

NORTHWEST RURAL WATER DISTRICT
RULES AND REGULATIONS

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I.
INTRODUCTION

1. District. The reason for the existence of the Northwest Rural Water District, hereinafter referred to as “the District”, is to provide water to its members.

2. Purpose of District. The purposes for which the District is organized are:

- a. to establish and operate a system for the distribution of water;
- b. to engage in any other activity within the purposes for which water districts may be organized under the law of North Dakota; and
- c. to have and to exercise any and all powers as may be necessary or convenient to accomplish any or all of the foregoing purposes, as may be permitted by law.

II.
GENERAL PURPOSES

1. Articles and By-Laws. The Articles of Incorporation and By-Laws of the District are the primary rules by which the management of the District is governed, with the By-Laws granting the Board of Directors certain powers.

2. Purpose of These Rules and Regulations. The purposes of these Rules and Regulations are to centralize management in the position of the manager and allow the manager to function without having to request an opinion from the Board of Directors for each individual transaction.

3. Review and Comment. The Board of Directors shall review these Rules and Regulations periodically and make appropriate changes. The Board of Directors invite comments and suggestions for constructive changes in these Rules and Regulations at any time.

III.
RULES AND REGULATIONS

The Board of Directors of Northwest Rural Water District hereby resolves that the following Rules and Regulations shall be established and maintained as evidence of the Board of Directors’ intentions for governing the affairs of the District.

A. Classification of Services: The services provided by the District are classified as follows:

1. Residential: This classification applies to and shall include all single family dwellings.

2. Commercial/Industrial: This classification applies to and shall include any business or industry.

3. Services to Multiple or Large Users: This classification applies to and shall include multiple or large users, such as those buildings in which more than one business is located, mobile home parks, overnight camping services, multiple dwellings, motels and other similar services, such as mancamps.

B. Application for Service:

1. Application, Application Fee, and Down Payment on Hook-up Fee. When submitting application for review by the District, any potential consumer shall make application for service at the office of the District and, at the same time as submitting the application, any potential consumer shall pay the non-refundable application fee and the down payment on the hook-up fee as both are prescribed by the District.

2. Reject Service. The District may reject any application for service or transfer from any potential consumer for any good and sufficient reason, including but not limited to, the following

- a. the service may involve an excess service cost,
- b. the service may affect the supply of water to other members,
- c. the service could not reasonably be served under the standard rate,
- d. the potential consumer has any prior infractions with the District,
- e. the potential consumer is delinquent in payment of bills incurred for services previously supplied, or
- f. the potential consumer, at any time, has refused or has otherwise been unwilling to grant the District an easement across real property owned by the potential consumer regardless of whether the potential consumer intended to use or currently uses water from the District at the property for which the easement was sought.

When the premises for which a potential consumer is making application for service have been supplied with water and the water has not been paid for, the District shall not be required to render service to anyone at that location until all prior water bills have been paid or satisfactory arrangements made for payment of the same.

If the District rejects any application for service, the District shall return to the potential consumer the down payment on the hook-up fee less any portion of the down payment on the hook-up fee needed to cover the actual engineering costs in considering the application.

3. Water Users Agreement, Right-of-Way Easement, and Fees. If the District approves any application for service, within thirty (30) days from approval, each potential consumer shall execute a water users agreement to become a member, shall execute a right-of-way easement agreement, and shall pay the remaining applicable hook-up fee and associated meter assembly fee, if any, as such fees are prescribed by the District.

C. Payment, Charges, and Fees

1. Charges. The member shall begin paying the monthly minimum charges, the charges for water based on usage, any surcharges for service, and fees associated with the account when the membership is approved and water is made available at the curbside serving the member's property, whether the member is using the water at that time or not.

2. Member Responsible. The member shall always be responsible for all charges and fees associated with the account.

a. Leased Property. If the member wants to lease the member's property to a renter, the member may

i. continue to have the District send the monthly bills to the member and the member can pay, *or*

ii. fill out a request to have the District send the monthly bills to the renter and the renter can pay.

The member shall be responsible for all charges and fees associated with the account regardless of whether a renter is on the account.

b. Renter Responsibility. The member may require the renter to contact the District and sign a Renter's Agreement with the District, by which the renter agrees to be jointly and severally liable with the member for the charges and fees associated with the member's account. It is not the responsibility of the District to have the renter complete the Renter's Agreement.

3. Due Date. The member shall pay any amounts due by the fifteenth of the month, hereinafter the "Due Date".

4. Notice of Late Payment. Notice of late payment shall be deemed to have been given to the member upon depositing written notice in the United States mail addressed to the last known address of the member or by personal delivery of written notice to the last known address of the member.

5. Late Fee Assessment.

a. If payment is not made by the Due Date, the District may immediately assess a late fee of one & one-half percent (1.5%) of the total amount of the delinquent account, which percent may be changed at the discretion of the Board of Directors.

b. If payment is not made within thirty (30) days after the Due Date, the District may assess an additional late fee, which fee is in the sole discretion of the District, and may shut the water off to the member's property without any notice thereof.

6. NSF Check Fee. The District will assess a \$25.00 charge to the member's account for a NSF check.

7. Personal Checks. The District, in its sole discretion, may refuse personal checks for payment of amounts due from members, particularly those who have established an unreliable payment record as unreliability is determined in the sole discretion of the District.

8. Security Deposit. The District, in its sole discretion, may require a security deposit in an amount equal to three (3) average monthly bills from a member.

9. Reconnect Fee. If the District shuts off the member's water, the District may assess a reconnect fee to the member's account, which fee may be changed at the discretion of the Board of Directors. If the District has had to shut off the member's water one or more times, the District may increase the amount of the reconnect fee in each instance. If the District shuts off the member's water at least three (3) times, the District may cancel the membership of the member.

10. Account for Previously Delinquent Member. If the delinquent member pays late fees, past due amounts, the reconnect fee, and any other fees on the accounts, the District, in its sole discretion, may allow the member to resume use of the account, but the District shall not be compelled to allow the member to resume use of the account.

11. Illegal Hookup Fee. The District may assess an illegal hookup fee against the member as described in Section III(F)(5).

D. Transfer of or Change in Membership:

1. Transfer Allowed. A member may transfer his membership to another individual with the prior approval of the District, which requires the appropriate paperwork by the member and approval by the Board of Directors.

2. Location Change. A member may change the location of the member's hookup with the prior approval of the District, which requires the appropriate paperwork by the member and approval by the Board of Directors.

3. Invalid Transfer. A member may not sell or transfer his hookup to another individual when a change of location is involved.

4. No Service for Delinquent Account. The District will not serve the successor in interest in a transfer of account until payment of any past due amount has been made, and the District shall not be required to render service to anyone at that location until all prior water bills have been paid or satisfactory arrangements made for payment of the same. In the case of owner-rented property, Section III(C)(2) applies.

E. District Responsibility:

1. Installation and Maintenance of Main Distribution Pipelines. The District shall install, maintain, and operate a main distribution pipeline(s) from the source of the District's water supply.

2. Maintenance of Service Pipelines. After the member installs the service pipelines, the District shall maintain and repair the service pipeline(s) from the main distribution pipeline to where the curbstop is located.

3. Main Breaks and Valves. The District shall only be responsible for operating all valves and supplying necessary parts for the main distribution pipeline and service pipelines as described in Section III(E)(2), including, but not limited to, main breaks, pipe, pipe fittings, and thrust blocking.

4. Materials Furnished to Licensed Plumber. The District shall furnish only the following materials to a licensed plumber to install for the member, collectively the "meter assembly",

- a. 1 meter,
- b. 2 meter ends,
- c. 1 check valve,
- d. 2 ball valves,
- e. 1 pressure reducing valve,
- f. 2 tees,
- g. 2 gauges,
- h. 1 poly pac-joint, and
- i. 4 nipples.

The District shall not be responsible for any damages or additional costs incurred by the member due to defective parts of the meter assembly. If the District provides a defective part in the meter assembly, the District shall replace the part upon receiving notice and the defective part back from the member, but the District shall not be responsible for any costs associated with replacing the part at the member's property, including labor costs.

5. Materials Furnished to Licensed Contractor. The District shall furnish only the corporation and tapping saddle, the curbstop and standpipe, and any reducers and connectors to a licensed contractor to install for the member.

6. Meter Checks. The District, in its sole discretion, may check or cause to be checked, but not necessarily test, the meters.

7. Right to Refuse Service. The District may refuse service to a member if the installation, connection, or operation of the member's pipeline or appurtenances thereto does not meet federal, state, and local statutes and regulations.

8. No Responsibility for Meters, Piping, or Other Connections. The District shall not be responsible whatsoever for the use, misuse, or connection of the meter, meter assembly, the members' service pipelines, or other related apparatus, but the District reserves the right to inspect the same.

9. No Responsibility for Damage. The District shall not be liable for any damage whatsoever resulting from water or from the use of water on the member's property, unless said damage results directly from the negligence of the District.

10. No Responsibility for Interruption of Service. The District shall not be responsible for negligence of third parties or forces beyond the control of the District that results in interruption of service to a member.

F. Member Responsibility:

1. Installation of Service Pipeline, Curbstop and Apparatus. Upon approval by the District and execution of a release of liability for the District, each member shall install, and is responsible for installing, a service pipeline from the delivery point on the District's main transmission pipeline to the curbstop that the member installs and shall install a service pipeline from the curbstop to the building to be served on the member's property. The member shall install these service pipelines in accordance with the specifications of the District. Only one (1) dwelling and one (1) out-building, such as a garage, barn, or shop, may be connected to one curbstop.

a. Work by District. The District shall not work on the weekends, except for a water main break, and the employees of the District shall not be in trenches or holes.

b. Payment. The member shall pay for all digging, pipe, materials, and labor necessary for the installation on the member's property.

c. Expansion Tanks. The member shall purchase an expansion tank, which must be installed.

d. Type of Pipe. The member shall use 200 lb PSI SIDR 7 poly pipe on all new hookups.

e. Heated Structure. Unless otherwise expressly authorized by the District, the member shall provide an accessible heated room inside, not under, a residence or commercial building to be served. If the member is a mancamp, RV park, or trailer park, the member shall provide a heated building at least eight feet (8') by eight feet (8') that fits the meter assembly and heating system. Meter pit installations may be allowed on a case-by-case basis by obtaining prior approval from management of the District, which the management may determine in its sole discretion.

f. Contact District Before Work. The member shall cause the District to be notified at least forty-eight (48) before any work begins.

g. Licensed Contractor. The member shall hire a licensed contractor that is approved by the District to install service pipelines. The contractor must provide copies of the following information to the District before installation may be commenced: insurance certificate, contractor's license, state plumbing board water & sewer certificate, workman's compensation certificate, and an original, signed receipt of these Rules and Regulations.

(1) Locate Existing Lines. The licensed contractor shall locate electrical, gas, and telephone lines before digging by calling ND One Call at 1-800-795-0555.

(2) Submit Preliminary Drawings. The licensed contractor shall submit preliminary drawings to the District for approval before commencing any digging or building of any structure, including reservoirs and meter houses.

(3) Condition of Site. The licensed contractor shall maintain the dig site as close to the original condition as is possible for the weather conditions. If the dig site is determined in need of clean up by the District, the District, in its sole discretion, may hire an independent contractor or may hire the licensed contractor to clean up the site at a set rate.

(4) Necessary Equipment. The licensed contractor shall supply all tools, pumps, and safety equipment as the District is not responsible for supplying the tools, including, but not limited to, chop saws, files for the pipe, shovels, bars, ladder, lighting equipment, cleaning rags, PVC glue, PVC pipe joint lubricant, generators or diaphragm pumps with attachments and torque wrenches, except that the licensed contractor may use the tapping tool of the District if the licensed contractor pays \$35.00 per day to use the 1" tapping tool or \$40.00 per day to use the 2" tapping tool.

(5) Traffic Control. Without the assistance of the District, the licensed contractor shall control traffic in and around the licensed contractor's work area.

(6) Install Locating Wire. The licensed contractor shall install locating wire in the ditch of all new or updated water and service pipelines, meaning locating wire must be installed from the main distribution line of the District to the curbstop and from the curbstop to the foundation of the building being serviced.

(7) Curbstops. The licensed contractor shall install a concrete block under the curbstop.

(8) Call for Inspection. The licensed contractor shall call the District at least one (1) hour prior to completing the installation, with the hole exposed, to have the District representative visually inspect the installation and flush the service pipelines from the main distribution pipeline to the curbstop and from the curbstop to the foundation of the building being services.

(a) Inspection Hours. Normal inspection hours are Monday through Friday from 7:00 a.m. to 6:00 p.m. If inspections are required at any other time than during the normal inspection hours, the District may charge the licensed contractor \$100.00 plus mileage costs in accordance with the current mileage rates.

(9) Failure Within 72 Hours. The licensed contractor shall be liable for failures that occur within seventy-two (72) hours of completing an installation or repair.

(10) Submit As-Built Design. The licensed contractor shall submit as-built designs with measurements to the District as soon as the project is complete.

h. Licensed Plumber. The member shall hire a licensed plumber. The plumber must provide copies of the following information to the District before installation may be commenced: insurance certificate, contractor's license, state plumbing board water & sewer certificate, workman's compensation certificate, and an original, signed receipt of these Rules and Regulations.

(1) Obtain Meter Assembly. The licensed plumber shall obtain and sign for the meter assembly from the District. The District will not give a meter assembly to members.

(2) Installation. The licensed plumber shall install

(a) the entire meter assembly and valves in the accessible heated room, as described in Section III(F)(1)(e) above,

(b) only 200 lb PSI SIDR 7 poly pipe may be used for new hookups as described in Section III(F)(1)(d) above, and no less than 200 lb PSI SIDR 7 poly pipe or 200 PSI PVC for other hookups,

(c) only 200 lb PSI SIDR 7 poly pipe above ground prior to the meter,

(d) the expansion tank as described in Section III(F)(1)(c) above,

(e) only non-barbed fitting before the meter assembly.

(3) Call for Inspection from District. The licensed plumber shall call the District at least one (1) hour prior to completing the installation of the meter assembly to have the District representative visually inspect the installation prior to the licensed plumber leaving the site.

(a) Inspection Hours. Normal inspection hours are Monday through Friday from 7:00 a.m. to 6:00 p.m. If inspections are required at any other time than during the normal inspection hours, the licensed plumber will be charged \$100.00 plus mileage costs in accordance with the current mileage rates.

(4) Call for Inspection from State Plumbing Inspector. The licensed plumber shall have the state plumbing inspector inspect all new hookup installations.

i. Legal Installation. The member shall cause the licensed plumber and the licensed contractor to install everything in accordance with federal, state, and local statutes and regulations as well as the specifications of the District.

2. Use According to Classification. The member shall use the water provided by the District according to the members' classification, pursuant to Section III(A) above. If the member disregards the restrictions, the District may discontinue the member's service without notice thereof.

a. Livestock. If watering livestock, the member may be required to provide a constant flow valve or other device, and back flow preventers, acceptable to the District.

3. Protect District Property and Permit Access for District Representatives. The member shall provide proper protection of the District's property placed upon the member's property and shall permit access to the District's property only by authorized representatives of the District.

4. No Industrial Water Sales. The member shall not sell water from the District to any other individual or entity for industrial purposes related to oil and gas exploration and production activities, including but not limited to water used in fracking or maintenance.

5. Illegal Hookups. An illegal hookup is any hookup in violation of these Rules and Regulation, the By-Laws of the District, or the Water Users Agreement. The District has the sole discretion of determining whether a hookup is an illegal hookup. If the District discovers an illegal hookup or theft of water by the member or on the member's account, the Board of Directors, in its sole discretion, may

a. Assess a fee, which amount is in the sole discretion of the Board of Directors not to exceed \$15,000.00; or

b. Cancel the hookup or the membership of the member.

If the Board of Directors cancels the membership and the member desires to receive water from the District, the member shall reapply for membership pursuant to Section III(B) above.

6. Responsible for Service Line, Pipes, and Apparatus. The member shall be responsible for installing, maintaining and repairing the service pipeline from the curbstop to the building being serviced, the curbstop, the standpipe, the meter assembly and other apparatus. If the member needs parts, the member shall purchase the parts from the District.

7. Responsible for Curbstops. The member shall keep the top of the curbstop standpipe above ground so it is available for servicing, and any member burying or otherwise covering the standpipe shall be responsible for the cost of raising or uncovering the same. If the curbstop and standpipe is damaged in any way, or if the water pipe into this curbstop is broken, whether by acts of the members or otherwise, the member shall pay the cost of any repairs and water loss, which includes, but is not limited to, if the standpipe on the curbstop is driven over or bent, if the pipe breaks in the curbstop, or if the meter assembly is allowed to freeze up and break.

8. Payment for Loss, Damage, or Cost of Repair. The District may add the amount of loss, damage, costs of repairs, or cost of supplies to the member's monthly bill, and if the member does not pay, the District reserves the right to discontinue services to the member.

9. Indemnification. The member shall indemnify the District against, and hold the District harmless from, any and all liabilities, losses, damages, injuries, penalties, claims, demands or actions caused by negligent, wrongful actions by the member, agents of the member, or employees of the member.

G. Access of Premises:

1. Access by District. The member shall allow duly-authorized agents of the District access, at reasonable hours with prior notice, if practicable, to the member's property, including the residence of the member, for the purpose of installing or removing the District's property, inspecting piping, reading or testing meters, or for any other purpose in connection with the District's service and facilities.

2. Easement. Prior to installing the service pipeline, each member shall grant or convey a permanent easement and right-of-way to the District across any property owned or controlled by the member whenever such permanent easement and right-of-way is necessary for the District's water facilities and pipelines so as to enable the District to furnish service to the member. The member shall do this at no cost to the District so long as the District provides the necessary easement forms for signature and pays all necessary filing fees.

H. Complaints and Adjustments:

1. Error in Meter Reading. If a member believes that the member's meter reading is in error, the member shall present the member's claim in writing to the District's office before the Due Date. If the claim is made after the Due Date, the claim is not effective in preventing discontinuance of service. The member shall pay such bill under protest, which payment will not prejudice the member's claim.

2. Request to Test Meter. The District shall test meters at the request of the member upon the member paying the actual cost of making the test to the District. If the meter is found to register 3% over or under the correct volume, an adjustment, if any, may be made by the District.

4. Break or Tamper with Meter Seal. The member shall not break the meter seal or tamper with the meter under any circumstances without the prior approval of the District. If the District determines that the seal was broken or the meter tampered with, the District may immediately disconnect the member and turn such matter over to the Board of Directors for its review. The Board of Directors shall have the authority to:

- a. Cancel the membership or hookup of the member;
- b. Assess costs for using unmetered or lost water;
- c. Assess penalties against the member; or
- d. Submit for prosecution for theft of services.

IV.

COMPENSATION OF DIRECTORS AND OFFICERS

A. Reimbursement of Expenses:

1. Salary. The officers and directors of the District shall receive no salary.

2. Reasonable Expenses. The officers and directors of the District shall be allowed reasonable expenses while engaged in a business of the District, such to be audited, allowed and paid as other claims against the District. Under no circumstances should these expenses be advanced from petty cash.

a. Check for Expenses. When a check for expenses is written, the following information is to be included on the check stub:

- Date
- Officer or Director Name
- Advance for Travel (destination)
- Purpose

b. Expenses Other Than Mileage. As to expenses other than mileage, the substantiating receipts reimbursement is to be made only where substantiating receipts are presented.

3. Expenses for Mileage. Recognizing that officers and directors reside outside of the corporate limits of the City of Williston, the District shall pay each officer and director \$100.00 as and for expense reimbursement for a board meeting (excluding annual meetings) attended by such officer or director in the City of Williston, North Dakota, with such amount being considered as reimbursement for mileage, meals, and other expenses incurred by the officer or director in attending the meeting.

Approved this _____ day of _____, 20_____.

NORTHWEST RURAL WATER DISTRICT

Secretary