

Rules and Regulations
Of
Rural Water District # 2
Miami County, Ks.

These rules are issued in compliance with Chapter 82a, Article 6, Kansas Statutes Annotated, as amended, and the Bylaws of the District and are designed to govern the supplying and taking of water service in a uniform manner for the benefit of the District and its members. They are subject to change from time to time. If a provision of the Rules conflict with a provision of the rate schedule, the provision of the rate schedule will prevail. If any portion of the Rules shall be declared invalid by competent authority, such voidance shall not affect the validity of the remaining portions.

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

Applicant: Any individual, firm, partnership, corporation or other agency owning land located within the District, applying for water service.

Benefit Unit: A right entitling the holder to one water service.

Board: The Board of Directors of Rural Water District No. 2, Miami County, Ks.

Consumer: Any individual, firm, partnership, corporation or other agency receiving water from the District's facilities and owning or occupying land located within the District in favor of which one or more benefit units have been subscribed and paid for.

Point of Delivery: The point of delivery shall be at the meter, unless otherwise specified in the Benefit Unit Subscription Application.

Service: The term service when used in connection with the supplying of water shall mean the availability for use by consumers of water adequate to meet the consumer's requirements. 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.

Benefit Unit Subscription Application: The agreement of contract between the consumer and the District, pursuant to which water service is supplied and accepted.

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Water Service: A water service shall consist of facilities for supplying water to single family dwellings known as standard service, multifamily dwellings, single family dwellings converted to multifamily dwellings, trailer park facilities and business establishments.

Mail-In Ballot: A written, signed and authenticated method of voting by mail upon any matter, including the election of directors, submitted for determination by participating members as that term is defined in the Bylaws.

General Rules

1. The supplying and taking of water will be in conformance with these Rules and the applicable rate schedule attached hereto, and filed with the Chief engineer of the Division of Water Resources and the Water District Office. Provided, further, that if at any time the Board of Directors determines that the total amount derived from the collection of charges is insufficient for the payment of operating costs, emergency repairs, debt service, and a reasonable reserve, the Board shall increase the minimum water rate for the first month thereafter in an amount sufficient to pay such operating costs, emergency repairs, debt service, and to accumulate reasonable reserves.
2. Applicants for service shall complete the Benefit Unit Subscription Application form provided by 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 Benefit Unit Subscription Application.
3. Before installing a service extension and providing water available for use, the Board may require the applicant to pipe his home and be in readiness to accept service. The District will advise all applicants for water service of the range of water pressure at the District's water meter at the time of application for service. It shall be the consumer's obligation and responsibility to pay for, install and maintain on their service line any needed pressure regulating device to control the water pressure affecting their water use.
(Amended 1/9/12)
4. The consumer and benefit unit holder shall ensure that the meter and appurtenances located upon the consumer's property shall remain uncovered and unobstructed so that the District shall have free and complete access for meter reading, maintenance or removal of the District's water service. Violation of this provision shall constitute cause for disconnection of a consumer's or benefit unit holder's service.
5. The consumer and benefit unit holder shall be responsible for all costs related to the relocation of any meter and appurtenances that are covered or obstructed in such a way that prohibit free and complete access by the District.

Service is for Sole Use of the Consumer:

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, nor to share, resell or sub-meter water to any other consumer, except as specifically authorized for Multiple Family Benefit Units, Trailer Park Benefit Units, and Business Benefit Units. 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 may make specific water service contracts with the Federal Government, the State of Kansas, 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 consumer's 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. Upon reasonable notice and agreement with the consumer, the Manager shall be allowed to enter into the consumer's house or other building which is supplied water by the District to inspect for multiple hookups or connections with a private water system. No such inspection shall be made without the presence and agreement of the consumer. If the consumer fails to allow such inspection, such refusal shall result in the termination of service pursuant to the provisions of Article 7 of the Bylaws of the District.

Continuity of Service:

The District will make all reasonable efforts to supply continuous, uninterrupted service. However, it shall have the right to interrupt service for the purpose of making repairs, connections, extensions or for other necessary work. Efforts will be made to notify consumers who may be affected by such interruptions, but the District will not accept responsibility for losses which might occur due to such necessary interruptions.

The District does not accept responsibility for losses which might occur due to interruptions to service caused by storms, strikes, floods or other causes beyond its control.

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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 according to methods of the American Waterworks Association by the District, so often as deemed necessary by its Board.

Meter Accuracy:

Meters will be checked periodically at the direction of the Board. Service Meters whose errors do not exceed two percent (2%) fast or slow shall be considered as being within the allowable limits of accuracy for billing purposes. The percentage of error will be considered as that arrived at by taking the average of the error at full load and that at ten percent (10%) load, unless a consumer's rate of usage is known to be practically constant, in which case the error at such constant use will be used.

Meter Locations:

Meters will be set in meter wells at or near the user's property line. Meters shall be set in an accessible place outside of buildings except where otherwise directed by the District. Meters set outside of a building shall be placed in a meter box furnished and installed by the District. The meter will be set in front of the premises to be served or at the closest point on the consumer's premises designated by the District. All meters shall be set horizontally and never connected into a vertical pipe.

Bills:

Unless notified to the contrary, a bill not paid by the 16th of the month shall be subject to a fifteen percent (15%) late charge. Failure to pay a bill by the first day of the month following the month in which the bill is rendered may result in termination of service, subject to Article 7 of the Bylaws.

Reconnection Charges:

The reconnection charge for restoration of service shall be the unpaid amount charged to date against the consumer's benefit unit and the sum to cover the reasonable cost of labor necessary to make such reconnection. Reconnection must be authorized and approved under the provisions of the Bylaws of the District after each suspension of service because of delinquent payment or other infractions of these Rules.

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Requested Meter Tests:

Meter tests requested by consumers will be performed without cost to the consumer if the meter is found to be in excess of two percent (2%) fast. Otherwise, the consumer for whom the requested test was made will be charged for the cost of making the test.

Consumer's Responsibility:

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

Change of Occupancy:

It shall be the consumer's responsibility to anticipate changes of occupancy, and to have his benefit unit and additional water supply unit(s) transferred to the new consumer as prescribed in the Bylaws. Until the benefit unit is formally transferred, the original holder 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 resumed where there has been a suspension.

Main Extensions:

The Board, by resolution, shall, from time to time, specify how line extensions shall be funded. Any extension shall become the property of the District except that the line from the meter to the point of use shall be the property of the consumer. Regardless of how the line is funded, the Board, at its discretion, may connect future applicants to the line, provided, that the terms of the Refund Policy for Water Main Extensions (Feb. 1992) are met. Any line extensions shall be a minimum of three inches (3") in diameter. If the Board determines the line should be larger, the District may elect to pay the additional cost of material.

Services:

The District will install and pay for all water services pipes from its mains to the meter. The cost, thereof, is included with the benefit unit fee. If necessary, the District shall charge an amount for each road crossing as established. The service line for meters shall not be less than three quarters of an inch (3/4") in diameter.

Water Rates:

Water rates shall be established by the Board.

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Cost of Benefit Unit:

Cost of Benefit Unit shall be the established rate at the time of application.

Benefit Units:

Benefit Units shall be of four (4) types:

1. Standard Benefit Unit- Single family dwellings together with necessary and usual outbuildings shall constitute the standard benefit unit. Payment for each standard benefit unit shall be made at the rate established by the Board and which is in effect at the time the subscription is made.
2. Multiple Family Unit- Multiple family dwellings such as duplexes, apartment buildings and single family dwellings converted to multifamily dwelling shall constitute a multiple family benefit unit. Payment for each multiple family benefit unit shall be made at the rate established by the Board and which is in effect at the time the subscription is made. Such rate shall be the same rate as in effect for the standard benefit unit, and in addition to thereto, the subscriber shall pay twenty-five percent (25%) of the established rate for the standard benefit unit for each additional dwelling unit (in excess of one) that is contained in the dwelling. In addition, the subscriber shall pay the difference in cost of the meter if it is larger than three-quarters of an inch (3/4"). The subscriber shall pay the regular monthly minimum charges imposed on standard benefit unit holders for each dwelling unit that is contained in the dwelling. Such minimum shall be paid whether or not each dwelling in the duplex, apartment or other building is occupied or unoccupied. Failure of the benefit unit holder to pay minimum, plus water used, shall result in the termination of service pursuant to the provisions of Article 7, Section 6 and 7 of the Bylaws of the District. In the event the benefit unit holder wishes to meter each dwelling unit, such meters shall be the responsibility of the benefit unit holder.
3. Trailer Park Unit- Trailer Park benefit units may be established on the same basis as the multiple family unit. Each trailer space shall be considered the same as a dwelling. At the time of subscription, the owner must supply the Board with his written plans for development of the park, including the number of proposed spaces. If the park is to be developed in stages, the separate stages must be clearly described, including the number of spaces contained in each stage and the intended timetable for such development. Payment for each Trailer Park Unit shall be made at the rate established by the Board and which is in effect at the time subscription is made. Such rate shall be computed the same as set forth for Multiple Family units except that each trailer space shall be

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deemed to be a dwelling. Payment for water and monthly minimums shall be the same as for Multiple Family Units and for such purpose each trailer space shall be deemed to be a dwelling. In addition, the subscriber shall pay the difference in cost of the meter, if it is larger than three quarters of an inch (3/4"). In the event the benefit unit holder wishes to meter each trailer space, such meters shall be the responsibility of the benefit unit holder.

4. Business Unit- Business Benefit Units may be established on the same basis as the standard benefit unit. If a business and residence are established in the same building they may be served under the same benefit unit. In addition, the subscriber shall pay the difference in cost of the meter, if it is larger than three quarters of an inch (3/4"). If a subscriber seeks service for a building in which there is more than one business operating separately, such a benefit unit will be treated the same as the Multiple Family Unit. In the event the benefit unit holder wishes to meter each separate operating business, such meters shall be the responsibility of the benefit unit holder.

At no time shall two (2) or more residences be served by one benefit unit. When a business is a part of a residence and is clearly a secondary and incidental use to such residence, or where a farming operation is conducted in conjunction with a residence, such business use and residence may be served by one (1) 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 the existing plant 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 plant or distribution system.

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. Violation of the provision shall constitute cause for disconnection of a consumer's service.

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Nominations of Directors:

Participating members may nominate any eligible person to be a director. Eligible persons must meet the definition of participating member at all times during the election process. Nominations must be submitted on the form attached to these regulations and submitted by November 15 prior to the regular annual meeting. The staff will determine if a nomination form has been properly submitted and place the names of three nominees who have received the most nominations on the ballot. Participating members submitting nominations will be notified in writing by the staff if the nomination form has been rejected and the reason for such rejection. Participating members may appeal to the Board of Directors any staff decision regarding a rejection of a nomination form. Participating members may submit one nomination for every vacancy subject to election at the regular annual meeting. In order for a nominee to be eligible for nomination, a completed nomination form must be filed with the District Office prior to the above stated date for submission of nominations. Any person so nominated shall be entitled to withdraw his/her nomination at any time prior to the annual meeting.

Ballot Preparation:

After receipt of all proper completed nominations which have been timely submitted, the general manager shall cause a ballot to be prepared containing the names of all nominees, including the nominees of the Board of Directors provided for in the Bylaws. Ballots shall be prepared in such a manner that each participating member receiving a ballot shall be properly instructed on the number of positions to be filled and the procedures for submitting the ballot by mail rather than attending the annual or special meeting in person. On or before December 15 the ballots shall be mailed to each participating member in an envelope marked "DO NOT FORWARD" and each ballot shall be accompanied by a certification to be signed and returned by the participating member choosing to use the mail-in balloting method of submitting a vote. The certificate, the form of which is attached, hereto shall provide that ballot was voted by the participating member. In the event, the number of nominees does not exceed the number of positions to be filled, the general manager shall declare those nominees to be elected without preparation of a mail-in ballot and shall so inform the participating member since the Bylaws do not permit nominations from the floor at the annual meeting.

Mail-in Ballots

In order to assure the voting is by secret ballot for the election of directors and voting on other matters by participating members choosing to vote by

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mail-in balloting, the general manager shall provide a separate envelope for the voted ballot which shall be sealed by the participating member choosing to use the mail-in ballot which shall be addressed to the District Office and received on or before January 15 of such year. Mail-in ballots shall be counted within fifteen days after said deadline by the designated election judges appointed by the Board of Directors who shall open and count all mail-in ballots. A mail-in ballot shall be counted only if:

1. It is returned in the official return identification envelope;
2. If the envelope contains the property certification and
3. If the ballot is signed by the participating member.

Unanimously adopted at the meeting of Board of Directors, held August 8, 2011, at 7:00 P.M. at the District office, Hillsdale, Kansas.

Brad Ryckert
Secretary