

RURAL WATER DISTRICT NO. 5
MAYES COUNTY, OKLAHOMA

BYLAWS

Article 1

Name and Place of Business

Section 1. The name of this Title 82 Rural Water District shall be “Rural Water District No. 5, Mayes County, Oklahoma”.

Section 2. The principal office of the District shall be located in Mayes County, Oklahoma.

Article 2

Powers of the District

Section 1. The powers of this District shall be vested in the Board of Directors hereinafter referred to as the Board.

Article 3

Purposes and Objectives

Section 1. The purposes and objectives of this District are as follows:

- (a) To acquire water and water rights and to build and acquire pipelines and other facilities, to serve the needs of owners and occupants of land located within the district, and others as authorized by the bylaws.
- (b) To borrow money from any Federal or State Agency, or from any other source, and to secure said loans by mortgaging or pledging all or part of the physical assets and revenue and income of the District, including easements and rights-of-way.
- (c) To hold such real and personal property as may come into its possession by will, gift, purchase, or otherwise, as authorized by law, and to acquire and dispose of such real and personal property, including rights-of-way and easements, wherever located, as may be necessary and convenient for proper conduct and operation of the business of the District.
- (d) To establish rates and impose charges for water services furnished to participating members and others.
- (e) To enter into contracts for the purpose of accomplishing the purposes of the District with any person or governmental agency.

- (f) To cooperate with any person or with any governmental agency in any undertaking designed to further the purpose of the District.
- (g) To do and perform any and all acts necessary or desirable for the accomplishment of the purposes of the District which, may lawfully be done by such District under the laws of the State of Oklahoma.

Article 4

Users

Section 1. Water shall be supplied to owners or occupants of land located within the District. Provided, however, that the Board may make water available to the public for purchase at such distribution points as it may establish.

Section 2. No owner of land located within the District shall be eligible to become a user of the facility unless he has first subscribed and paid for one or more Benefit Units. Tenants occupying land located within the District may become water subscribers: Provided, that the owner, or someone on behalf of the owner, has subscribed and paid for one or more Benefit Units in favor of the land or premises occupied by the Tenant.

Article 5

Right to Vote

Section 1. Only participating members shall have the right to vote, and each participating member shall be entitled to a single vote, regardless of the number of Benefit Units to which he may have subscribed: Provided all owners of land located within the District shall be eligible to vote at meetings of landowners until ninety (90) days after a declaration of availability of Benefit Units and unit fees has been entered by the Board in its minutes. There shall be no proxy voting, and no dual ownership of Benefit Units for voting purposes. A participating member may be an individual, firm, partnership, association, or corporation.

Participating members shall be:

- (a) Owners of land within the District who have subscribed to one or more Benefit Units: Provided, payment of charges is current on at least one of the Benefit Units.

Article 6

Benefit Units

Section 1. The Board shall at the proper time cause a declaration of Availability of Benefit Units for subscription to be entered in its minutes and shall establish a unit price for said subscriptions. Each Benefit Unit shall carry with it the obligation of paying a minimum monthly meter charge and a charge for water metered, from the time service is available. The Board in its discretion may from time to time, if the capacity of the District's facilities permit make additional Benefit Units available. Subscriptions for the Benefit Units shall be given preference and priority in order in which received. The Board may refuse the subscription for a Benefit Unit in favor of a particular tract of land located within the District, or impose special conditions on granting the same if in the judgment of the Board, the granting of said subscription and the furnishing of water pursuant thereto, would impair the service to other users in that locality or be uneconomical, unfeasible, and place an undue burden on the District. Any landowner or occupant who feels himself aggrieved by such denial, or imposition of special conditions may appeal the Action of the Board to a vote of the members at the next regular meeting of the members, or special meeting of the members called for such purpose. The decision of the Board shall stand, unless three-fourths of the participating members present vote to overrule the decision of the Board.

Section 2. Upon the purchase of the Benefit Units, the owners of the land shall designate the tract of land to which the Benefit Units shall be assigned, and the Benefit Unit shall not be transferred from one tract of land to another within the District without the approval of the Board. The owner of lands subscribing for more than one Benefit Unit to be assigned to one tract of land shall, at the time of said subscription, designate as nearly as practical the location of said tract where he intends to utilize said Benefit Units and no major change in location shall be made without the approval of the Board. Benefit Unit Certificates shall be issued by the Board signed by the Chairman and Secretary, showing name of owner, and tract of land to which the Benefit Unit is assigned, and the number issued.

Section 3. The consideration paid for Benefit Units shall be considered donations to the District and shall in no event and under no circumstances be refunded to the subscriber.

Section 4. Benefit Units shall follow the title of the land unless the owner of the land designates otherwise. Owners may transfer Benefit Units from one tract of land to another owned by them within the District, subject however to, the approval of the Board. No transfer in ownership of Benefit Units shall be permitted without the approval of the Board. No transfer will be approved unless all charges against the Benefit Unit are paid. All transfers when approved shall be recorded in the books of the District.

Section 5. Each Benefit Unit shall entitle the owner not to exceed one line from the District's water system for one residence or business. Each line shall serve not to exceed one residence or business establishment together with the necessary and usual outbuildings.

Section 6. Failure to pay the minimum monthly meter charge or failure to pay for water used through a meter for a period of 60 days, shall result in the disconnection of the meter. If the Benefit Unit subscriber whose meter has been disconnected has not paid all sums due within an additional 30 days, the District shall send notice, by certified mail, to the Benefit Unit subscriber that the Benefit Unit shall be forfeited if full payment of all sums due is not paid within an additional 90 days. Therefore, if full payment of all sums due is not paid within 180 days from the due date of the first past due assessment, the Benefit Unit shall be forfeited.

Article 7

Election of Directors

Section 1. The Board of this District shall consist of seven members, all of whom shall be participating members of the District: At each annual meeting of the participating members, the participating members shall elect for a term of three years the number of directors whose terms of office have expired. A requirement for qualification to serve as a board member for a rural water district shall be a written pledge that upon election such board member shall attend a minimum of six (6) hours of work shop training to be offered periodically on a regional basis within twelve (12) months following election of such board member, and to be organized by the Oklahoma Water Resource Board in cooperation with the Oklahoma Rural Water association with the purpose of study and instruction in areas of district financing, law, and the ethics, duties and responsibilities of district board members; provided further, that all new and existing board members shall be required to obtain continuing education by attending a minimum of six (6) hours of workshop training every three (3) years. The district shall reimburse all reasonable expenses incurred by any board member for attending such training workshops. To avoid members having to interfere with their jobs or employment, such training sessions may be divided into three hour segments, and insofar as possible, be scheduled for evening sessions. Vocational-technical facilities, college facilities or other public facilities may be utilized in all parts of the state for convenience of the members. Such workshops must be offered within seventy-five (75) miles of the member's residence.

Section 2. Should any pledging board member fail to attend the workshop training as required in Article 7, Section 1, he or she shall be deemed ineligible to serve as a board member commencing at the next regularly scheduled meeting of the board

Following the 12-month or 3 year period. The remaining board members shall select from the membership, as provided by the District's bylaws, another qualified member to fill the vacancy and that person shall pledge to attend the workshop training provided for in Article 7, Section 1. The appointed member shall serve until the next regularly scheduled election of board members and an election shall be held to fill the remainder of the term of the vacated position.

Section 3. Immediately following the annual meeting of the participating members, the Board shall meet and shall elect a Chairman, Vice-Chairman, Secretary and Treasurer, from among themselves, each of whom shall hold office until the next annual meeting of the participating members and until the election and qualifications of his/her successor unless sooner removed by death, resignation or for cause. One person may hold the office of the secretary and treasurer.

Section 4. Any vacancy in the Board, other than from the expiration of a term of office, shall be filled by appointment by the remaining members of the Board. The disqualification of a Director as a participating member of the District shall operate to disqualify him/her as a Director and to create a vacancy in the office of the Director.

Section 5. Officers and Directors may be removed from office in the following manner: Any member, officer, or director may present charges against a Director or officer by filing them in writing with the Secretary of the District. If presented by a member, a petition signed by ten percent of the members of the District must accompany the charges. Such removal shall be voted on at the next regular or special meeting of the members and shall be effective if approved by the majority vote of the members present and voting. The Director or Officer against whom such charges have been presented shall be informed, in writing, of such charges five days prior to the meeting, and shall have the opportunity at such meeting to be heard in person or by counsel and to present witnesses; and the person or persons presenting such charges shall have the same opportunity. If the removal of a Director is approved, such action shall also vacate any other office held by the removed Director in the District. A vacancy in the Board thus created shall immediately be filled by a vote of a majority of the members present and voting at such meeting. The Directors from among their number so constituted shall fill a vacancy in any office thus created after the vacancy in the Board has been filled.

Section 6. A majority of the Board shall constitute a quorum at any meeting of the Board.

Section 7. A Director who fails to attend three (3) consecutive regular meetings of the Board of Directors without presenting a reason accepted as valid by a majority vote of the Board of directors, may be summarily dismissed from the Board of Directors by majority vote of the Board at a regular meeting at which a quorum is present. A vacancy in the Board thus created shall immediately be filled by a vote of a majority of the members present and voting at such meeting. The Directors shall fill a vacancy in any office thus created after the vacancy in the Board has been filled.

Section 8. Compensation of Officers and Directors may be fixed at any regular or special meeting of the members of the District. Officers and Directors shall receive compensation for no more than fourteen (14) meetings per calendar year.

Article 8

Powers and Duties of Directors

Section 1. The Board, subject to the restriction of law, and these bylaws, shall exercise all the powers of the District and without prejudice to or limitation upon their general powers, it is hereby expressly provided that the Board shall have, and is hereby given full power and authority in respect to the matters as hereinafter set out:

- (a) To select and appoint all agents and employees of the District or remove such agents and employees of the District for just cause, prescribe such duties and designate such powers as

may not be inconsistent with these Bylaws, and fix their compensation and pay for faithful services. Provided the Board shall comply with the nepotism laws of the State of Oklahoma;

- (b) To require all officers, agents, and employees charged with the responsibility for the custody of any funds of the District to give adequate bond, and cost thereof to be paid by the district, and it shall be mandatory upon the directors to so require.
- (c) To see that the operator-manager of the water system is licensed by the State Board of Health in the same manner as provided in the laws of the State of Oklahoma;
- (d) To borrow from any source, money, goods or services and to make and issue notes, and other negotiable and transferable instruments, mortgages, deeds of trust agreements, and to do every act and thing necessary to effectuate the same.
- (e) To prescribe, adopt and amend, from time to time, such equitable and uniform rules and regulations as, in their discretion, may be deemed essential or convenient for the conduct of the business and affairs of the District, and the guidance and control of its agents and employees.
- (f) To fix charges to be paid by each water user for services rendered by the District to him/her, the time of payment, and the manner of collection, and to establish rates according to the amount of service furnished;
- (g) To select one or more banks to act as depositories of the funds of the District and to determine the manner of receiving, deposition and disbursing the funds of the District in the form of checks, and the person by whom the same shall be signed on behalf of the Chairman, with the power to change such bank or person signing such checks and the form thereof at will.
- (h) Prepare annually an estimated budget for the coming year, adjust rates, if necessary to produce sufficient revenues required by such budget, cause an annual audit of the District records and accounts to be made by a licensed municipal public accountant or a qualified independent accountant, and make a report on said matters at each annual meeting of participating members.

Article 9

Powers and Duties of the Manager

Section 1. The Board may employ for the District, a Manager who shall have charge of the business of the District under the general control, supervision and direction of the Board. No Director shall serve as manager. Subject to the approval of the Board, the manager shall employ, supervise and dismiss all agents and employees of the district and fix their compensation. He shall also, so far as practical, conduct the business in such a way that all patrons receive equal service and treatment, deposit in a bank, selected by the Board, all money belonging to the

District, which comes into his/her possession; maintain his/her records and accounts in such a manner that all patrons receive equal service and treatment; and maintain his/her records and accounts in such a manner that the true and correct condition of the business may be ascertained therefrom at any time; furnish the Board a current statement of the business and affairs of the District at each scheduled meeting of the Board and at the end of each fiscal year and at such other times and in such forms as the Board may direct; carefully preserve and turn over to his/her successor all books, records, documents, and correspondence pertaining to the business of the District which may come into his/her possession; and to perform such other duties as may be prescribed by the Board.

Article 10

Duties of Officers

Section 1. Chairman. The Chairman, who shall be a member of the Board, shall preside over all meetings of the District and the Board, perform all acts and duties usually performed by an executive and presiding officer, and shall sign all Benefit Unit Certificates and such other papers of the District as he/she may be authorized or directed to sign by the Board, provided the Board may authorize any person to sign checks, on behalf of the District, provided that all checks must be countersigned by the Treasurer. The Chairman shall perform such other duties as may be prescribed by the Board.

Section 2. Vice-Chairman. In the absence or disability of the Chairman, the Vice-Chairman, who shall be a member of the Board, shall perform the duties of the Chairman.

Section 3. Secretary. It shall be the duties of the Secretary who shall be a member of the Board, to keep a record of the proceedings of the meetings of the Board and of the District. He/she shall serve, or cause to be served, all notices required to be served by law or the bylaws of the District; and in case of his/her absence, inability, refusal or neglect to do so, then such notices may be served by any member of the Board directed by the Chairman.

Section 4. Treasurer. The Treasurer, who shall be a member of the Board, shall receive and account for all funds of the District, shall deposit the same in some bank designated by the Board as a depository, and pay the accounts, or cause them to be paid out of the depository only in the checks of the District signed by the Chairman, or someone authorized to sign on the Chairman's behalf, countersigned by the Treasurer. At each annual meeting of the District, he/she shall submit for the information of the participating members a complete statement of his/her account for the past year and he/she shall discharge such other duties pertaining to his/her office as shall be prescribed by the Board, and shall give a good and sufficient bond in such amount as may be fixed by the Board.

Article 11

Books and Records

Section 1. The books and records of the District, shall be available during all reasonable business hours, and are subject to inspection in accordance with the Oklahoma Open Records Act.

Article 12

Annual Meeting/or Special Meeting of Participating Members

Section 1. The annual meeting of the participating members of the District shall be held at some suitable location within the District designated by the Board.

Section 2. Special meetings of participating members may be called at any time by the Chairman or upon resolution of the Board, or upon written petition to the Chairman of the Board, signed by fifty-one (51) percent of the participating members of the District. The purpose of every special meeting shall be stated in the notices thereof, and no business shall be transacted thereafter except such as is specified in the notice.

Section 3. Notice of the annual meetings of participating members of the District shall be given by mail to each participating member of record directed to the address shown upon the books of the District at least ten (10) days prior to the meeting. Such notice shall state the nature, time, place, and purpose of the meeting, but no failure or irregularity of a notice of any annual meeting, regularly held, shall affect any proceeding taken thereat.

Section 4. The participating members present at any meeting of participating members shall constitute a quorum for the purpose of transacting the business.

Section 5. The order of business at the regular meeting and so far as possible, at all other meetings, shall be:

- (a) Call to Order
- (b) Proof of Notice of Meeting
- (c) Reading and approval of minutes of last meeting
- (d) Financial Report
- (e) Report of officers and committees
- (f) Election of Directors
- (g) Unfinished Business
- (h) New Business
- (i) Adjournment

Article 13

Board Meetings

Section 1. Annual Board meetings shall be held immediately after the annual meeting of the participating members to elect officers, adopt an estimated budget for the coming year and conduct regular monthly business of the District.

Section 2. Regular monthly Board meetings are held the second Tuesday of every month at a designated time to be determined by the Board.

Section 3. Schedules of the regular monthly Board meetings for the calendar year will be filed with the Mayes County Clerk and will also be furnished to each Board Member.

Section 4. In order to be placed on the agenda of a regular Board meeting, persons requesting to appear before the Board must notify the District office two (2) days prior to the meeting.

Article 14

Manner of Election and Voting

Section 1. At all meeting of the District, each participating member, qualified as stated in these bylaws, shall be entitled to vote upon all propositions coming before said District. No cumulative voting shall be permitted and each participating member of the District shall have but one vote. In the case of dual ownership, only one vote will be permitted.

Article 15

Seal

Section 1. The District shall have a seal, consisting of a circle having in its circumference and face the words "Rural Water District #5 Mayes County, Oklahoma", which shall be in the custody of the Secretary.

Article 16

Fiscal Year

Section 1. The Fiscal year of the District shall begin the first day of October of each year.

Article 17

Amendment

Section 1. These bylaws may be repealed or amended by a vote of three-fourths (3/4) of the participating members present at any regular meeting of the District, or any special meeting of the District called for that purpose, except that the participating member shall not have the power to change the purpose of the District so as to impair its rights and powers under the laws of the State of Oklahoma, or to waive any requirement of bond or other provision for the safety and security of the property and funds of the District or its participating members, or to deprive any participating member or landowner of rights and privileges then existing, or to so amend the bylaws as to affect fundamental change in the policies of the District. Notice of any amendment to be made at any regular or special meeting of the participating members must be given at least ten (10) days before such meeting and must set forth the amendments to be considered.

Article 18

Basis of Operation

Section 1. The District shall at all times be operated on a non-profit basis for the mutual benefit of its participating members.

Article 19

Benefits and Duties of the Members

Section 1. The District shall install, maintain, and operate a main distribution pipe line or lines from the source of water supply, and lines from the main distribution pipe line or lines, to the property line of each participating member of the District at which point designated as delivery points, meters to be purchased, installed, owned and maintained by the District shall be placed.

Section 2. Each participating member shall be entitled to purchase from the District, pursuant to such agreements as may from time to time be provided and required by the District and the Board, such water, for domestic and other such purposes as a participating member may desire, subject, however, to the provisions of these bylaws and such rules and regulations as may be prescribed by the Board. The water delivered to each participating member shall be metered.

Section 3. In the event the total water supply shall be insufficient to meet all of the needs of the members and users, or in the event there is a shortage of water, the District may pro-rate the water available among the various members and users, on such basis as is deemed equitable by the Board. The District may also prescribe a schedule of hours, covering the use of water for garden purposes and require adherence thereto, or prohibit the use of water for garden purposes. If at any time the total water supply shall be insufficient to meet all of the needs of all of the participating members for domestic, livestock, garden and other purposes, the District must first satisfy all the needs of the participating members in the following order: (1) domestic purposes, (2) livestock purposes, (3) garden purposes, (4) other purposes.

Article 20

Printing

Section 1. After the adoption of these bylaws at the meeting of the participating membership on the 8th day of July, 2003, a copy shall be available to each participating member.

**RULES AND REGULATIONS
OF
RURAL WATER DISTRICT NO. 5
MAYES COUNTY, OKLAHOMA**

These rules are issued in compliance with the provisions of the Rural Water District Act of Oklahoma (82 Okl. Stat. Ann. SS1324.1-1324.26), 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 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 the agency living or owning land located within the service area applying for water service.

BENEFIT UNIT: A legal right to one service connection to the District's facilities and to participate in the affairs of the District.

BOARD: The governing body of the District.

CONSUMER: Any individual, firm, partnership, corporation or other agency receiving water service 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.

APPLICATION FOR WATER SERVICE AND WATER USERS' AGREEMENT: The Agreement or contract between the consumer and the District, pursuant to which service is supplied and accepted.

RURAL RESIDENT: Any natural person, firm partnership association, corporation, business trust, federal agency, state agency, state or political subdivision thereof, municipality of ten thousand (10,000) persons or less; or any other legal entity, owning or having an interest in lands within the rural area located within the boundaries of the District.

RURAL AREA: Any area lying outside the corporate limits of any municipal corporation and includes any areas of open country, unincorporated communities, and, with the

consent of the governing body thereof by ordinance duly adopted, may include the area within the corporate limits of any municipality having a population of less than ten thousand (10,000) persons according to the last decennial census, when said municipality is one of the petitioners for creation of a district or for the annexation of additional territory as provided by Section 1324.13 of this title; provided, further, that when a water, sewer, natural gas or solid waste management district is totally within the municipal city limits of a city with ten thousand (10,000) population or less, the board of directors of the sewer, natural gas, water, or solid waste management district shall be the governing body of the town. Provided, further, that when the city or town with a population of ten thousand (10,000) or less is party to a water, natural gas, sewer or solid waste management district, the board of directors must be composed of residents of said city or town in direct proportion to the number of users in said city or town. Provided, further, that areas lying within the corporate limits of any municipality having a population of more than ten thousand (10,000) persons according to the last decennial census may be included in a water, sewer, natural gas or solid waste management district with the consent of the governing body by ordinance duly adopted when such water, sewer, natural gas, or solid waste services are not and cannot be provided in a reasonable time by other sources.

PARTICIPATING MEMBER: Any rural resident who has subscribed to one or more benefit unit.

WATER WORKS: The necessary facilities from the initial sources to the place for consumer utilization and includes supply, storage, treatment, transportation and distribution.

WATER SERVICE: 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 water service for each residence or business establishment served. A septic system approval from the Department of Environmental Quality will have to be on file with the District before a meter will be set.

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 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 water charges is insufficient for the payment of operating costs, emergency repairs, or debt service, the Board shall increase the minimum water rate for the first month thereafter in an amount sufficient to pay such operating costs, emergency repairs, or debt service.
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 User's 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 lines to transfer water from one property to another nor to share, resell or sub-meter water to any other consumer. If an emergency or specific situation should make such an arrangement advisable, it shall be done only on the 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 the Federal Government, the State of Oklahoma, 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 consumers' premises to read and test meters, inspect piping, and to perform other duties for the proper maintenance and operation of service, or to remove its meters and equipment 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, 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 work.

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.

METERS

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. The District will make meter tests according to methods of the American Waterworks Association, as often as deemed necessary by its Board of Directors.

METER ACCURACY:

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 us will be used.

METER LOCATION:

Meters shall be set in an accessible place on the outside of buildings 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 shall be placed in a meter box furnished and installed by the District.

BILLS:

Bills will be rendered for service at the end of the month and mailed by the 5th day of the month following that in which the service was rendered as set forth in the rate schedule. Service bills not paid by the 16th day of the month shall be subject **to a 10 percent late charge or \$5.00 whichever is the greater**. Failure of the District to submit a service bill shall not excuse the consumer from his obligation to pay for the water used when the bill is submitted. Failure to pay a bill within 60 days from when the bill was rendered shall result in the disconnection of the meter.

RECONNECTION CHARGE:

The Re connection charge for restoration of service, if re-connection is authorized and approved under the provisions of the Bylaws of the District, after each suspension of service because of delinquent payment or for other infraction of these rules, shall be the unpaid amount charged to date against the consumer's benefit unit, and a sum to cover the reasonable cost of labor necessary to make such re-connection.

REQUESTED METER TEST:

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 meter and all parts are the property of the District. The consumer shall be responsible for any damage to the meter installed for his service, due to any cause other than normal wear and tear.

CHANGE OF OCCUPANCY:

It shall be the consumer's responsibility to anticipate change of occupancy, and to have his benefit unit 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.

SERVICES:

The District will install and pay for all water service pipes from its main line to the designated delivery point with exception made for road cross. A road cross will be paid for by the member in an amount to be determined by the Board of Directors, from time to time. The service pipe shall not be less than three-fourth inch in size.

The District will also install and pay for the corporation stop, meter and meter setting. The meter will be set at a point designated by the District.

COST OF BENEFIT UNITS:

The Board of Directors shall establish the cost of Benefit units.

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 plant without adversely affecting service to the other consumers to a reasonable 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.

CROSS CONNECTIONS: There shall be no cross-connections made or maintained between the water system of the District or any other system (private or otherwise) and that all new structures constructed within the District shall, prior to service connections, comply with the plumbing standards of the State of Oklahoma. In addition, all sewage disposal systems shall comply with the standards contained in Oklahoma Department of Health Engineering Bulletin Nos. 600, 587, and 0575.

Representatives of the District, the state and local Department of Environmental Quality (D.E.Q.) shall have the right at all reasonable hours to enter upon consumer's premises for the purposes of inspection and enforcement of this provision.

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

AFFIDAVIT

STATE OF OKLAHOMA

COUNTY OF MAYES

PRINT YOUR NAME BELOW

Melvin Voth

Russell Hamill

Gene Miller

George Peper

Curt Stutzman

E. J. Snider

and Charles Bowlin, being first duly sworn, depose and state each for himself/herself, that he/she is a Director of Rural Water District No. 5, Mayes County, Oklahoma. The foregoing bylaws were adopted at a meeting of the participating members of said District duly held on the 8th day of July, 2003, at 7:30 o'clock p.m. That there were 12 participating members present in person and that the vote for the adoption of bylaws was 12 for 0 against.

PUT YOUR SIGNATURE BELOW

Melvin J Voth
Gene Miller
Curt Stutzman
Charles Bowlin

Russell Hamill
George Peper
E. J. Snider

Subscribed and sworn to before me this 8th day of July, 20 03.

Carol Maddox
Notary Public

My commission expires: April 03, 2006

