

PENDLETON WATER ASSOCIATION, INCORPORATED

RULES AND REGULATIONS

Adopted by the Board of Directors November 30, 2000

Revised by the Board of Directors October 13, 2019

I. CLASSIFICATION OF SERVICE

Residential: This category applies strictly to a single-family dwelling or to each residential unit in a duplex, or multiple dwelling building.

Commercial: This category applies al all services not classified as residential.

II. APPLICATION FOR SERVICE

(a) The water user will make application for service, by phone, by mail, or in person, at the office of the corporation and at the same time make the cash deposit required below. The water user shall complete an Association Membership Water Users Agreement.

(b) The corporation may reject any application for service not available under a standard rate, or which may affect the supply of service to other customers, or for other good and sufficient reasons.

(c) The corporation may reject any application for service when the applicant is delinquent in payments of bills incurred for service previously supplied at any location.

(d) For violation of any of the provisions of these rules relating to application for service, the corporation may discontinue service. Where service thereafter is reconnected, the water user shall first pay the corporation the current reconnection fee.

III. MEMBERSHIP CERTIFICATES

(a) Each water user shall be required to enter into a Water Users Agreement, which has been approved by the Corporation, and each water user shall be required to pay the current membership fee, cash in advance, before water service can be installed to serve the water user.

(b) Each Water Users Agreement is issued subject to the approval of the corporation.

(c) A separate Water Users Agreement is required for ach meter installed.

IV. INITIAL OR MINIMUM CHARGE

(a) The initial or minimum charge, as provided in the rate schedule, shall be made for each meter installed, regardless of location. Each meter requires a separate meter-reading and each meter-reading shall cover a separate and individual account.

V. CORPORATION RESPONSIBILITY AND LIABILITY

(a) The corporation will install, maintain, and operate a main distribution pipeline or lines to the property line of each water user of the corporation, at which points, designated as delivery points, meters to be purchased, installed, owned, and maintained by the corporation shall be placed. The corporation will also purchase and install a cut-off valve at each delivery point, such cut-off valve to be owned and maintained by the corporation and to be installed on some portion of the line owned by the corporation. The corporation shall have the sole and exclusive right to use such cut-off valve to turn it on and off.

(b) Each water user shall be entitled to purchase from the corporation, pursuant to such agreements as may from time to time be provided and required by the corporation, such water for domestic, livestock, garden, industrial, and commercial purposes as a water user may desire, subject, however, to the provisions of these Rules and Regulations. Each water user shall be entitled to have delivered to him through a single basic service line only such water as may be necessary to supply the needs of the persons residing within a single farmstead or dwelling and of the livestock owned by such persons and to irrigate a garden.

(c) When two or more meters are to be installed on the same premises for different water users, they shall be closely grouped and each clearly designated to which water user it supplies.

(d) The corporation does not assume the responsibility of inspecting the water user's piping or apparatus and will not be responsible therefor.

(e) The corporation reserves the right to refuse service unless the water user's lines or piping are installed in such a manner as to prevent cross-connection or backflow.

(f) The corporation shall not be liable for damage of any kind whatsoever resulting from water or the use of water on water user's premises, unless such damage results directly from the negligence on part of the corporation. The corporation shall not be responsible for any damage done by or resulting from any defect in piping, fixtures, or appliances on the water user's premises. The corporation shall not be responsible for negligence of third persons, or forces beyond the control of the corporation resulting in any interruption of service.

(g) No new service line or change in any existing service line may be made which will interfere with an existing line or the delivery of water therein. Each service line shall connect with the corporation water system at the nearest available place to the place of desired use by the water user if the corporation water system shall be of sufficient capacity to permit the delivery of water through a service line at the place without interfering with the delivery of water through a prior service line. If the corporation water system shall be inadequate to permit the delivery of water through a service line installed at such place without interfering with the delivery of water through a prior service line, then such service line shall be installed at such place as may be designated by the corporation. Each water user will be required to dig or have dug a ditch for the connection of the service line or lines from the delivery point or the property line of the member

to his dwelling or other portion of his premises and will also be required to purchase and install the portion of the service line or lines from his property line to the place of use on his premises and maintain such portion of such service line or lines which shall be owned by the water user, at his own expense, provided that the corporation may purchase the pipe for and install such portion of such service line or lines, the cost of which will, however, be paid by the individual water user.

(h) In the event the total water supply shall be insufficient to meet all of the needs of the water users, or in the event there is a shortage of water, the corporation will prorate the water available among the various water users on such basis as is deemed equitable by the corporation, and may also prescribe a schedule of hours covering the use of water and require adherence thereto, provided that if at any time the total water supply shall be insufficient to meet all of the needs of the water users from domestic, livestock, garden, industrial, and commercial purposes, the corporation must first satisfy all of the needs of water users for domestic purposes before supplying any water for livestock purposes, and must satisfy all of the needs of the water users for both domestic and livestock purposes before supplying water for garden, industrial, or commercial purposes.

VI. WATER USERS RESPONSIBILITY

(a) Piping on the water user's premises must be so arranged that the connections are conveniently located with respect to the corporation lines or mains.

(b) If the water user's piping on water user's premises is so arranged that the corporation is called upon to provide additional meters, each place of metering will be considered as a separate and individual account.

(c) Where meter is placed on premises of a water user, a suitable place shall be provided by water user for placing such meter, unobstructed and accessible at all times to the meter reader.

(d) The water user shall furnish and maintain a private cut-off valve on the water user's side of the meter, the corporation to provide a like valve on the corporation side of such meter.

(e) The water user's piping and apparatus shall be installed and maintained by the water user at the water user's expense, in a safe and efficient manner and in full compliance with the corporation rules and regulations, and in full compliance with the sanitary regulations of the State Department of Health and Human Resources.

(f) The water user shall guarantee proper protection for the corporation property placed on the water user's premises and shall permit access to it only by authorized representatives of the corporation.

(g) In the event that any loss or damage to the property of the corporation or any accident or injury to persons or property is caused by or results from the negligence or wrongful act of the water user, his agents or employees, the cost of the necessary repairs or replacements shall be

paid by the water user to the corporation and any liability otherwise resulting shall be assumed by the water user.

(h) The amount of such loss or damage or the cost of repairs shall be added to the water user's bill and, if not paid, service may be discontinued by the corporation.

(i) Water furnished by the corporation shall be used for domestic or commercial consumption by the water user, members of his household, and employees only. The water user shall not sell water to any other person or permit any other person to use said water. Disregard for this rule shall be sufficient cause for refusal or discontinuance of service.

VII. EXTENSIONS TO MAINS AND SERVICES

(a) The corporation will supply service for temporary purposes provided that the corporation has water available in excess of the corporation's regular needs, and provided the corporation has available material and equipment to supply said service. Each applicant for such service must pay in advance to the corporation the estimate of the costs of labor and materials, less salvage value on removal, for installing and cost of removing such service.

(b) The corporation will construct extensions to its water lines to points within its certified area, but the corporation shall not be required to make such installations unless it is first determined that it is economically feasible to serve.

VIII. ACCESS TO PREMISES

(a) Duly authorized agents of the corporation shall have access, at all reasonable hours, to the premises of the water users for the purpose of installing or removing corporation property, inspecting piping, reading or testing meters, or for any other purpose in connection with corporation's service and facilities.

(b) Each water user shall grant or convey or shall cause to be granted or conveyed, to the corporation, a permanent servitude and right-of-way across any property owned or controlled by the water users wherever said permanent easement and right-of-way is necessary for the corporation's water facilities and lines, so as to be able to furnish service to the water user.

IX. CHANGE OF OCCUPANCY

(a) Not less than three days notice must be given in person, by phone, or in writing, at the corporation office, to discontinue or to change occupancy.

(b) The Association member shall be responsible for all water consumed up to the time of departure or the time specified for departure, whichever period is longer.

X. METER READING – BILLING – COLLECTING

- (a) Meter will be read and bills rendered monthly, but the corporation reserves the right to vary the dates or length or period covered, temporarily if necessary or desirable.
- (b) Bills for water will be figured in accordance with the corporation published rate schedule and will be based on the amount consumed for the period covered by the meter readings, except where a water user orders turn-off less than one month after turn-on, the minimum bill to such a consumer for such period shall be equal to the minimum charge for one full month's service.
- (c) Charge for service commences when meter is installed and connection made, whether used or not.
- (d) 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 for the same or different water users, or for the same or different services.
- (e) failure to receive bills or notices shall not prevent such bills from becoming delinquent, nor relieve the water user from payment.
- (f) The failure to pay water charges duly imposed within ten days from the due date shall result in the automatic imposition of a penalty of 10% of the delinquent account.

XI. SUSPENSION OF SERVICE

- (a) Service discontinued for non-payment of bills will be restored only after unpaid bills are paid in full, and the current service charge is paid for each meter reconnected.
- (b) The corporation reserves the right to discontinue its service without notice for the following additional reasons:
 - 1. To prevent fraud or abuse.
 - 2. Water Users willful disregard of the corporation's rules.
 - 3. Emergency repairs.
 - 4. Insufficiency of supply due to circumstances beyond the corporation's control.
 - 5. Legal processes.
 - 6. Direction of public authorities.
 - 7. Strike, riot, fire, flood, accident, or any unavoidable cause.
- (c) The corporation may, in addition to prosecution by law, refuse service to any water user who tampers with a meter or other measuring device until restitution has been made to the company for repair.
- (d) The failure to pay water charges duly imposed shall result in the automatic imposition of the following penalties:

1. Non-payment for thirty days after due, the delivery of water to the delinquent member's property shall be terminated until payment.
2. Non-payment for sixty days after original due date will allow the corporation, in addition to all other rights and remedies, to terminate the membership as provided for in Article IX Section 6 of the bylaws.

XII. COMPLAINTS – ADJUSTMENTS

- (a) If the water user believes his bill to be in error, he shall present his claim, in person, by phone, or in writing at the corporation office before the bill becomes delinquent. Such claim if made after the bill has become delinquent, shall not be effective in preventing discontinuance of service as heretofore provided. The water user may pay such bill under protest and said payment shall not prejudice his claim.
- (b) Meters will be tested at the request of the water user upon payment to the corporation of the actual cost of the corporation in making the test, provided, that if the meter is found to over register beyond 3% of the correct volume, no charge will be made.
- (c) If the meter fails to register correctly, or is stopped for any cause, the water user shall pay an amount estimated from the record of his previous bills and/or from other proper data.

XIII. ABRIDGMENT OR MODIFICATION OF RULES

- (a) No promise, agreement, or representation of any employee of the corporation shall be binding upon the corporation except as it shall have been agreed upon, in writing, signed and accepted by the acknowledged officers of the corporation.
- (b) No modification of rates or any of the rules and regulations shall be made by any agent of the corporation.

We certify that the foregoing Rules and Regulations were duly adopted by the members on November 30, 2000, and amended on 13 October 2019, and that the same are in full force and effect until such time as may be further amended in the future.

Given under our hands and the seal of the corporation this 13th day of October 2019.

SECRETARY-TREASURER

PRESIDENT
