager for an invoice. The user shall bear the cost of installing and removing the service. Any salvage realized by Regional Water shall be refunded to the user.

III. PASTURE CONNECTIONS:

- A. Pasture connections installed before December 12, 1991 are “grand fathered-in” until the member abandons the connection. No new pasture connections shall be permitted.
- B. These members shall pay a \$50.00 annual service fee, while the connection is in service. This shall entitle the member to 5,000 gallons of water. Consumption above the annual 5,000 gallon minimum shall be paid for at a rate of \$10.00 per thousand gallons. Consumption under the 5,000 gallon annual minimum shall result in the forfeiture of the balance not used/consumed.
- C. Regional Water Personnel shall be responsible for reading the meter and billing the water costs to the customer, either annually or upon removal of the meter. The member shall pay the water charges within 30 days from date of billing. Meters left in the pit shall be considered “in-service” on each anniversary and the \$50.00 service fee will be billed and payable.

IV. LARGE METER POLICY

This policy shall apply to all new accounts, added to the distribution systems after March 11, 1993. Accounts in service prior to that date shall be “grand fathered-in” until property ownership changes and the board of directors makes a need based determination of the new owner’s application for transfer of membership.

This policy shall apply to all individual customers, industrial, commercial, and private capital venture developments.

Compound meter connection fees shall be determined on a case-by-case basis, at the discretion of the Board of Directors, or designee and shall be based on applicable costs of construction and required capacity demands.

A. COSTS:

a. RURAL MEMBERS OF THE AVOCA TREATMENT PLANT SYSTEM:

<u>METER SIZE</u>	<u>EDU’S</u>	<u>MONTHLY MINIMUM BILL</u>	<u>MONTHLY MINIMUM GALS.</u>	<u>CONNECTION FEE</u>
5/8”	1	\$53.00	2,000	\$800.00
3 /4”	2	\$106.00	4,000	\$1,600.00
1”	3	\$159.00	6,000	\$2,400.00
1 1/2”	6	\$318.00	12,000	\$4,800.00
2”	10	\$530.00	20,000	\$8,000.00

>2” Rural Development Administration shall participate in establishing the criteria for customer costs.

b. RURAL MEMBERS OF THE URBAN BLUFFS SYSTEMS:

<u>METER SIZE</u>	<u>EDU’S</u>	<u>MONTHLY MINIMUM BILL</u>	<u>MONTHLY MINIMUM GALS</u>	<u>CONNECTION FEE</u>
5/8”	1	\$53.00	2,000	\$800.00
3 /4”	2	\$106.00	4,000	\$1,600.00
1”	3	\$159.00	6,000	\$2,400.00
1 1/2”	6	\$318.00	12,000	\$4,800.00
2”	10	\$530.00	20,000	\$8,000.00

>2” Rural Development Administration shall participate in establishing the criteria for customer costs.

c. CLASS “B” (UNDERWOOD) FRANCHISE SYSTEM:

<u>METER SIZE</u>	<u>EDU’S</u>	<u>MONTHLY MINIMUM BILL</u>	<u>MONTHLY MINIMUM GALS</u>	<u>CONNECTION FEE</u>
5/8”	1	\$33.00	2,000	\$450.00
3 /4”	2	\$66.00	4,000	\$900.00
1”	3	\$99.00	6,000	\$1,350.00
1 1/2”	6	\$198.00	12,000	\$2,700.00
2”	10	\$330.00	20,000	\$4,500.00

>2” Rural Development Administration shall participate in establishing the criteria for customer costs.

d. CLASS “C” (MCCLELLAND) FRANCHISE SYSTEM:

<u>METER SIZE</u>	<u>EDU’S</u>	<u>MONTHLY MINIMUM BILL</u>	<u>MONTHLY MINIMUM GALS</u>	<u>CONNECTION FEE</u>
5/8”	1	\$38.00	2,000	\$800.00
3 /4”	2	\$76.00	4,000	\$1,600.00
1”	3	\$114.00	6,000	\$2,400.00
1 1/2”	6	\$228.00	12,000	\$4,800.00
2”	10	\$380.00	20,000	\$8,000.00

>2” Rural Development Administration shall participate in establishing the criteria for customer costs.

e. CLASS “D” (PERSIA) FRANCHISE SYSTEM:

<u>METER SIZE</u>	<u>EDU’S</u>	<u>MONTHLY MINIMUM BILL</u>	<u>MONTHLY MINIMUM GALS</u>	<u>CONNECTION FEE</u>
5/8”	1	\$33.00	2,000	\$450.00
3 /4”	2	\$66.00	4,000	\$900.00
1”	3	\$99.00	6,000	\$1,350.00
1 1/2”	6	\$198.00	12,000	\$2,700.00
2”	10	\$330.00	20,000	\$4,500.00

>2” Rural Development Administration shall participate in establishing the criteria for customer costs.

**The above tables are based on EDU’s or “equivalent dwelling units”.*

V. Connection to Public Municipalities, with all construction costs and the initial connection fee prepaid, and no further imposed debt burden on the Water System:

A. Within the Avoca Treatment Plant Distribution System:

1. Sole-Source Communities and public utilities with a contracted capacity of 75 Gallons Per Minute or greater shall be charged a “Large Bulk User Rate” of \$3.90 per 1,000 gallons, up to the contracted monthly gallons, provided that this community is a “sole-source” community (No other source of water is utilized to supplement or serve that community).
2. Sole-Source Communities and public utilities with a contracted capacity of Less Than 75 Gallons Per Minute shall be charged a “Bulk User Rate” of \$4.15 per 1,000 gallons, up to the contracted monthly gallons.
3. Non-Sole-Source and Emergency-Only Community and Public Utility Connections shall be charged a “Bulk User Rate” of \$4.90 per 1,000 gallons, up to the contracted monthly gallons.
4. A “City of Avoca Rate” shall apply only to the City of Avoca, following their buy-down of production and treatment facilities costs. The City of Avoca shall be charged a rate of \$2.40 Per 1,000 gallons, up to the contracted monthly gallons.

B. Within the Urban Bluffs Distribution System:

1. Sole-Source Communities and public utilities with a contracted capacity of 75 Gallons Per Minute or greater shall be charged a “Large Bulk User Rate” of \$4.10 per 1,000 gallons, up to the contracted monthly gallons, provided that this community is a “sole-source” community (No other source of water is utilized to supplement or serve that community).
2. Sole-Source Communities and public utilities with a contracted capacity of Less Than 75 Gallons Per Minute shall be charged a “Bulk User Rate” of \$4.90 per 1,000 gallons, up to the contracted monthly gallons.
3. Non-Sole-Source and Emergency-Only Community and Public Utility Connections shall be charged a “Bulk User Rate” of \$4.95 per 1,000 gallons, up to the contracted monthly gallons.

VI. Connection to Public municipalities, with Water System financed construction:

A. Within the Avoca Treatment Plant Distribution System:

1. Sole-Source Communities and public utilities with a contracted capacity of 75 Gallons Per Minute or greater shall be charged a “Large Bulk User Rate” of \$4.35 per 1,000 gallons, up to the contracted monthly gallons, provided that this community is a “sole-source” community (No other source of water is utilized to supplement or serve that community), plus the monthly User Fee as established by the Water System’s lender to retire the amortized construction connection cost, or at the discretion of the board of directors (and under the guidance of Rural Development Administration), may have an alternative rate schedule that amortizes these costs as part of the rate structure.

2. Sole-Source Communities and public utilities with a contracted capacity of Less Than 75 Gallons Per Minute shall be charged a “Bulk User Rate” of \$4.60 per 1,000 gallons, up to the contracted monthly gallons, plus the monthly User Fee as established by the Water System’s lender to retire the amortized construction connection cost, or at the discretion of the board of directors (and under the guidance of Rural Development Administration), may have an alternative rate schedule that amortizes these costs as part of the rate structure.
3. Non-Sole-Source and Emergency-Only Community and Public Utility Connections shall be charged a “Bulk User Rate” of \$5.35 per 1,000 gallons, up to the contracted monthly gallons.

B. Within the Urban Bluffs Distribution System:

1. Sole-Source communities and public utilities with a contracted capacity of 75 Gallons Per Minute or greater shall be charged a “Large Bulk User Rate” of \$4.50 per 1,000 gallons, up to the contracted monthly gallons, provided that this community is a “sole-source” community (No other source of water is utilized to supplement or serve that community), plus the monthly User Fee as established by the Water System’s lender to retire the amortized construction connection cost, or at the discretion of the board of directors (and under the guidance of Rural Development Administration), may have an alternative rate schedule that amortizes these costs as part of the rate structure.
2. Sole-Source Communities and public utilities with a contracted capacity of Less Than 75 Gallons Per Minute shall be charged a “Bulk User Rate” of \$5.00 per 1,000 gallons, up to the contracted monthly gallons, plus the monthly User Fee as established by the Water System’s lender to retire the amortized construction connection cost, or at the discretion of the board of directors (and under the guidance of Rural Development Administration), may have an alternative rate schedule that amortizes these costs as part of the rate structure.
3. Non-Sole-Source and Emergency-Only Community and Public Utility Connections shall be charged a “Bulk User Rate” of \$5.25 per 1,000 gallons, up to the contracted monthly gallons, plus the monthly User Fee as established by the Water System’s lender to retire the amortized construction connection cost, or at the discretion of the board of directors (and under the guidance of Rural Development Administration), may have an alternative rate schedule that amortizes these costs as part of the rate structure.

SECTION 2: MONTHLY BILLING ACTIONS:

I. AVOCA TREATMENT PLANT DISTRIBUTION SYSTEM:

- A. Bills for the rates and charges, as herein established by the Water System, shall be payable monthly. All bills shall be due and payable within 15 days from the first day of each month and shall be paid at the Office of the Corporation of Regional Water by the due date.
- B. Any charges for service and other applicable fees of the Water System, that have not been paid on or before the date due, shall be assessed a late payment charge of ten percent (10%) of the amount of the outstanding bill.

Following the assessment of this “late payment” charge, a notice shall be promptly created and mailed to the member/customer. Said notice shall contain a statement noting the application of the late payment charge and informing the member/customer of both the date that service will be disconnected if payment is not received and the amount required by that date to maintain water and/or waste water service for the account.

In the case of accounts where renters are billed for their landlord’s service account, provided that the landlord has secured and submitted an “Authorization for Release of Account Information and Re-Disclosure Form”, a copy of the tenant’s notice will also be mailed to the landlord, to allow him/her to pay the overdue charges prior to disconnection, if he/she so elects, to avoid reconnection charges for the account. Refusal by the landlord to bring the account current, prior to the scheduled disconnection date, shall result in the initiation of standard collection procedures, as contained herein.

- C. Any bills remaining unpaid after the date detailed in the notice mailed per subpart B shall result in the water supply for the lot, parcel of land, or premise affected being shut-off. This account shall not be returned to service until payment in full, of any and all delinquent and current amounts due and an additional \$100.00 reconnection fee, is made.

At the time of disconnection of the service, a “Disconnection Notice” tag shall be placed in a location deemed to be “highly visible”. Said tag shall show the date of disconnection, the operator performing the disconnection, and the amount due to allow reconnection of the service to take place.

- D. Non-payment within sixty (60) days from the original due date shall constitute justification for Regional Water Inc., or its designee, to seek payment of these charges through those means available by law.

At the discretion of the General Manager, as the Board of Directors’ designee, all accounts at or beyond 60-days delinquent shall be submitted for formal collection action(s), by a reputable firm to be contracted by the General Manager, in accordance with any applicable provisions of the Iowa Administrative Code and the fair debt collection practices act.

- E. At the discretion of the General Manager, as the Board of Directors' designee, all accounts at or beyond 90-days delinquent shall be submitted for formal small claims action(s), in accordance with any applicable provisions of the Iowa Administrative Code and the fair debt collection practices act.
- F. All checks returned for insufficient funds shall result in a \$30.00 "returned check fee". Any applicable late payment charges shall apply.

II. URBAN BLUFFS DISTRIBUTION SYSTEM:

- A. Bills for the rates and charges, as herein established by the Water System, shall be payable monthly. All bills shall be due and payable within 15 days from the first day of each month and shall be paid at the Office of the Corporation of Regional Water, Inc. by the due date.
- B. Any charges for service and other applicable fees of the Water System, that have not been paid on or before the date due, shall be assessed a late payment charge of ten percent (10%) of the amount of the outstanding bill.

Following the assessment of this "late payment" charge, a notice shall be promptly created and mailed to the member/customer. Said notice shall contain a statement noting the application of the late payment charge and informing the member/customer of both the date that service will be disconnected if payment is not received and the amount required by that date to maintain water and/or waste water service for the account.
- C. Any bills remaining unpaid after the date detailed in the notice mailed per subpart B shall result in the water supply for the lot, parcel of land, or premise affected being shut-off. This account shall not be returned to service until payment in full, of any and all delinquent and current amounts due and an additional \$100.00 reconnection fee, is made.

At the time of disconnection of the service, a "Disconnection Notice" tag shall be placed in a location deemed to be "highly visible". Said tag shall show the date of disconnection, the operator performing the disconnection, and the amount due to allow reconnection of the service to take place.
- D. Non- Non-payment within sixty (60) days from the original due date shall constitute justification for Regional Water Inc., or its designee, to seek payment of these charges through those means available by law.

At the discretion of the General Manager, as the Board of Directors' designee, all accounts at or beyond 60-days delinquent shall be submitted for formal collection action(s), by a reputable firm to be contracted by the General Manager, in accordance with any applicable provisions of the Iowa Administrative Code and the fair debt collection practices act.
- E. At the discretion of the General Manager, as the Board of Directors' designee, all accounts at or beyond 90-days delinquent shall be submitted for formal small claims action(s), in accordance with any applicable provisions of the Iowa Administrative Code and the fair debt collection practices act.
- F. All checks returned for insufficient funds shall result in a \$30.00 "returned check fee". Any applicable late payment charges shall apply.

SECTION 3: FILING OF APPLICATIONS:

- I. Applications for water service, transfer of membership, and transfer of ownership/tenancy shall be filed with the Water System upon a form to be supplied by the Water System.
- II. All applications shall state the name of the applicant and the premises to be served. All applications filed after the commencement of the operation of the water system shall be accompanied any applicable fee(s), as provided in Sections 1.I and 1.V, and shall be immediately payable to the Water System.
- III. Franchise customers added to the systems after January 1, 2000 shall be afforded an option to become a member, and if opting not to do so, shall be exempted from the membership fee. Any customer may, upon approval of the Board of Directors, apply for and be granted said membership in the Association at a later date.
- IV. Public Municipalities that purchase water from the System, via permanent, contracted, system interconnections, shall be afforded an option to purchase one membership and, through their governing body, select a representative to vote on company matters and, if desired, seek service on the Board of Directors. Said representative shall be lawfully appointed by the governing body and officially conveyed to the Water System in writing by the governing body.

SECTION 4: RENDERING OF BILLS:

It is hereby made the duty of the Treasurer, or designee, to render bills for water service and all other charges in connection therewith and to collect all monies due therefrom.

SECTION 5: DEPOSIT OF REVENUES:

All revenues and monies derived from the operation of the water system shall be paid to, and held by, the Treasurer, or designee. All of said sums and all other funds and monies incident to the operation of said system, as may be delivered to the Treasurer, or designee, shall be deposited in a fund(s) designated the "Revenue Fund Account(s)."

SECTION 6: SERVICE CLASSIFICATIONS:

- I. Regional Water shall classify its members' services under the following categories of use:
 - A. Rural Member:
Individual user account with metered rates, minimums, and fees, as outlined in Section I.
 - B. Bulk User:
Municipal user account with metered rates, minimums, and fees contracted:
 1. Bulk User with an established user fee to retire amortized connection costs, as outline in Section1; Paragraph VI.
 2. Bulk user without user fee due to prepayment in full of connection costs, as outlined in Section 1; Paragraph V.
 3. Bulk users that purchase water from the System, via permanent, contracted interconnections, shall be afforded the option of attaining one membership and, through their governing body, select a representative to vote on company matters and, if desired, seek service on the Board of Directors.
 - C. Franchise Customer:
Individual user account in a franchised community. Franchise customers have not paid the standard membership fee and may not vote with the Water System's membership or hold positions on the Board of Directors. Metered rates, minimums, and fees, shall be as outlined in Section 1.
 - D. Franchise Member:
Individual user account in a franchised community. Franchise members have paid the standard membership fee and may vote with the Water System's membership and hold positions on the Board of Directors. Metered rates, minimums, and fees shall be as outlined in Section 1.
 - E. Pasture Connections:
As outlined in Section 1; Paragraph III.
 - F. Large Meter Connections:
All meter connections larger than the 5/8" standard size. Metered rates, minimums, and fees, shall be as outlined in Section 1; Paragraph IV.
 - G. Temporary Users:
All temporary service installations. Metered rates, minimums, and fees, shall be as outlined in Section 1; Paragraph II.

SECTION 7: SERVICE APPLICATION

- I. Eligibility:
 - A. Any bona fide owner of a single family dwelling; or to each residential unit in an auto court, duplex or multiple dwelling building; or a person holding property having reasonable accessibility to the source of and who desires to have water supplied to his place of occupancy or property may subscribe to become a user by obtaining and completing an application and/or user agreement from the Water System, as provided in the applicable sections of this document.
 - B. Persons who receive the approval of the Board of Directors, or designee, may become a user upon subscribing, paying the applicable fees, and signing such agreements for the purchase of water as may be provided and required by the Water System, provided that no person otherwise eligible shall be permitted to subscribe for or become a user of the Water System if the capacity of the Water System's water system is exhausted by the needs of its existing users.
 - C. Any subscriber who indicated an interest in the development of a rural water system by contributing and supporting the development of a feasibility and/or preliminary engineering study in the initial stage and who is not located on, or adjacent to, the distribution line and cannot be served by the same may be issued an associate membership with privileges as provided by the Bylaws, the Board of Directors, and this resolution.

1. The associate membership fee shall be the same as a membership fee.
 2. An associate member of this corporation shall have no voting privileges in the corporation's business and shall not be eligible to serve on the Board of Directors.
- D. Any resident of a community franchised by the Water System shall have the option of becoming a member, by paying the customary membership fee, or receiving service as a customer only.
1. Franchise Customers shall not have the membership specific rights of voting and service on the Board of Directors.
 2. Franchise Members shall have all of the rights allocated to Rural Members of the Water System.
- II. The Water System may reject any user's application for service and/or membership when:
- A. Necessary to comply with Executive Order 11990 (wetland protection) to minimize the loss of wetlands by any new development which converts a wetland, as identified on the applicable environmental assessment maps. The map locations are approximate and a request for service in the vicinity of an identified wetland shall result in contact with the Natural Resources Conservation Service (NRCS), who shall then be asked to review the exact site for a wetland determination.
 - B. Necessary to comply with Executive Order 11988 (floodplain management) for any new development which takes place in a 100 year floodplain, as identified on the applicable environmental assessment and firm maps.
 - C. Necessary to prevent the conversion of important farmland along the 8" and larger lines, as identified on the applicable environmental assessment maps. In areas receiving this determination, service will be restricted to agricultural use or single family sized services only, unless it is identified in a future growth area by the County Board of Supervisors and/or Council of Governments.
 - D. The applicant is delinquent in the payment of bills incurred for service previously supplied by the Water System.
- III. Following a violation of any of the provisions of the tariffs, bylaws, or any other rule or regulation of the Water System, the Water System may remove the customer or member's meter and discontinue service.
- A. Where the meter is thereafter reinstalled, the customer or member shall first pay to the Water System a reinstallation charge of \$100.00 and any current and/or past due balance in full.
 - B. If the customer or member voluntarily requests removal of his meter for a definite or indefinite period, provided the 60-month Water User's Agreement connection period is satisfied, the reinstallation charge shall also be \$100.00.
- IV. The person in whose name the membership certificate or, in the case of a franchise customer, the property owner shall be responsible for payment of all bills incurred in connection with the service rendered.
- V. Customer Obligation on Tenant Delinquencies:
- On a rental property with a renter account, where the renter becomes delinquent in paying the account, the renter is subject to disconnection as outlined in the applicable paragraphs of Section 2.
- A. Provided the landlord has secured and submitted an "Authorization for Release of Account Information and for Re-Disclosure" Form, a copy of the tenant's Notice of Disconnection will be mailed to the landlord when the tenant's is mailed to allow the landlord to pay the overdue charges prior to disconnection, if he/she elects to do so to avoid reconnection charges.
 - B. In the case the renter vacates the property, the landlord shall be liable for the payment of the bill in full before service can be restored.
 - C. Any available tenant/renter deposit funds shall first be applied to the overdue account balance, prior to billing the owner/landlord for any remaining portion of the overdue balance.
 - D. Refusal by the owner/landlord to bring the account current shall result in the initiation of standard collection procedures, as outlined in the applicable paragraphs of Section 2.

SECTION 8: SERVICES:

- I. Water furnished for a given lot or farmstead shall be used on that lot or farmstead only. Each service must be separately metered at a single delivery and metering point. All commercial use, including storerooms and stalls for business purposes shall be metered separately from any residential use.

- II. In addition to the collection of regular rates, the Water System may collect from the member a proportionate share of any privilege, sales, or use tax or impositions, based on gross revenue received by the Water System.
- III. Reclamation for any tax exemption, due to agricultural or other qualifying uses, is the sole responsibility of the user. All users shall submit with their payment the appropriate sales tax for that transaction.

SECTION 9: WATER SYSTEM'S RESPONSIBILITY:

- I. The Water System shall install, maintain, and operate a main distribution pipeline(s) from the source of water supply and service lines from the main distribution line(s) to the meter pit location, or curb stop and box location of each user.
 - A. At points, designated as "delivery points", meter pits and/or curb stops and boxes, to be purchased, installed, owned, and maintained by the Water System, shall be placed.
 - 1. In the case of meter pits, where meters are installed in the pit, the pit shall be the boundary that denotes the delivery point for the service.
 - 2. In the case of curb stop and box installations, where meters are installed inside the residence, the curb stop and box assembly shall be the boundary that denotes the delivery point for the service.
 - 3. In all cases, the meter shall be purchased, installed, owned, and maintained by Water System.
 - B. The service line(s) from the main distribution line(s) of the Water System to the location of the delivery point (meter, meter pit, or curb stop and box) of each service shall be installed and owned by the Water System.
 - C. The Water System shall also own and install a "cut-off" valve in each service line from its main distribution line or lines.
 - 1. This cut-off valve shall be installed on a portion of the service line owned by the Water System, or in the meter pit, and shall be owned and maintained by the Water System.
 - 2. The Water System shall have the sole and exclusive right to use such cut-off valve to turn the service on and off.
- II. Each user shall be entitled to one (1) service line from the Water System's distribution system, unless otherwise approved by the Board of Directors, or its designee, and provided that the user shall be required to pay the prevalent connection fee for each service line.
 - A. No new service line or change in an existing service line may be made which will interfere with an existing service line or the delivery of water therein.
 - B. Each service line shall connect with the water system at the nearest available feasible location to the place of desired use, provided that the Water System's water system shall be of sufficient capacity to permit the delivery of water through a service line at that place without interfering with the delivery of water through a prior service line. If the water system's capacity shall be inadequate to permit the delivery of water through a service line installed at such a place, without interfering with the delivery of water through a prior service line, a service line shall be installed at such place as may be designated by the Water System.
 - C. Each user will be required to purchase, install, and maintain the necessary plumbing from the delivery point (meter pit or curb stop and box location) to his or her own dwelling, or other place as may be designated by the Water System.
- III. Relocation of Water Lines:
 - A. The Water System shall be responsible for the relocation of water lines only in cases where such a relocation is made necessary by the Water System's actions/operations, or by a necessary or elected course of action of the Water System's own volition.
 - B. All relocations resulting from the landowner's (or an agent acting on his/her behalf) actions, or intended actions, shall be paid for by the landowner or other responsible party.

SECTION 10: WATER SYSTEM INSPECTIONS/LIABILITY

- I. The Water System reserves the right to make an inspection of the user's piping and apparatus during, or after, initial construction, but shall not be responsible therefore.

- II. The Water System reserves the right to refuse service unless the user's lines or piping are installed in such manner as it deems sufficient to prevent cross-connections, back flow, or other conditions determined to be potentially detrimental to the system.
- III. The Water System shall not be liable for damage of any kind whatsoever resulting from water or the use of water on the user's premises, unless such damage results directly from negligence on the part of the Water System.
 - A. The Water System shall not be responsible for any damage done by or resulting from any defects in piping, fixtures, or appliances on the user's premises.
 - B. The Water System shall not be responsible for any negligence on the part of third persons, or forces beyond the control of the Water System resulting in any interruption of service.

SECTION 11: USER'S RESPONSIBILITY

- I. Piping on the premises of the user must be so installed that the connections are conveniently located with respect to the Water System's lines and mains.
- II. If the Water System is called upon to provide additional meters, each place of metering will be considered as a separate and individual account.
- III. The user shall provide a place of metering, if necessary, which is unobstructed and accessible to the Water System's personnel at all times. In all cases, the Water System shall make the final determination as to the location of the placement of metering facilities and/or curb stop and box assemblies.
- IV. The user shall furnish and maintain a private cut-off valve on his/her side of the meter. The Water System shall provide a like valve on the Water System's side of such meter.
- V. The installation of the user's service piping and apparatus shall be installed by a qualified person or plumber. The qualifications of said person or plumber may be subjected to approval by the Board of Directors, or designee.
- VI. The installation of the service piping and apparatus shall be constructed and installed in accordance with this resolution and comply fully with the sanitary rules and regulations of the Iowa State Board of Health and the Iowa State Commerce Commission.
 - A. All materials shall be approved by the National Sanitary Foundation and acceptable to the Iowa State Department of Health.
 - B. The service line pipe material may be constructed of: (1) Steel Pipe – AWWA standard specification 7A.3 (1) and 7A.4(2), ASTM A120-62J or the latest revision thereof; (2) Flexible Polyethylene Plastic-commercial standards CS 255-63, or the latest revision thereof, National Sanitation Foundation approved as published by United States Department of Commerce minimum rating 125 P.S.I. minimum inside diameter of ¾ inch; (3) Polyvinyl-Chloride (PVC) commercial standards 256-63 or the latest revision thereof, National Sanitation Foundation approved as published by United States Department of Commerce, High Impact (Type 2) for service lines; (4) Acrylonitrile-Buctaciene-Styrene- commercial standards 254-63 or the latest revision thereof, National Sanitation Foundation approved or Copper –ASTM specifications, B-88 for type "K" seamless annealed.
 - C. In the case of services where the meter is within the structure being served, service lines from water mains to curb stop devices and from curb stop devices to the structure where the meter is located, all lines shall be constructed of Copper –ASTM specifications, B-88 for type "K" seamless annealed only.
- VII. The user shall guarantee, if requested, proper protection for the Water System's property placed on the user's premises and shall permit access to it only by authorized representatives of the Water System.
- VIII. In the event that any loss or damage to the property of the Water System, or any accident or injury to persons or property, is caused by, or results from, the negligence or wrongful act of the user, his/her agent, and/or his/her employees, the cost of the necessary repairs or replacements shall be paid to the Water System by the User. Any liability otherwise resulting shall also be assumed by the User. The amount of such loss or damage or the cost of repairs shall be added to the user's bill and if not paid, service may be discontinued by the Water System.
- IX. Water furnished by the Water System shall be used for domestic consumption by the user, members of his/her household, and employees only.
 - A. The user shall not sell water to any other person, or permit any other person to use said water, except on premises.
 - B. Water shall not be used for irrigation, fire protection, or other purposes except when water is available in sufficient quantity without interfering with the regular domestic consumption.
 - C. Disregard for this rule shall be sufficient cause for refusal or discontinuance of service.

SECTION 12: EXTENSIONS TO MAINS AND SERVICES:

- I. The Water System will supply service for temporary purposes, provided that water is available in excess of the Water System's regular needs, and provided the Water System has the available material and equipment necessary to supply such service.
 - A. Each applicant for such service must pay in advance, to the Water System, the Water System's estimated cost of labor and materials for installing and removing such service.
 - B. After the temporary service is removed, actual cost, less salvage, shall be determined and settlement made.
 - C. Any salvage realized upon removal shall be deducted from the actual cost and, if applicable, refunded to the user.
- II. The Water System will construct extensions of its water lines to points within its service areas, but the Water System shall not be required to make such installations unless the requesting users(s) pays to the Water System the entire cost of the installation and any other applicable system fees.

All line extensions shall be evidenced by contract signed by the Water System and the person advancing funds for said extension, but each contract shall be null and void unless approved by the Rural Development Administration and other governing bodies.

III. New Construction Projects:

- A. The New User(s) will be expected to:
 1. Sign a "Water Users Agreement".
 2. Pay any applicable connection, engineering, and membership fees.
 3. Grant easements, where necessary to construct distribution and service lines.
 4. Hook-up to the system when water is available.
 5. Pay the monthly minimum bill plus sales tax, for a minimum of sixty (60) months.
 6. Pay for all water used above the applicable minimum, at current rates as listed herein.
 7. If a new user fails to grant the necessary easements, all rights to water service, as well as the fees paid to date will be forfeited.
 8. If a funded construction project, that was capable of serving the property, was completed during the previous twenty four months, or if easement was refused during a funded construction project, all added users, to which either or both apply, must pay all applicable construction costs and/or fees, to include:
 - a. Connection Fee of \$800.00
 - b. Membership Fee of \$50.00
 - c. Engineering Fee of \$100.00
 - d. Title Search and Administrative Fee of \$50.00
 - e. All applicable Material, Labor, Machinery, and Other Construction Costs
 - f. If (and only if) Right-Of-Way easement was refused during prior construction:
A penalty of not less than \$1.00/ft on the ground where the easement was refused (minimum of \$1,000.00 if the footage is less than 1,000 feet) and the total increased costs of constructing the alternate routing made necessary by the refusal of easement, as estimated by the System's Engineer.
- B. New Construction Right of Way (ROW) Easements:
 1. Regional Water is a non-profit corporation and, as such, does not have the power of condemnation or right of eminent domain.
 2. If the water facility is constructed on private property, it will be done only via the granting of a voluntary easement by the landowner. The purpose of constructing the facility on private property is to be far enough from the road right of way that, should the highway be changed, it would not be necessary to relocate the water distribution lines.
 3. If one individual owns the property on both sides of the road and refuses to grant the necessary easement, or if both he and the opposing neighbor refuses to grant easement, the line will either be constructed on public right-of-way, or will be moved to some alternate location.
 4. Should a land owner who refused to grant an easement prior to initial construction later request a service connection, where the Water System was required to relocate the water line in the public right of way or re-route the line at the Water System's expense, the landowner must reimburse the Water System for any additional costs, over and above the original estimated costs of construction, should the line have passed on

the private right-of-way. In addition, the landowner must pay any other applicable fees and penalties, as described in Section 11, Paragraph III-A, and must grant easement across the property.

5. Even if the above conditions have been satisfied, service shall only be provided if it is determined that there is sufficient system capacity to provide an adequate flow and pressure at the location, without negatively affecting the water users already on the System.

C. Crop Damage:

1. During New Construction:

The Water System shall make every effort to keep any crop loss as low as possible and will pay damages, satisfied in full, as follows:

- a. The rate for said damage to crops shall be \$450.00 per acre, which shall be calculated in square feet (43,560 square feet = 1 acre) of the area disturbed by construction during the crop year that the damage occurs in. No additional reseeding costs shall be provided.
- b. A minimum payment of \$10.00 shall be made in all cases where crop damage occurs IAW this policy.
- c. Payment will follow actual measurement by Water System personnel, following construction.

2. Other Than New Construction:

Should it be necessary to re-enter the property at some later date, for line repair, replacement, or other maintenance requirements, The Water System shall make every effort to keep any crop loss as low as possible and will pay damages, satisfied in full, as follows:

- a. The rate for said damage to crops shall be \$450.00 per acre, which shall be calculated in square feet (43,560 square feet = 1 acre) of the area disturbed by construction during the crop year that the damage occurs in. No additional reseeding costs shall be provided.
- b. A minimum payment of \$10.00 shall be made in all cases where crop damage occurs IAW this policy.
- c. Payment will follow actual measurement by Water System personnel, following construction.

D. Other Damages During New Construction:

1. During new construction projects, all fences, tile lines, water lines, telephone drops, electrical cables, drainage tiles, or sewer lines that are cut by the contractor are to be repaired by the contractor.
2. The landowner should make an effort to notify the Water System or contractor of any existence of buried facilities.
3. There will be pipeline ditch settlement in the field after original construction. It is the contractor's responsibility to come back and refill after settlement for at least one year after the acceptance of the project.
4. Members must notify the Water System of needed repairs, prior to the expiration of the twelve-month period of contractor liability.

V. Requests for Increased Instantaneous Demand:

- A. Members/Users requesting service with gallon per minute demand above the designated hydraulics of the existing system (standard meter flow is 9 gallon/minute for 24 hours), will be provided water service within the designed hydraulic parameters for standard flows, instantaneous peak demands greater than standard flows must be provided on site by the member/user through a reservoir or other means satisfactory to the member/user.

SECTION 13: ACCESS TO PREMISES:

- I. The Water System shall have access, at all reasonable hours, to meters, service connections, and other property owned by it, as well as users' service lines which may be located on the premises of the user for the purpose of installation, maintenance, operation, removal, and/or inspection of its property and for the inspection of the users' service lines.
- II. All employees of the Water System shall be issued, and be instructed to carry on their person while on duty, proper identification, which identifies him/her as an employee of the Water System.
- III. Each member shall grant, convey, or cause to be granted or conveyed to the Water System, a permanent easement and right-of-way across any property owned or controlled by the user wherever said permanent easement and right-of-way is necessary for the Water System water facilities and lines, so as to be able to furnish service to Water System User(s).

SECTION 14: CHANGE OF OCCUPANCY:

- I. Not less than one week's notice must be given in person or in writing to the Water System to discontinue service or to change occupancy. Until proper notice is given the customer will be responsible for all water used.
- II. 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 longer.
- III. Upon change of tenancy/ownership, a nonrefundable charge of \$50.00 shall be due and payable by the new tenant/owner, as well as any applicable deposit(s) from the new tenant.
- IV. A charge of \$100.00 will be made for each meter, for reactivation, in lieu of the standard \$50.00 change of tenancy/ownership charge, if the service was disconnected due to non-payment or a request by the owner, as well as any applicable deposit(s) from the new tenant.
- V. The provisions of this section shall not release those members/customers of the Water System that elect to rent/lease their property(s) from the responsibility for their tenant(s) usage of their water service. Water service for, and direct billing to, tenants is provided by the Water System only as a service to the property owner electing to rent/lease the property. The Water System's agreement to provide water service is with the property owner and, consequently, the property owner shall remain financially responsible for any unpaid tenant charges and fees incurred by his/her of the rental property.

SECTION 15: METER READING/BILLING/COLLECTION:

- I. Bills for water shall be calculated in accordance with the Water System's current rate schedules and will be based on the amount consumed for the period covered by the meter readings. The minimum bill to such member for such period shall be equal to the minimum charge for one full month's service.
- II. Charges for service commence when member is notified water service is available.
- III. Readings 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 the same or different members, or for the same or different services.
- IV. Monthly billing actions and delinquent accounts shall be handled as provided in Section 2 of this document.
- V. Failure to receive bills or notices shall not prevent such bills from becoming delinquent nor relieve the member from payment.
- VII. A service fee of \$50.00 will be charged for meter reading required by the Water System staff on delinquent accounts and/or for service calls required by the member/customer to be performed outside "normal working hours" and/or on a day other than a "normal working day", as described in Section 1.I.D.
- VIII. In the event that a user fails or refuses, without just cause as determined by the Board of Directors, to connect a service line to the water system distribution lines as set forth above, and to continue using water, paying water charges, for a period of eight (8) years, the user shall be required to pay the Water System a lump sum, as liquidated damages, based on the project development cost.
 - A. The liquidated damages payment will be on the following declining schedule of payment by percentage, dependent upon the year the Member fails to comply with the water users agreement:
 - * 100% for default prior to the end of the first year.
 - * 88% for default prior to the end of the second year.
 - * 75% for default prior to the end of the third year.
 - * 63% for default prior to the end of the fourth year.
 - * 50% for default prior to the end of the fifth year.
 - * 38% for default prior to the end of the sixth year.
 - * 25% for default prior to the end of the seventh year.
 - * 13% for default prior to the end of the eighth year.
 - B. It shall be expressly understood and agreed by the parties hereto that the above listed lump sum and percentage schedule shall be settlement for the facility expenditures made by the Water System for the user's benefit.
 - C. Failure to satisfy this requirement will also result in the revocation of Membership/Customer rights and, at the discretion of the Board of Directors, or designee, removal of the water service and refusal of any subsequent, future application for service to the property.

SECTION 16: SUSPENSION OF SERVICE:

- I. The Water System may proceed to collect delinquencies in the usual way provided by law for the collection of debts.
- II. Service discontinued for nonpayment of bills will be restored only after bills are paid in full, as provided in Section 2 of this document.
- III. The Water System reserves the right to discontinue its service for the following additional reasons:
 - A. WITHOUT NOTICE:
 1. Conditions determined by the Water System to be unreasonably hazardous.
 2. Customers use of equipment in such a manner as to adversely affect the Water System's equipment or the Water System's service to others.
 3. In response to, or in an effort to prevent, fraud or abuse.
 - B. WITH NOTICE, IF POSSIBLE:
 1. Emergency repairs.
 2. Insufficiency of supply due to circumstances beyond the Water System's control.
 3. Strike, riot, fire, flood, accident or any unavoidable causes.
 - C. WITH NOTICE:
 1. Failure to pay charges and fees due, as provided in Section 2 of this document.
 2. Members willful disregard of the Water System's rules and regulations.
- IV. The Water System may, in addition to prosecution by law, permanently refuse service to any member who tampers with a meter or other measuring device.
- V. Upon notice required by the Iowa State Commerce Commission, service may be discontinued for violation of or noncompliance with these rules and regulations and membership/customer rights may be temporarily or permanently revoked by the Board of Directors or designee.

SECTION 17: REVOCATION OF MEMBERSHIP / RIGHTS TO SERVICE:

- I. The Water System may proceed to revoke the Membership, and all associated rights of membership, for failure to maintain a membership in "Good Standing".

A Member's "Good Standing" status ceases when that Member fails and/or refuses to satisfy any or all of those requirements listed in their User's Agreement Contract.
- II. The Water System reserves the right to revoke a Membership / Rights to Service for the following additional reasons:
 - A. Refusal by the Member to correct conditions determined by the Water System to be unreasonably hazardous.
 - B. Refusal by the Member to cease a use of equipment in such a manner as to adversely affect the Water System's equipment or the Water System's service to others.
 - C. In response to, or in an effort to prevent, fraud or abuse.
 - D. Failure to pay charges and fees due, as provided in Section 2 of this document.
 - E. Members willful disregard of the Water System's Articles of Incorporation, Bylaws, and/or Tariffs.
- III. Upon revocation of a membership, the Membership Fee shall be applied to any outstanding balance due on the account. Any remaining amount will be refunded to the person or entity that held the Membership at the time of revocation.
- IV. Where a request for service on a property previously served by a revoked Membership is later made:
 - A. The property owner may apply for service as provided in Section 7 of this document.
 - B. If the application is approved for service, the previous Membership on the property shall be disregarded and the Membership shall be managed as if the previous membership had never existed.

This shall include the payment of all applicable fees as outlined in this document and the execution of a new User's Agreement Contract.

SECTION 18: COMPLAINTS/ADJUSTMENTS:

- I. If the user believes his bill to be in error, he shall present his claim, in person or in writing, to the Board of Directors before the bill becomes delinquent.
 - A. Such claim, if made after the bill has become delinquent, shall not be effective in preventing discontinuance of service, as heretofore provided.
 - B. The user may pay such bill under a protest and said payment shall not prejudice his claim.
- II. The Water System shall make an unscheduled meter reading at the request of a user.
- III. If the seal of a meter is broken by other than the Water System's representative or if the meter fails to register correctly, or is stopped for any cause, the user shall pay an amount estimated from the record of his previous bills, and/or from other proper data.

SECTION 19: ABRIDGMENT OR MODIFICATION OF RULES:

- I. No promise, agreement or representation of any employee of the Water System shall be binding upon the Water System, except as it shall have been agreed upon in writing, signed and accepted by the acknowledged officers of the Water System.
- II. No modification of rates or any of the rules and regulations shall be made by any agent of the Water System, without formal approval of the Board of Directors, except as outlined herein.
- III. Written Requests, Complaints, and Other Correspondence to the Board of Directors:
 - A. May be delivered to the General Manager, who shall cause all such written requests and correspondence to be presented, no later than the next scheduled regular meeting of the Board of Directors.
 - B. The General Manager may be contacted in person, or at the principal place of business which is 108 Highway 59, Avoca, IA 51521, telephone number (712)-343-2413
 - C. Written or oral requests, complaints, or other correspondence may be delivered directly to the Board of Directors at any Regular or Special Board Meeting.
 - D. Any reports and/or suggestions concerning operation of the system should also be made to the General Manager or Board of Directors, in the above manner.
- IV. The Board of Directors may enter into contracts or agreements for sale of water to public bodies or other associations when the source or supply of water is available.

SECTION 20: WATER SYSTEM RECORDS:

All records of the Water System shall be kept at 108 Highway 59, Avoca, Iowa and the accounting system utilized shall be in accordance with the Uniform System of Accounts for Water Utilities.

SECTION 21: TEMPORARY OR EMERGENCY SERVICE FAILURES:

- I. Temporary or partial failure to deliver water shall be remedied with all possible dispatch.
- II. In the event of extended shortage of water, or the supply of water available to the Water System is otherwise diminished over an extended period of time, the supply of water to customers may be prorated to various members on such basis as is deemed equitable by the Water System, and may also prescribe a schedule of hours covering use of water by particular members and require adherence thereto, or prohibit the use of water for other purposes; provided that if at any time the total water supply shall be insufficient to meet all of the needs of all of the members for domestic, livestock and other purposes, the Water System must first satisfy all the needs of all of the members for domestic purposes before supplying any water for other purposes.
- III. When practical, customers will be give advance notice of any curtailment of service.

SECTION 22: METER TESTING:

- I. Upon the request of any customer, the meter serving said customer shall be tested by the Water System.
 - A. Such test will be made without charge to the customer, if the resulting meter test report indicates a discrepancy greater than 2 percent beyond than the test flow.
 - B. If the meter test indicates meter accuracy within the prescribed limit of 2 percent, a service charge of \$30.00 will be assessed to the member/customer.
 - C. This \$30.00 service charge shall also be assessed for any service call resulting from a customer's request for assistance with checking their private plumbing for leaks by monitoring flow through the meter while the user's cut-off valve is closed and/or all water use is confirmed to be ceased within the structure.

SECTION 23: CUSTOMERS HAVING BOILERS AND/OR PRESSURE VESSELS:

- I. Customers having boilers and/or pressure vessels, receiving a supply of water from the Water System must, at a minimum, have a check valve on the water supply line and a vacuum valve on the steam line to prevent collapse in case the water supply from the Water System is discontinued or interrupted for any reason, with or without notice.
- II. The Water System reserves the right to require any additional protective device(s) deemed necessary and appropriate, by Water System personnel, to protect the System and its customers.
- III. It is the policy of the Water System, that all such backflow prevention devices, or other protective devices that are determined to be necessary, be installed by the member/customer at their own expense and that copies of any relevant inspections be on file at the Business Office of the Water System.

SECTION 24: ACCOUNTS AND AUDITS:

- I. The Secretary and Treasurer, or designee, shall establish a proper system of accounts and shall keep proper records, books and accounts in which complete and correct entries shall be made of all transactions relative to the water system.
- II. At regular annual intervals the Board of Directors shall cause to be made an audit by an independent auditing concern of the books to show the receipts and disbursements of the water system.

SECTION 25: CONFLICTS:

All Resolutions and parts of Resolutions in conflict herewith are hereby repealed insofar as the conflicting portions thereof concerned.

SECTION 26: RURAL DEVELOPMENT APPROVAL FOR CHANGES TO TARIFFS:

As long as any indebtedness is held by or guaranteed by the U.S.D.A. Rural Development Administration, any changes to the Water Tariff must have their acknowledgement.

SECTION 27: FORM OF USER AGREEMENT FOR ASSOCIATION MEMBERS:

THIS AGREEMENT, is made between Regional Water, an Iowa non-profit corporation (the "Water System"), and _____, his/her/their successors and assigns (the "Property Owner") and PROVIDES AS FOLLOWS:

The Property Owner, as the owner of record of the real estate described above, in consideration of the mutual promises contained herein, hereby grants, sells, transfers and conveys to the Water System, its successors and assigns, an affirmative and perpetual easement in, to, and running with the above described real estate for the purpose of the construction, operation, maintenance, removal and replacement of a water system, together with a general and perpetual right of ingress and egress upon such real estate and upon any adjacent lands of the Property Owner for the purpose carrying out said activities.

The facilities installed may include, but not be limited to, one or more service lines, water meter and pit, readout device, and appurtenances thereto as necessary for the proper operation of the water system. Regional Water shall backfill, shape and re-grade the area(s) disturbed during construction, repair, or reconstruction on the Property Owner's property. The Property Owner shall be responsible for any seeding, sodding, and replanting of gardens, grasses, trees and shrubs as a result of construction, repair, or reconstruction of the system.

At the location shown above, the Water System shall provide the Member, as soon as is practicable, such quantity of water for domestic and/or other purposes as the Member presently desires in connection with the Member's use or occupancy of such real estate, subject to the limitations and conditions stated below.

Regional Water, upon execution of this agreement and receipt of a non-refundable Connection Fee of \$800.00, a Title Search and Administrative Fee of \$50.00, and a one-time Membership Fee of \$50.00 for a standard connection to its water system that provides flow at nine (9) gallons per minute at a minimum pressure of twenty (20) pounds per square inch, or a large meter connection as described below:

*NOTE: Future increases in water supply demand are not guaranteed due to the possibility of system capacity limitations.

The Water System shall purchase and install a cut-off valve and water meter installation at each service. The Water System shall continue to have exclusive right of access to the cut-off valve and water meter installation. However, beginning from Regional Water's final delivery point, where Property Owner's Plumbing connects to the metering pit, upon the real estate described above, as determined by Regional Water, Property Owner is required to have a qualified person install, maintain, and, as necessary, repair and/or replace, at Property Owner's sole expense, appropriate water service piping and apparatus to meet their needs. Said piping and apparatus shall not be connected in any manner to any source of water other than Regional Water's. Before water will be permitted to flow to the Member's site, inspection shall be required by Regional Water personnel to determine compliance of complete separation from the Member's existing supply source.

The term of this water user's agreement shall be for a minimum period of eight (8) years from the date water is available. The minimum monthly charge for each month shall initially be \$ _____ plus sales tax and shall entitle the Member to 2,000 gallons for each month which must be consumed within that month. No water entitlement is carried forward to a successive month. The Water System Board of Directors may, from time to time, in its sole and absolute discretion, change such minimum monthly charge. Monthly water usage in excess of 2,000 gallons will be paid by rates for said water usage as established by the Water System Board of Directors.

Property Owner shall commence to utilize water service from the system immediately, following notification that water service is available by Regional Water. Regardless of use, the Property Owner and his/her/their successors and assigns shall be required to pay Regional Water a minimum monthly fee for water service. Fees for services shall not accrue until the system is substantially complete and suitable for use by the Property Owner. Regional Water shall give reasonable advance written notice of the date that said water service fees begin to accrue. Payment of said fees may be enforced in the same manner and to the same extent as permitted by law for the enforcement of water service debts and may become a lien against the property. In addition, non-payment of monthly charges by the due date shall result in a surcharge of ten percent (10%) of the delinquent amount. Nonpayment within thirty (30) days of the due date may result in termination of the water service to the premises.

If the Property Owner fails or refuses to connect to the final delivery point or to pay the minimum water use rate each month, or in the event of the cancellation or, voluntary or involuntary termination of membership, according to the terms listed herein, the Member shall immediately make a lump sum payment to the Water System equal to the sum of remaining monthly minimum charges under this Agreement. This Agreement is binding upon the Property Owner and his/her heirs and/or assigns and this Agreement shall run with the land.

The Property Owner further agrees to comply with and be bound by the Articles of Incorporation, Bylaws, Tariffs, Rules and Regulations, and Policies and Procedures of Regional Water, now in force, or to be in force, or as hereafter duly and legally supplemented, amended, or changed. Property Owner also agrees to pay for water services at such rates, times, and places as shall be determined by Regional Water, and agrees to the imposition of such penalties for non-compliance as are now set-forth in Regional Water's Bylaws, Tariffs, Rules and Regulations, and Policies and Procedures or which may be hereafter adopted and imposed by Regional Water.

If the Water System should declare that a water shortage exists at any location within the distribution system, the Property Owner hereby consents to an allocation of water by the Water System on such basis as deemed equitable in consideration of the following order of priority uses: basic and necessary purposes; livestock watering purposes; lawn and garden purposes; all other purposes.

Property Owner shall also be responsible for the cost of repairing any damages caused by the Property Owner's abuse or misuse of the system, as determined by Regional Water. Property Owner shall notify Regional Water in writing at least fourteen (14) days prior to commencement of any additions or improvements made to his/her/their property so that Regional Water can assess the impact of such additions or improvements on the water system. If changes to the system are required as a result of said additions or improvements, the Property Owner shall pay all costs associated with the necessary modifications to the water system. The Property Owner shall be responsible for all damages caused by a failure to timely notify Regional Water of the additions or improvements.

This Agreement is binding upon the Property Owner and his/her heirs and/or assigns and this Agreement shall run with the land.

IN WITNESS WHEREOF, we have hereunto executed this agreement this ____ day of _____, 20____.

Property Owner

By: _____ By: _____
Signature Signature

STATE OF IOWA, _____ COUNTY, ss:

On this _____ day of _____, 20____, before me, the undersigned, a Notary Public for the State of Iowa, personally appeared _____

_____, to me personally known to be the identical person(s) named in and who executed the foregoing instrument and acknowledged that he/she/they executed the same as his/her/their voluntary act and deed.

Notary Public in and for the State of Iowa

Regional Water

By: _____
Signature

Print Name

MEMBERSHIP CERTIFICATE & ACCOUNT NUMBER: _____

Note:

This corporation does not have Capital Stock. Its Membership Certificates represent its Capital. Each member shall have the right to pursue a position on the Board of Directors and to exercise one and only one vote in all Membership voting matters that come before the Association, in accordance with all applicable Articles of Incorporation and Rules and Regulations and any and all amendments to the same

**SECTION 28: FORM OF CHANGE OF OCCUPANCY NOTICE & TENANT/RENTER RECEIPT:
CHANGE OF OCCUPANCY NOTICE & TENANT/RENTER RECEIPT**

Account #:
Name:
Billing Address:
Phone:

<u>OFFICE USE ONLY</u>	
First Notice	
Date:	_____
Contact:	_____
Staff:	_____

<input type="checkbox"/> Account Change	Meter Reading: _____
<input type="checkbox"/> Termination of Service	Date Read: _____

Required Fees and Deposits:

<input type="checkbox"/> \$50.00 Non-Refundable Service Connection/Account Set-Up Fee (If service is being transferred to new tenant or owner)
OR
<input type="checkbox"/> \$100.00 Non-Refundable Service Reconnection / Account Set-Up Fee (If service is currently disconnected / shut-off)
AND
<input type="checkbox"/> \$75.00 Tenant/Renter Account Deposit

- At the location shown above, the Water System shall continue to provide such quantity of water for domestic, farm and other purposes, as the tenant/renter presently desires in connection with their use or occupancy of such real estate, subject to the limitations and conditions stated below.
- Beginning from the Water System's final delivery point upon the real estate described above, as determined by the Water System, as was the previous customer, you are was required to have a qualified person maintain, at your sole expense, appropriate water service piping and apparatus to meet your needs; provided that such shall not be connected in any manner to any source of water other than the Water System's.
- The Water System has purchased and installed a cut-off valve and water meter installation at each service. The Water System shall continue to have exclusive right of access to the cut-off valve and water meter installation.
- You agree to comply with and be bound by the Articles of Incorporation, Bylaws, Tariffs, Rules and Regulations, and Policies and Procedures of the Water System, now in force, or to be in force, or as hereafter duly and legally supplemented, amended, or changed. You also agree to pay for water at such rates, times, and places as shall be determined by the Water System, and agree to the imposition of such penalties for non-compliance as are now set-forth in the Water System's Bylaws, Tariffs, Rules and Regulations, and Policies and Procedures or which may be hereafter adopted and imposed by the Water System.
- The minimum monthly charge for each month shall initially be \$ _____ plus sales tax and shall entitle you to _____ gallons for each month which must be consumed within that month. No water entitlement is carried forward to a successive month. The Water System Board of Directors may, from time to time, in its sole and absolute discretion, change such minimum monthly charge. Monthly water usage in excess of this "minimum" will be paid by rates for said water usage as established by the Water System Board of Directors.
- Your usage will be read at the end of each month and payment is due on or before the 15th of each month. The failure of a customer to pay water charges duly imposed shall result in the automatic imposition of the following penalties:
 - Non-payment by the due date will be subject to a penalty of ten percent (10%) of the delinquent account.
 - Non-payment within thirty (30) days from the original due date will result in the water being shut-off. A reconnection fee would apply.
 - Non-payment within sixty (60) days from the original due date shall, at the sole discretion of the Board of Directors of the Water System or their designee, shall be ample justification for pursuing repayment through those means allowable by law.
- This document serves only as a formal notice of the terms of the original Membership and User's Agreement and as such, refusal to execute this document shall not release the property owner from the provisions set-forth in the original agreements.

IN WITNESS WHEREOF, we have hereunto executed this agreement this ____ day of _____, 20__.

Regional Water, Inc.

By _____
Regional Water, Inc. Representative

Customer/Occupant

SECTION 29: FORM OF TRANSFER OF MEMBERSHIP/WATER USER'S AGREEMENT FORM:

TRANSFER OF MEMBERSHIP/WATER USER'S AGREEMENT

Name: _____ Property Description: _____
Address: _____
Phone: _____ Account #: _____

THIS AGREEMENT, is made between Regional Water, Inc., an Iowa non-profit corporation (the "Water System"), and the person(s), firm, or other entity named above, as a Participating Member of the Water System (the "Member") and PROVIDES AS FOLLOWS:

WITNESS:

WHEREAS, the previous property owner was a member that desired to purchase water for domestic, farm, and/or other purposes, from the Water System, and entered into a water user's agreement, as required by the by-laws of the Water System, that was binding upon the Member, his/her heirs and assigns, and that this original agreement "runs with the land".

NOW THEREFORE, In consideration of the mutual covenants, promises, and agreements herein contained, it is hereby understood and agreed:

1. At the location shown above, the Water System shall continue to provide such quantity of water for domestic, farm and other purposes, as the Member presently desires in connection with the Member's use or occupancy of such real estate, subject to the limitations and conditions stated below.
2. The previous member has granted to the Water System, without further payment by the Water System a perpetual easement in the form and of a nature requested by the Water System concerning the real estate described above as was required for the purposes of installing, maintaining, removing, and relocating water lines and related equipment in connection with its system, and has paid the Water System non-refundable connection and membership fees for a standard connection that provides flow at nine (9) gallons per minute at a minimum pressure of twenty (20) pounds per square inch or a large meter connection, as described below:

*NOTE: Future increases in water supply demand are not guaranteed due to the possibility of system capacity limitations.

3. Beginning from the Water System's final delivery point upon the real estate described above, as determined by the Water System, the Member is required to have a qualified person install and maintain, at the Member's sole expense, appropriate water service piping and apparatus to meet their needs; provided that such shall not be connected in any manner to any source of water other than the Water System's.
4. The Water System has purchased and installed a cut-off valve and water meter installation at each service. The Water System shall continue to have exclusive rights of access to the cut-off valve and water meter installation.
5. The Member may not allow any other household, firm or corporation to receive water supplied to the Member by the Water System, without prior written approval from the Water System.
6. If the Water System should declare that a water shortage exists at any location within the distribution system, the Member hereby consents to an allocation of water by the Water System's Board of Directors or their designee on such basis as deemed equitable in consideration of the following order of priority uses: basic and necessary purposes; livestock watering purposes; lawn and garden purposes; all other purposes.
7. The Member agrees to comply with and be bound by the Articles of Incorporation, Bylaws, Tariffs, Rules and Regulations, and Policies and Procedures of the Water System, now in force, or to be in force, or as hereafter duly and legally supplemented, amended, or changed. The Member also agrees to pay for water at such rates, times, and places as shall be determined by the Water System, and agrees to the imposition of such penalties for non-compliance as are now set-forth in the Water System's Bylaws, Tariffs, Rules and Regulations, and Policies and Procedures or which may be hereafter adopted and imposed by the Water System.
8. A one-time change of occupancy fee of \$ _____ is required at the time of execution of this transfer document. The minimum monthly charge for each month shall initially be \$ _____ plus sales tax and shall entitle the Member to gallons for each month which must be consumed within that month. No water entitlement is carried forward to a successive month. The Water System Board of Directors may, from time to time, in its sole and absolute discretion, change such minimum monthly charge. Monthly water usage in excess of _____ gallons will be paid by rates for said water usage as established by the Water System Board of Directors.
9. The failure of the Member to pay water charges duly imposed shall result in the automatic imposition of the following penalties:
 - a. Non-payment by the due date will be subject to a penalty of ten percent (10%) of the delinquent account.

- b. Non-payment within thirty (30) days from the original due date will result in the water being shut-off. A reconnection fee would apply.
- c. Non-payment within sixty (60) days from the original due date shall, at the sole discretion of the Board of Directors of the Water System or their designee, shall be ample justification for pursuing repayment through those means allowable by law.

10. This document serves as a formal notice of re-assignment of the original Membership and User's Agreement and as such, refusal to execute this document shall not release the new property owner from the provisions set-forth in the original agreements.

Property Owner

By: _____ By: _____
 Signature Signature

Regional Water

By: _____
 Signature

 Print Name

MEMBERSHIP CERTIFICATE

Membership certificate # _____ is hereby transferred and accepted in accordance with and subject to the conditions and restrictions stipulated by the Articles of Incorporation, Bylaws, and Tariffs of Regional Water and amendments to the same. Regional Water does not have Capital Stock. Its membership certificates represent its Capital. A Membership grants equal voting powers to the members. Each member shall have one vote only and voting by proxy shall be allowed.

SECTION 30: EFFECTIVE DATE:

This Resolution shall be in full force and effect from and after January 1, 2019.

Passed and adopted by Regional Water, Inc. of Shelby County in the State of Iowa on this 20th Day of December, 2018.

REGIONAL WATER

By: _____
 Steven Barratt, President

Attest:

Acknowledged by USDA/Rural Development:

 Richard Lee, Secretary

 USDA Rural Development