

**RURAL WATER DISTRICT NO. 2
MONTGOMERY COUNTY, KANSAS**

RULES AND REGLUATIONS

These Rules are issued in compliance with Section 82a, 612 et seq., Kansas Statutes Annotated, as amended, and the Bylaws of the District 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 any portion of these Rules shall be declared invalid by competent authority, such voidance shall not affect the validity of the remaining portions.

DEFINITIONS

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

Applicant: Any individual, firm, partnership, corporation 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, Montgomery County, Kansas.

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 Application for Water Service and Water Users' Agreement.

Service: The term service when used in connection with the supplying of water shall mean the availability for use by the consumers of water adequate to meet the consumer's requirements. Service shall be considered as available when the District maintains the water supply at normal pressure at the point of delivery, in readiness for the consumer's use, regardless of whether or not the consumer makes use of it.

Application for Water Service and Water Users' Agreement: The agreement of contract between the consumer and the District, pursuant to which water service is supplied and accepted.

Water Service: A water service shall consist of facilities for supplying water to one residence or business establishment located on land within the District. A landowner must purchase a benefit unit and accept a water service for each residence or business establishment served.

Cross Connection: Any physical connection or arrangement between two (2) otherwise separate piping systems; one of which contains potable water of the public water supply system, and the second water of unknown or questionable safety, or steam, gases, chemicals, or substances whereby there may be backflow from the second system to the public water supply system.

GENERAL RULES

1. The supplying and taking of water will be in conformance with these Rules and the applicable rate schedule approved by the Board of Directors that is filed with the Secretary of the District. Provided, however that such rate schedule is subject to change by action of the Board. 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 make application to the Secretary of the District. If the application for service is approved by the Board of Directors, the applicant will purchase a benefit unit for each water service desired, and sign the standard Application for Water Service and Water Users' Agreement for an indefinite period.

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.

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 submeter water to any other consumer. If an emergency or specific situation should make such arrangement advisable, it shall be done only on specific written permission of the Board of Directors for the duration of the emergency.

Agreements with Governmental and Public Bodies: The District, through its Board of Directors, may make specific water service contracts with governmental units, school districts, municipal corporations, multiple housing facilities including mobile home and trailer courts servicing residential users, and other commercial users. These commercial users will not include farms with family-size operations. Such commercial users will pay a hook-up charge, which shall be the cost of an increase in the capacity of a system to serve such users. Such commercial users will pay a special commercial rate for water used. This water rate will be based on the cost of production of water and may differ from the water rate charged to regular water users.

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

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

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, as often as deemed necessary by its Board of Directors.

Meters or Flow Control Accuracy: Meters will be checked periodically at the direction of the Board of Directors. 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 by taking the average of the error at full flow and that at ten percent (10%) flow, 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 or Flow Control Valve Locations: Meter will be set in meter wells at or near the user's property line. The District may at times locate the meter on property adjacent to the property being served for the convenience of reading the meters if it is agreeable with the consumer. Meter shall be set in an accessible place outside of buildings and other enclosures, except where otherwise directed by the District. All meters shall be set horizontally and never connected into a vertical pipe. Meters set outside of a building or other enclosure shall be placed in a meter box furnished and installed by the District.

Bills: The District Board, at its discretion, may (1) require members to read their own meters or (2) have the meters read by a District representative. When bills are rendered to the members by the District, they shall be rendered by the 5th day of each month.

All service bills are to be paid by the 16th day of the month in which the bill is rendered or be subject to a late charge of ten percent (10%). Failure to pay a bill by the first day of the month following the month in which the bill is rendered shall result in a notice of forfeiture. The notice of forfeiture shall provide the benefit unit owner with notice that the account is delinquent and inform them that they have a specific timeframe in which to request a public hearing or their benefit unit will be forfeited. If a request for public hearing is not made within the timeframe provided in the notice and the account is not paid in full water services will be disconnected and the benefit unit will be forfeited. If a timely request for public hearing is made the public hearing will be set for the next available board meeting. At the public hearing the board will determine whether or not to forfeit the benefit unit based on the evidence presented.

Reconnection Charges: A reconnection charge will be levied against the consumer's Benefit Unit after each forfeiture of service due to delinquent payment or for other infraction of

these Rules. The charge for restoration of a forfeited benefit unit must be in accordance and approved under the provisions of the Bylaws of the District and the laws of the State of Kansas

Requested Meter or Control Valve Tests: Meter tests requested by consumers will be performed without cost to the consumer if the meter is found to be in excess of ten percent (10%) slow for valves or in excess of two (2%) fast. Otherwise, the consumer for whom the requested test was made will be charged for the cost of making the test.

Consumers' Responsibility: The consumer shall be responsible for any damage to service equipment installed by the District for any cause, except for normal wear and tear.

Change of Occupancy: It shall be the consumers' 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 can be transferred, or service resumed where there has been a suspension.

Main Extensions: In extending a water main to serve an applicant, the Board may, at its discretion, exercise one of the following options:

(a) If the cost of the extension is less than the average cost of the entire system to each member and sufficient construction funds are available, the Board may elect to make the extension upon the applicant's purchase of a Benefit Unit

(b) If the cost of the extension is greater than the average cost of the entire system to each member, but funds are available to the extent of such average cost, the Board may elect to contribute to the extension in the amount of such average cost, and require the applicant to deposit in cash the additional cost in addition to the price of a Benefit Unit. If, and as additional consumers are connected to the extension, and as funds become available, all or part of the original consumer's deposit may be returned to him. Any portion of the original deposit remaining after the expiration of a five-year period will become the property of the District. In no case will interest be paid on such deposits.

(c) In the event that the District does not have funds available to pay for the construction in the amount of the average cost per member of the entire system, it may require as a condition of extending service, that the applicant deposit, in addition to the price of a Benefit Unit, an amount which may equal the entire cost of the extension. In such event, the Board may, as funds become available, return to the consumer that portion of his deposit equal to the average cost of the system per member. No interest will be paid on such deposits.

Applicants Having Excessive Requirements: In the event an applicant whose water requirements are found to exceed the District's ability to supply it from existing lines 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 lines.

Prohibition of Cross Connections: 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 District's Cross Connection Control Policy adopted by the Board of Directors on 2-27-25 and approved by the Kansas Department of Health and Environment along with any amendments or changes shall constitute cause for disconnection of a consumer's service. Water service may be reconnected at such time consumer complies with said Regulation.

These Amended Rules and Regulations are Unanimously adopted at a meeting of the Board of Directors held 2-27-2025, at a meeting duly called and held at Indy Nazarene Church Independence KS with 3 members of the Board of Directors Present.

Daniel B. Radloff
Chairman