

Rule #1. General Water and Sewer Rules and Regulations

- A. The Rules and Regulations of the District shall govern and be enforced by the District and its agents. The Rules have been adopted to govern the services provided in the best interest of the District and the District's customers. The Rules and Regulations apply to all persons, firms, corporations, partnerships, etc. using or intending to use water and/or sewer services provided or to be provided by the District.
- B. All persons, firms, corporations, partnerships, etc. desiring to obtain water and/or sewer services from the District shall request to obtain such services. All applicants shall meet and follow all requirements set forth in these rules and regulations. Failure to do so may result in disconnection of service or other penalties as defined herein.
- C. All connections to District's water and/or sewer systems shall be requested in advance, connection fees paid in full, be properly installed and water services properly metered prior to the turn on of service.
- D. The water and sewer services made available under these rules are for the sole use of the person, persons and customer at his/her premise(s) and he/she shall not resell in any manner any water or sewer service without the specific written consent and permission of the District.
- E. Water and/or sewer service is for the sole use described above and prohibits any extension of pipes, hoses, etc. to transfer water and/or sewer services from one property to any other property, person, persons, or customer and also prohibits any person, persons, customer from sharing, reselling, submetering to another person, persons or customer. No more than one premise shall be served by a service connection, unless express written permission is given by the District on an individual basis. A farm containing a residence and out buildings for use in farming operations shall be considered as one residence and that customer may use water and/or sewer service from a single connection/meter for all such buildings. Farms containing more than one residence require that each residence be connected and metered separately.
- F. The District has the right to inspect meters, pumps, backflow prevention devices and all other water fixtures, lines and appliances as well as all sewer appurtenances for the use of water or sewer whenever deemed necessary by the District for the purpose of regulating such use, keeping accurate account, preventing waste, leakage or other violations of these rules and regulations. For such purpose it shall be the duty of the water customer to allow District access to their premises at reasonable times and intervals, should any person, persons or customer refuse to allow such access, upon order of the District, water and/or sewer service may be discontinued and withheld from any customer so refusing.

Approved

Charles H. Day

Effective Date:

12-05-06

Rule #1. General Water and Sewer Rules and Regulations (continued)

- G. The District reserves the right, at any time, without notice, to discontinue water and/or sewer service in their distribution and collection lines for the purpose of making extensions, repairs or for any other purpose they deem to be in the best interest of the District's systems and customers. The District reserves the right to discontinue water and/or sewer to any customer, at any time, so long as the service pipe through which such user may be supplied, or any meter, or any pump, or any part of any such pipe of system may be out of order or in disrepair for the proper supply of water or sewer service through same. When reasonably possible the District will attempt to notify in advance of service interruptions when water and/or sewer service will be limited, restricted or temporarily shut off.
- H. All persons and customers are hereby advised and cautioned that risk of damage due to the discontinuance or disruption of water and/or sewer service is hereby assumed by the customer. All persons and customers are advised to take measures to prevent water tanks from draining, boilers from collapsing, follow standard backflow prevention practices, prevent sewer back-ups and any and all other damages that could be incurred in the event water and/or sewer service was discontinued or interrupted for any reason. The District is not liable for damages caused by defective piping or appliances on the customer's premises or for any defect in customer's water or sewer piping. It is expressly understood and agreed by and between the District and the customer/user that no claim shall be made against the District by reason of breaks, leaks, bursting of, repairs to, or maintenance of any water or sewer facilities owned by the District or for any failure to supply service for any reason. As a condition for furnishing sewer service, the District shall not be liable or responsible for damages of any kind for any failure to remove sewage from customer/user premises or property or for any backup of sewage into customer/user premises or property or for any interruption of sewage service for any reason.
- I. No water or sewer pipe of any kind, including water service lines and sewer laterals or force mains shall be installed within any right of way or easement of the District or be connected to the District's water or sewer system unless approval is given by the District and connection fees are paid. All water and sewer service shall be billed as set forth in these rules and regulations.
- J. Line extensions and connections to the District water and sewer system shall be at the sole cost of the customer or user and all extensions and connections shall be subject to the District's approved inspection. The District reserves the option to provide incentives and participate in line extensions, if the line extension is deemed to be beneficial to the District.
- K. The District's water and sewer systems shall be separated into a water work system and a sewerage system and all said water work system, all future improvements and extensions thereto in

Approved

Charles H. Day

Effective Date:

12-05-06

said sewerage system, all future improvements and extensions thereto shall be operated and maintained as separate and distinct systems from one another. The user/service charges for water and sewer services shall generate adequate annual revenues to pay costs of annual operations and maintenance of the water and sewer systems including replacement costs associated with debt retirement related to financing of the water and sewer and/or any capital costs related with said systems which the District may designate be paid from revenue collected by the user/service charges. The District shall bill customers for any and all miscellaneous charges set forth by State, Local and Federal Law, examples of which include, but are not limited to: primacy fees, taxes, laboratory testing fees, etc.

L. Prohibition Against Firearms in Water District Buildings

- (a) No person, with the exception of a Law Enforcement Officer, shall be permitted to bring a Firearm, whether concealed or not, into any building or portion of a building owned, leased or controlled by the Water District.
- (b) No person who has been issued a concealed carry endorsement by the Missouri director of revenue under Section 571.094 RSMo or who has been issued a valid permit or endorsement to carry concealed firearms issued by another state or political subdivision of another state, shall, by authority of that endorsement or permit, be allowed to carry a concealed firearm or to openly carry a firearm in any building or portion of a building owned, leased or controlled by the Water District.
- (c) Signs may be posted at each entrance of a building entirely owned, leased or controlled by the Water District stating that carrying of firearms is prohibited. Where the Water District owns, leases or controls only a portion of a building, signs may be posted at each entrance to that portion of the building stating that carrying of firearms is prohibited.
- (d) Any person violating this section may be denied entrance to the building or ordered to leave the building. Any Water District employee violating this section may be disciplined. Any person violating this section will be prosecuted for trespassing.

Rule #2. Definitions

Definitions shall be as follows:

Approved: Charles H. Day Effective Date: 12/5/06

Rule #2. Definitions (continued)

Applicant - Any person, persons, firm, corporation, partnership, etc. desiring or applying for either water or sewer service of both.

Agents - Any person, persons, firms, corporations or partnerships engaged in work and serving as representatives of Public Water District #2 of Lincoln County, Missouri, including but not limited to its employees, engineers, operations, maintenance and management personnel and any and all such designates as the District may have from time to time.

AWWA - American Water Works Association.

Auxiliary water system - Any water source, supply or system other than the Public Water Supply District #2 system, that may be available in the building, establishment, residence, premises or property.

Board of Directors - Persons duly elected or appointed by the District with general powers pertaining to the management of the business affairs of the District.

BOD - Biochemical Oxygen Demand, as determined by laboratory testing as set forth in the latest edition of Standard Methods for the Examination of Water and Wastewater with the results expressed in milligrams per liter.

Customer - Any person, persons, firm, corporation or partnership using or allowing the use of water and/or sewer service(s) provided by the District.

Commercial Customer - Customers that are non-residential or whose general purpose and use is of a business nature. Includes commercial, business and industrial establishments, with or without dwelling units in the premises or on the property. Condominium and other similar type complexes may be classified as Commercial Customers.

Clerk - The person duly appointed annually by the Board of Directors serving in the capacity as Clerk.

Cross Connections - Any physical link between a potable water supply and any other substance, fluid, or source, which makes contamination of the potable water supply possible due to the reversal of the flow of water in the potable water piping or distribution system were to occur.

Approved: Charles H. Day Effective Date: 12/5/06

Rule #2. Definitions (continued)

Certified Backflow Prevention Tester - A person who has successfully completed training and is recognized by the State of Missouri to be a competent person in the testing, checking and rebuilding of backflow prevention devices.

Consumptive - (use of water) - Indicates the use of water by a commercial, business or industrial customer(s) that is not returned to the sewer system. Examples of such customers would be beverage, food and ice manufacturing, water used for cooling purposes and discharged under (National Pollutant Discharge Elimination System) NPDES permits, etc.

District - (Water District) - The Public Water Supply District #2 of Lincoln County, Missouri

Farm - A parcel of ground used at one time or being used for livestock or planting purposes.

Lateral - The entire length of sewer line or pipe including fittings connecting the customer's premises to the District's main sewer line.

Multi-Unit Building - Any one building or structure containing more than a single residential dwelling unit.

Premise(s) - Any building, land or structure on it used as a dwelling unit or used for any commercial, business or industrial use or purpose.

Service Line - Any water line or portion of a water line connected to or to be connected to the discharge side of a water meter.

TSS - Total Suspended Solids as determined by laboratory testing as set forth in the latest edition of Standard Methods for the examination of Water and Wastewater with the results expressed in units of milligrams per liter.

User - Any person, persons, firm, corporation or partnership using any District water or sewer services.

W.P.C.F. - Water Pollution Control Federation or Water Environment Federation.

Rule #3. Application, Supply and Taking of Service

A. Applicant shall be responsible for requesting service from the District and in doing so requests and becomes a customer. Before the District begins rendering water and/or sewer service, the applicant/customer shall supply such necessary information as required by the District including but not limited to customer(s) name(s), driver's license number(s) or other government issued identification number(s), address, telephone number and requested date for start of service. Any customer who has taken service from the District without requesting such service from the District shall be considered to have expressed consent to the District's rules and regulations and shall be responsible for any and all appropriate water and sewer charges/payments as specified in the District's rules and regulations beginning on the first day of taking such service. The District reserves the right to make reasonable estimation of service usage if an exact determination cannot be made.

B. Applicants and customers for water and/or sewer service shall conform to all rules and regulations as approved and as those rules and regulations may be modified, revised or amended from time to time.

C. Commercial applicants and customers shall, upon request, present in writing a list of water devices which are proposed to be attached to the water lines servicing the building and/or property, giving location, types, size of devices and estimated daily water flow. The District will then advise of any improvements that must be constructed or any special conditions of use that must be followed by that commercial applicant or customer. The District reserves the right to advise and require any special sewer waste discharge conditions, prohibitions, restrictions up to and including any special pretreatment requirements or facilities before accepting sewer waste discharges.

D. No substantial increases or additions to water and/or sewer use, water use equipment or appliances may be connected to the District water and/or sewer system by Commercial Customers except upon written notice to the District and with the written consent of the District.

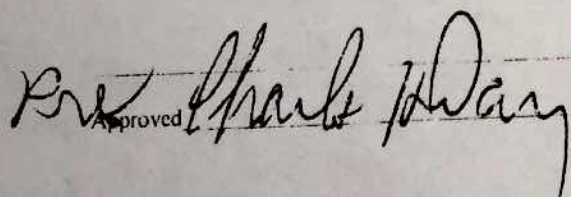
E. All applicants and customers are required to pay security deposits prior to the initiation of service. Failure to pay security deposits may result in refusal or termination of service.

F. The District reserves the right to reject any applicant and/or customer request for service that does not comply with any District rule and regulation. Rejection may include, but not be limited to, refusal and disconnection of water and/or sewer service, in which the District may notify any appropriate local authorities if the District deems a public health detriment exists, could exist or will exist.

Approved



Effective Date: 12/5/06



Effective Date: 12/5/06

Rule #3. Application, Supply and Taking of Service (continued)

G. At any time that the District has a water line in place on any public right-of-way and a landowner whose land abuts that right-of-way requests of the District a meter setting(s), the District may, as a condition for the authorizing and permitting the setting(s), require the landowner requesting same to execute in favor of the District a blanket easement on the landowner's property so that the water line now on public right-of-way may be removed and placed on easement.

Rule #4. Connection Fees and Procedures

Section 1. General, Water and Sewer

A. All new connections to the District's water and/or sewer system shall be subject to payment of a connection fee(s) for the right to connect to the District's water and/or sewer system.

B. Connection fees to the District's water and/or sewer system shall be due and payable prior to any connection. Sewer only connection fees that are not paid within 30 days will be subject to a delayed payment penalty of ten (10) percent of the connection fee due the District. An additional delayed payment penalty of one (1) percent per month of the outstanding balance will be added each month, or portion thereof, the payment of the connection fee(s) remains outstanding.

C. No water service line, sewer service lateral or sewer pump system shall be connected to any line owned by the District or any private line that may be connected to the District's system until all connection fees are paid. If any such lines, laterals or pump systems are connected, the District may disconnect any such line, lateral or pump system and charge the owner, developer, contractor, plumber or any other person, persons or parties, jointly or severally liable, all costs incurred for the disconnection, including but not limited to, attorney fees, court costs and interest earnings from the date of connection.

D. Each motel, hotel, hospital, nursing home, campground, park or other similar structure and/or development (approved specifically by the District) shall have each unit or pad capable of separate overnight occupancy counted as one-third (1/3) of a unit for the computation of connection fees due. Each separate residential dwelling unit or each separate office, commercial, business unit shall count as one (1) full unit, i.e.: single family house equals one unit, duplex equals 2 units, 4 unit shopping center equals 4 units. Other Industrial, Commercial and Business developments shall have connection fees based on acreage of the developed or platted area or portion thereof under roof.

E. All water and/or sewer connections, as well as the materials and workmanship used in those connections shall be subject to inspection and approval prior to the initiation of service. Connections,

materials and/or workmanship not meeting inspection approval shall be corrected so as to meet the inspection approval prior to the initiation of service or those connections are subject to disconnection. Furthermore, the District will not be required to provide water and/or sewer service until connections to District's water and/or sewer system is approved by the District.

F. Locations of connections to the District's system will generally be given and directed by the District. Any deviation to prescribed location will need prior approval by the District. Connections to the District's system shall be installed and at the expense of the customer or owner of the property/premise(s) receiving service by bonded and/or licensed plumbers authorized to perform work in Lincoln County, Missouri. Connections, service lines, sewer lateral and force mains, etc. will not be extended along public streets or roadways or through property of others to the point of connection without the written prior approval of the District. Connections to the District's system that must be excavated for inspection shall have that excavation performed at the customer's expense.

G. The District may construct sanitary sewer improvements to serve a particular area as may be described by the District from time to time. The sanitary sewer improvements shall connect with public, or other District sewer or with a natural course of drainage. The Board may cause sanitary sewer improvements to be constructed in each area whenever the Board shall deem the sewers necessary to thereby promote public health and sanitation, make available conveniences not otherwise possible, and for the general public welfare. After the District has entered into a contract for construction of the sanitary sewer improvements, the District's engineer shall compute the whole cost thereof and shall apportion the same against the lots or tracts of ground in the area to be served by the sanitary sewer improvements, exclusive of the public highways, and the District engineer shall report the same to the Board of Directors of the District, and the Board shall therefore levy a surcharge against each lot or piece of ground within the area to be served by the sanitary sewer improvements as they connect to the same. The District may construct water system improvements to serve a particular area as may be described by the District from time to time. The water system improvements shall connect with public, or other District water system. The Board may cause the water system improvements to be constructed in each area whenever the Board shall deem the water system improvements necessary to thereby promote public health and sanitation, make available conveniences not otherwise possible, and for the general public welfare. After the District has entered into a contract for construction of the water system improvements, the District's engineer shall compute the whole cost thereof and shall apportion the same against the lots or tracts of ground

Approved

Effective Date 12/15/06

Approved

Effective Date: 12/15/06

in the area to be served by the water system improvements, exclusive of the public highways, and the District engineer shall report the same to the Board of Directors of the District, and the Board shall therefore levy a surcharge against each lot or piece of ground within the area to be served by the water system improvements as they connect to the same.

H. Absolutely no meters will be installed or water services restored to locations without a properly installed shut-off valve on the customer side of the meter.

I. No person, other than authorized District staff or its representatives or authorized agents shall be permitted in the meter pits. Unauthorized access shall be considered tampering and a \$500 tampering fine shall be applied to the account and must be paid in full before services are restored.

Section 2. Water Connection Fees and Procedures

A. Connection fees for the right to connect to the District's water system are as follows:

All Residential Dwelling Units (3/4 inch meter and setting). For one inch meter and meter setting add \$74.50 to fee below:

Water Connection Fee per Unit
\$ 1050.00 per unit

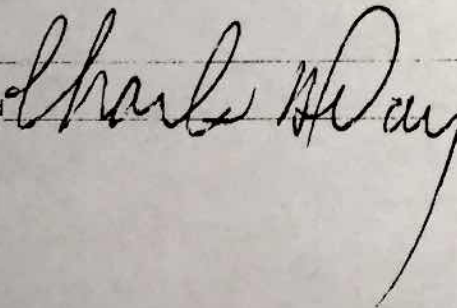
Commercial, Business and Industrial Developments (3/4 inch meter and setting). For one inch meters and meter settings add \$74.50 to fee below. Other size meter may be available with prior approval at additional cost.

Water Connection Fees (per acre under roof or portion thereof)
\$ 1350.00

B. Connection fees listed herein change the first business day of the New Year. All connection fees above shall be paid at least 48 hours prior to the scheduling of a connection or request for inspection of connection.

C. A minimum of 48 hours notice is required for the scheduling of a connection or request for inspection of connection. Any persons or firms excavating in City, County or State right-of-ways must have the proper permits from that particular entity prior to any excavations and may be required to produce proof upon demand.

Approved



Effective Date: 12/5/06

Rule #4. Connection Fees and Procedures

Section 2. Water Connection Fees and Procedures (continued)

D. All water connections up to and including 3/4 inch in size shall be made by the District. The District shall provide a 3/4 inch water meter, the saddle (up to 10 inch in size), the corporation fitting, and the labor and equipment to tap and connect the service line to the water main. All other material and supplies, including but not limited to meters over 3/4 inch in size, meter setters, meter pits, lids and frames, service line piping extending 2 feet past the water main shall be provided by and installed by the customer's/developer's/builder's plumber by the scheduled time of connection and/or inspection. All materials and the alignments of the service lines must meet the District's requirements as may be amended from time to time.

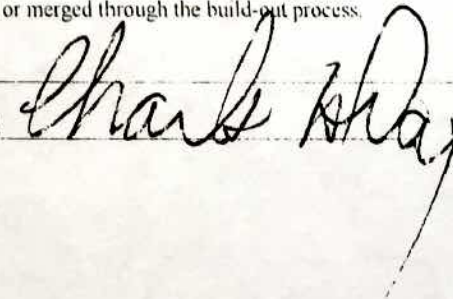
E. Water connections over 3/4 inch in size shall be made only with the District's prior approval and at the sole expense of the customer, developer, builder, plumber. Connections over 3/4 inch in size require the customer's/developer's/builder's plumber to pay District in advance, moneys required to purchase the specified water meter. The required saddle, the required corporation fitting, and the labor and equipment to tap and connect the service line to the water main is to be paid by the customer, developer, builder or plumber. Connections over 3/4 inch in size generally require additional time and coordination of work.

F. Water connection fees include the right to connect, the installation of water meters 3/4 inch in size, and any applicable inspections by the District. Water connections and service lines shall be installed in accordance with the procedures, specifications and standards established by the District from time to time and on file with the Clerk. These procedures, specifications and standards will be provided upon request.

G. All scheduled water taps and/or inspections must be ready for the District's Customer Service Representative within twenty (20) minutes of their scheduled arrival. If after that amount of time the site is still not ready, the desired activity must be rescheduled and an additional \$50 trip charge fee will be charged and collected before any services will be provided. These fees are necessary due to the number of contractors and homeowners who call for taps and/or inspections and do not have necessary plumbing ready. Before calling for taps or inspections, the customer must have the plumbing both inside and outside completed and a working shut-off valve installed.

H. Water tap fees may be prepaid for existing lots and for planned lots in Board-approved subdivisions. Tap fees shall be applied and tied to individual lots and are not transferable. No refunds shall be granted for prepaid water taps, regardless of extenuating circumstances, even if lots are combined or merged through the build-out process.

Approved



Effective Date: 12/5/06

Rule #4. Connection Fees and Procedures

Section 2. Water Connection Fees and Procedures (continued)

I. No person, other than authorized District staff or its representatives or authorized agents shall be permitted in the meter pits. Unauthorized access shall be considered tampering and a \$500 tampering fine shall be applied to the account and must be paid in full before services are restored. Authorized contractors may enter the pit on an emergency basis, but must notify the District office within 24 hours of entry to plan for applicable inspections.

J. Contractors shall not expose any mains prior to four (4) hours of the scheduled tap.

Section 3. Sewer Connection Fees, Hook Up Fees and Procedures

A. Connection fees and hook up fees for the right to connect to the District's sewer system and the installation of certain sewer appurtenances and components are as follows:

All Single Family Residential Dwelling Units

Sewer Tap Fee <u>(basic fee to connect to system)</u> \$ 4000.00 per tap	Grinder Station Fee <u>(additional fee for grinder pump, if necessary)</u> current contract price per unit
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The sewer connection fee includes the right to connect plus the standard sewer pump, the sewer pump chamber, pump floats and the electrical control box. The sewer lateral between the house and the pump chamber is not included. The sewer line between the pump chamber and the District's main sewer line is not included. Any other necessary appurtenances needed to provide sewer services to the customers' premises in a proper and orderly fashion are not included. These laterals, lines and other appurtenances not included as well as their installation, is the sole responsibility and expense of the customer.

Multi-Family Residential Dwelling Units shall be treated as individual units and charged accordingly as outlined above or, depending on the specific situation, may be required to install a central lift station with appropriate wet well sizes, pump sizes, and number of pumps, as engineered by the District's Engineer.

Approved Charles H. Day Effective Date: 12/5/06

Rule #4. Connection Fees and Procedures

Section 3. Sewer Connection Fees, Hook Up Fees and Procedures (continued)

B. Connection fees listed herein change the first business day of the New Year. All connection fees shall be paid at least 48 hours prior to the scheduling of a connection or request for inspection of connection. Any person or firm performing excavations in City, County or State right-of ways must have the proper permits from that particular entity prior to performing excavations on the right-of-way and may be required to produce proof of permit.

C. A minimum of 48 hours notice is required for the scheduling of a connection or request for inspection of connection.

D. Connections to the District's sewer systems shall be made at the sole cost of the customer, builder, developer, or property owner including all labor, material and supplies.

E. The District may construct sanitary sewer improvements to serve a particular area as may be described by the District from time to time. The sanitary sewer improvements shall connect with public, or other District sewer or with a natural course of drainage. The Board may cause sanitary sewer improvements to be constructed in each area whenever the Board shall deem the sewers necessary to thereby promote public health and sanitation, make available conveniences not otherwise possible, and for the general public welfare. After the District has entered into a contract for construction of the sanitary sewer improvements, the District's engineer shall compute the whole cost thereof and shall apportion the same against the lots or tracts of ground in the area to be served by the sanitary sewer improvements, exclusive of the public highways, and the District engineer shall report the same to the Board of Directors of the District and the Board shall therefore levy a surcharge against each lot or piece of ground within the area to be served by the sanitary sewer improvements as they connect to the same.

Rule #5. Security Deposits

A. Security deposits for water service shall be as follows:

Residential, single and multi-family, per dwelling unit.
3/4 inch water service \$ 50.00

Commercial, Business and/or Industrial customers, each metered water connection is based on size of meter and is considered the minimum deposit amount. Additional deposits may

Approved Charles H. Day Effective Date: 12/5/06

apply for higher use customers and will be evaluated on a case by case basis. Minimum deposit amounts:

3/4 inch meter.....	\$ 75.00
1 inch meter.....	\$ 100.00
1 1/2 inch meter.....	\$ 200.00
2 inch meter.....	\$ 300.00
2 1/2 inch meter.....	\$ 400.00
3 inch meter.....	\$ 500.00
4 inch meter.....	\$ 700.00

B. Security deposits for sewer service shall be as follows:

Residential, single and multi-family, per dwelling unit, with 3/4 inch water meter, or sewer service only (in the case of a private water well)..... \$ 50.00

Commercial, Business and/or Industrial customers, each sewer connection is based on size of water meter and is considered the minimum deposit amount. Additional deposits may apply for higher use customers and will be evaluated on a case by case basis. Minimum deposit amounts:

3/4 inch meter.....	\$ 75.00
1 inch meter.....	\$ 100.00
1 1/2 inch meter.....	\$ 200.00
2 inch meter.....	\$ 300.00
2 1/2 inch meter.....	\$ 400.00
3 inch meter.....	\$ 500.00
4 inch meter.....	\$ 700.00

C. Security deposits shall be paid prior to the initiation and start of service. The District reserves the right, at their option, to bill for security deposits with the customer's water/sewer bill. In any event, services with security deposits unpaid after 30 days of billing are subject to disconnection of service.

D. Security Deposits shall be held without interest. Deposits shall be credited to the customers account following twenty-four (24) consecutive months of timely payments or in the event twenty-four (24) consecutive months of timely payments are not made, will be held and applied to customers final bill. Deposits are to be maintained in a separate account of the District.

Approved

Charles H. Day

Effective Date: 12/5/06

Rule #5. Security Deposits (continued)

E. Security Deposits, at the request of the customer and upon subsequent approval by the District, may be transferred from a customer's previous account to that customer's new account. Security deposits are not transferable from one customer to another customer in any way.

F. The owner of any multi-unit building (residential or commercial) containing two or more units, shall be considered the user of water furnished to the building and is liable for payment of security deposit and service bills, unless the owner installs or causes to be installed separate water meters for each and every unit. Only if separate water meters are installed are the tenants allowed to be the customers for water and/or sewer service. In all other cases the owner shall be deemed the customer by the District.

G. Security deposits may be adjusted higher if the District deems necessary to ensure protection from delinquent water usage charges.

H. The District shall maintain a complete, accurate, and up to date listing of refundable meter deposits, and the District shall establish a control account to track total liabilities related to meter deposits. The District's clerk shall track deposits received and refunded deposits. The District shall review its meter deposit listing and establish a control account liability balance for the total of meter deposits.

I. A \$50.00 non-refundable membership fee shall be charged to all new customers.

Rule #6. Water Rates and Charges

A. A charge for water service shall be made based on water meter readings and computed at the rates herein set out, whether single metered or master metered. The District, through its authorized employees and agents, may read water meters monthly, bi-monthly or quarterly as deemed in the District's best interest and statements (bills) shall be rendered accordingly.

B. Failure to submit a bill and/or (delinquent) notice of non-payment or payment not received shall not excuse the customer from their obligation to pay for water service when a bill is submitted.

C. Whenever, for any cause, a water meter fails to operate correctly, or for some reason the District is unable to read the water meter, the District shall make a reasonable estimate of the amount of water supplied by the District during the specified period and the customer shall be liable for payment based on the estimate of water supplied.

Approved

Charles H. Day

Effective Date: 12/5/06

Rule #6. Water Rates and Charges (continued)

D. Multi-Unit buildings that are master metered shall have minimum water bills computed based on the number of units served by the minimum rate shown below. The balance of the bill shall be computed on the remaining gallons of water used or sewer discharged. Each motel, hotel, hospital, nursing home, campground, park or other similar structure and/or development (approved specifically by the District) shall have each unit or pad capable of separate overnight occupancy counted as one-third (1/3) of a unit for the computation of minimum water bill due.

E. Water meters will be owned and maintained by the District. Meters will be kept in proper operating condition by the District. A meter damaged or destroyed through tampering or abuse will be repaired or replaced at the customer's expense. Meters that fail or are replaced due to routine use and wear will be repaired or replaced at the District's expense.

F. Meter tests will be performed from time to time to determine accuracy and meters may be replaced from time to time to ensure accuracy. Meter tests will be performed as deemed necessary by the District at no charge to the customer. Meter tests requested by the customer that are deemed unnecessary in advance by the District will result in a \$25.00 testing charge to the customer, unless the meter registers outside of the 98 to 102 percent accuracy level in which no charge will incur.

G. From time to time, and in amounts determined by the State and Local Authorities, the District will bill and collect for primacy fees, taxes, user fees, laboratory fees and after doing so, will pass those fees onto those appropriate State or Local Authorities.

H. Each customer, user, or owner of the premises connected to the District's water system shall pay for water drawn from the system each month according to the readings of the water meters (or estimates thereof) for each particular connection for all bills issued on or after January 1, 2007 pursuant to the rate schedule approved by the board on 1-9-2006 as amended from time to time, attached hereto as Exhibit I, and incorporated as if set forth at length herein.

I. The District reserves the option, at the Boards sole discretion, to grant a customer a one time leak adjustment, provided the customer can prove by providing written documentation and justification that a leak occurred and was promptly repaired at time of discovery. One time leak adjustments will be based on average water usage's over the previous three (3), six (6) or twelve (12) month period or as however deemed appropriate by the District. Leak adjustments will not be granted to customers who do not promptly repair leaks after notification by District personnel.

J. To help detect any significant water loss on a timely basis, and to help ensure all water usage is properly billed, the District shall monthly prepare and maintain records of the total gallons of

Approved

Charles H. Day

Effective Date: 12/15/06

water pumped and reconciled into the gallons of water billed. If the difference shall exceed fifteen (15) percent, the difference shall be investigated in order to reconcile the difference

Rule #7. Sewer Rates, Charges and Conditions of Service

A. A charge for sewer service shall be made based on water meter readings or monthly charges and computed at rates herein set out, whether single metered or master metered. Each customer connected to the District's sewer system shall pay for sewer service monthly. Each applicant or customer, who by previous agreement, indicated desire to connect by payment of \$29.00 for the right to connect to the District's sewer system when built, shall pay for sewer service monthly, whether connected or not connected, once the District has issued notification that sewer service has been made available to the customers property.

B. Residential customers shall be billed for sewer service based on actual or estimated winter water usage gathered between the months of October and March. This average winter water use shall be used to compute residential sewer billings each April for the next 12 month period.

C. New customers who have not established average winter water usage shall be billed on the basis of 6,104 gallons per month until actual winter water usage has been established. Within 90 days of their actual winter water use being known, any new sewer customer, upon written request, can request review of their account to determine if their actual winter water use was less or more than the average winter water use billed. If their actual average winter water use was less or more than the billed average, the difference will be applied to their sewer account as a credit or an additional charge, whichever the case may be.

D. Commercial, Business and/or Industrial customers shall be billed based on actual or estimated usage based on monthly water meter readings or sewer flow metered.

E. If a Commercial, Business or Industrial customer has a consumptive use of water, or in some other manner uses water that is not returned to the sewer system, or has a water source other than or in addition to the District's system, the sewer service charge for that customer shall be based on a sewer meter or separate water meters installed and maintained at that customers expense and in a manner acceptable and approved by the District.

F. Failure to submit a bill and/or (delinquent) notice of non-payment or payment not received shall not excuse the customer from their obligation to pay for sewer service when a bill is submitted.

G. Multi-Unit buildings that are master metered shall have minimum sewer bills computed based of the number of units served at the minimum rate shown below. The balance of the bill shall

Approved

Charles H. Day

Effective Date: 12/15/06

be based on the remaining gallons of water used or sewer discharged. Each motel, hotel, hospital, nursing home, campground, park or other similar structure and/or development (specifically approved by the District) shall have each unit or pad capable of separate overnight occupancy counted a one-third (1/3) of a unit for the computation of minimum sewer bill due.

H. The District reserves the right to approve or disapprove any new services as the District deems to be in their best interest. No storm water drains, roof runoffs, pond overflows, cisterns, etc. of any type shall be connected to the District's sewer system.

I. The customer will maintain and be responsible for the sewer lateral from house and all inside lines, up to and including the connection to the main sewer.

J. Each customer, user, or owner of the premises connected to the District's sewer system shall pay for sewer service each month according to readings of water meters as indicated above (or by reasonable estimates as computed by the District) for each particular connection for all bills issued on or after January 1, 2007 as follows:

<u>Minimum Monthly Sewer Charge</u>	<u>Cost or Rate</u>
Minimum per Month, First 1000 gallons (Includes Service Availability Only - No Usage)	\$ 23.00
Plus All usage - gallons per month	\$ 3.00/1000 gallons (\$3.00 per each 1000 gallons used each month or portion thereof)

K. Customers who request initiation or disconnection of sewer service for a portion of the monthly billing period may receive a prorated bill for that portion of the billing period service is received.

L. It is expressly understood and agreed to by and between the District and the customer/user that no claim shall be made against the District and the District has no liability of any kind to the customer or third persons for equipment failures, power outages, sewer backups, blocked sewers or any other failures of any kind, unless due to negligence of the District and in absence of any contributory negligence on the part of the customer or third party.

M. Any customer discharging sewer flows in excess of 300 mg/l BOD and/or TSS shall be subject to surcharge in accordance with District policy and/or as governed by the State. Any customer discharging sewer flows in excess of 1,000 mg/l BOD and/or TSS shall be in violation of

Approved Charles H Day Effective Date 12/5/06

District, State or Federal regulations unless approved by prior agreement(s). Any customer which discharges sewer flows which cause and increase the cost of managing the effluent or sludge or biosolids from the District's sewer system, or any user which discharges any substance which singly or by interaction with other substances causes identifiable increases in the cost of operation, maintenance or replacement of the sewer system shall pay for such increased costs. The charge for each such user discharging sewer flows under the above conditions shall be determined by the District and subsequently approved by the Board of Directors.

N. Prohibited Discharges includes all connections and flows identified in Section H. above as well as the following types of waters or wastes:

- Any waters or wastes, in quantities or concentrations, which have the potential for, or cause pass through or interference to the treatment system or quality of effluent.
- The discharge of pollutants which may create a fire or explosion hazard in the wastewater system, including but not limited to waste streams with a closed cup flashpoint of less than one hundred and forty degrees (140) Fahrenheit or sixty (60) degrees Celsius using the test methods specified in 40 CFR 261.21, Ref. 40 CFR 403.5(b)(1).
- Any waters or wastes containing toxic or poisonous solids, liquids or gases, in sufficient quantity, either singly or by interaction with other wastes, to cause harm, damage, or which interfere with or cause other detriment to any sewage treatment process, or which constitute a hazard to humans or animals, or create a public nuisance, or create any hazard in the sewage treatment system, or pass through to receiving waters.
- Any waters or wastes having a pH lower than 6.0 or having any other corrosive property capable of causing damage or hazard to structures, equipment or personnel of the sewage treatment system.
- Any solid or viscous material which could cause any obstruction to the treatment process or cause interference or pass through. Examples of such materials include, but are not limited to, ashes, wax, paraffin, cinders, sand, mud, straw, shavings, wood and sawdust, paunch manure, hair and fleshing, entrails, lime slurries, brewery and distillery wastes, grain processing wastes, grinding compounds, acetylene generation sludge, chemical residues, acid residues and food processing bulk solids.
- Any liquids or vapor having a temperature higher than one hundred four (104) degrees Fahrenheit or forty (40) degrees Celsius.
- Any petroleum oils, non-biodegradable cutting oils or products of mineral oil origin in amounts that will cause pass through or interference.

O. Conditional Discharges - No customer shall cause to be discharged to the sewer system the following described substance, materials, waters or wastes if it appears likely, in the opinion of the District, that such wastes may cause pass through interference or cause harm to either the sewer, the

Approved Charles H Day Effective Date 12/5/06

sewage treatment process or otherwise endanger life, limb, public property or constitute a nuisance. In forming its opinion as to the acceptability of these wastes, the District will give consideration to such factors as materials used in the construction of the sewers, the nature of the sewage treatment process, the capacity of the sewage treatment system and other pertinent factors:

- Any waters or wastes containing fats, waxes, greases or oils, whether emulsified or not, in excess of one hundred (100) milligrams per liter, or containing substances which may solidify or become viscous at temperatures between thirty-two (32) and one hundred and fifty (150) degrees Fahrenheit (0 and 65 degrees Celsius).
 - Any garbage that has not been properly shredded.
 - Any waters or wastes containing strong acid iron pickling wastes or concentrated plating solutions, whether neutralized or not, which are capable of causing damage or corrosion in the sewers or the sewage treatment plant, or which otherwise interferes with the sewage treatment process.
 - Any waters or wastes having a pH in excess of ten (10).
 - Materials which exert or cause excessive coloration or discoloration such as dyes, wastes and vegetable tanning solutions, concentrations of inert suspended solids such as Fuller's earth, lime slurries or dissolved solids such as sodium and calcium chlorides.
 - Septic tank sludge and septic tank pumping.
 - Slug loads and/or flows that would exceed fifteen (15) minutes that are more than five (5) times the average twenty-four (24) hour concentration, flow or quantities for normal operation.
 - Any waters or wastes containing any radioactive wastes or isotopes of such half-life or concentration that would exceed the limits established by applicable State or Federal regulations.
 - Any waters or wastes which would cause a hazard to human life or create a public nuisance.
- P. Any conditional waters or wastes listed in Section O which are discharged or proposed to be discharged, the District may:

1. Reject the wastes or
2. Require pretreatment of the wastes or
3. Require control over the quantities and rates of discharge.

If the District requires pretreatment or equalized or controlled waste flows, the design and installation of the plants or equipment used shall be subject to review and approval prior to the connection and/or discharge of such wastes.

Q. Grease, oil and/or sand interceptors shall be provided at the sole cost and expense of the customer, if in the District's opinion, such grease, oil and/or sand interceptor is necessary for the

Approved

Charles H. Day

Effective Date: *12/5/06*

proper handling of waters or wastes containing grease, oil, sand or other matter that may be harmful to the sewer system. Interceptors shall be located in a readily and easily accessible location for cleaning and inspection. The interceptor type and capacity shall be approved by the District prior to installation and the District shall inspect and approve the installation of the interceptor prior to the initiation of service.

R. Additionally, the District will require inspection, monitoring and sampling manholes or ports together with all meters and/or appurtenances deemed necessary by the District wherever industrial waste exists. Such manholes or ports shall be located in locations approved by the District, shall be constructed in accordance with plans approved by the District, shall be installed and maintained by the customer at the customer's sole expense. Manholes and ports are to be safe and accessible at all times.

S. The District's authorized employees, representatives and agents bearing proper credentials and identification shall be permitted to enter all properties connected or suspected of being connected to the District sewer system for the purpose of inspection, observation, sampling and testing of waters or wastes in accordance with the provisions of this resolution. These persons shall have the right to inquire about any industrial or customer processes that have a direct bearing on type, amount, kind and source of discharge to the District sewer system, but no authority to inquire into any processes beyond the point of those that have a direct bearing on the type, amount, kind and source of discharge to the District sewer system.

T. Paper products other than toilet tissue, should not be put in the sewer system. Examples of this type of prohibited waste includes (but are not limited to) hand-wipes, baby wipes, diapers, sanitary napkins, tampons, newspapers, and coffee filters. Additionally, no plastic or latex rubber products should be put into the sewer system. Examples of this type of prohibited waste includes (but are not limited to) condoms, tampon applicators, balloons, ribbons, rope, and toys. Additionally, no animal parts or products should be put into the sewer system. This includes fats and grease, bones, and skin.

U. The first (1st) service trip to correct any of the problems caused by the items in Section T will be at the District's expense. Additional service trips to correct problems caused by the above items will be billed to the customer at a rate not to exceed \$250 per hour, depending on needed manpower and equipment used.

Approved

Charles H. Day

Effective Date: *12/5/06*

Rule #8. Billing, Payment of Bills and Collections

A. Water and/or sewer service shall be deemed to be furnished to both the occupant and/or owner of the premises receiving service and the occupant and/or owner of such premises shall be severally and jointly liable to the District for payments of the charges on or to the premises served. All reasonable attempts will be made to have the occupant of the premises pay for services rendered before collection for services rendered is made to the owner of the premises.

B. For water customers, sewer customers and combined water and sewer customers the District will bill for services rendered monthly, bi-monthly or quarterly as deemed to be in the best interest of the District. Bills are due and payable upon receipt.

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~~Bills not paid within 20 days from date of bill are considered past due and delinquent. Bills not paid within 20 days from date of bill will be subject to a ten (10) percent delayed payment charge of the current water and/or sewer service charges due which shall be added to the amount due, and the customer will be sent a past due/disconnect notice.~~

D. For any customer whose bill is not paid within 10 days from date of the past due/disconnect notice, the customer's service shall be disconnected.

E. Customers whose service has been disconnected for nonpayment of bills are required to pay the past due and current amounts of service rendered by the District to the District as well as any and all disconnection and reconnection charges due prior to the restoration of water and/or sewer services disconnected.

F. Failure to pay a bill within 10 days of date of issuance of past due/disconnection notice shall be subject to disconnection with a disconnection fee of \$50.00. Services subject to disconnection, unless previously agreed on by the District, are subject to the following reconnection charges which must be paid in cash or by certified or cashiers check or money order:

- \$50.00, from 8:00 am to 4:30 PM Monday through Friday, excluding Holidays. No payment from customers to service personnel will be accepted at the time of disconnection to avoid loss of service.
- No reconnection or restoration of service will be made after 4:30 PM Monday through Friday, and all day Saturday, Sunday, or Holidays unless an emergency or life threatening situation exists. The reconnection fee for an emergency reconnection will be \$150, and upon availability of personnel to perform the reconnection.

G. Returned checks due to insufficient funds, closed accounts or other reasons will be considered seriously past due and delinquent accounts. Customers of such accounts will be given

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Charles H. Day

Effective Date: 12/5/06

notice to make immediate restitution and pay a \$25.00 returned check charge and in doing so may avoid service disconnection. Customers who do not make restitution and pay the \$25.00 returned check charge are subject to water and/or sewer service disconnection without further notice and are subject to the charges outlined in section F. above.

H. In all cases involving returned checks, only cash, money orders and cashiers checks will be acceptable for payment of services rendered for that particular restitution of payment. Future incidents involving returned checks may require all future payments for services rendered to be cash, money order or cashiers checks.

I. For sewer only users, all billing, payment and collection procedures apply as listed above and the District reserves the option of disconnecting the sewer lateral from the main sewer line or removing any sewer pump serving the customer or disconnecting water and/or sewer service as provided under State Law. Should the charge for sewer service remain unpaid after the disconnection date and/or the customer has not made other suitable arrangements approved by the District, the District's option is to proceed with disconnection of service and give final notice to the customer and/or property owner. Prior to physical disconnection of the sewer service the District shall notify the appropriate building official or Health Department who may elect to notify the customer/property owner that the subject property is subject to condemnation for lack of appropriate sewer service. The District reserves the right to charge and collect any and all additional expenses associated with any such disconnection of laterals, pumps and administration fees and the customer shall pay any such amounts in addition to service charges due prior to the restoration of sewer service.

J. Any water and/or sewer customer of the District shall be subject to paying reasonable attorney fees and court costs if suit is filed on his/her delinquent accounts. The District may direct the attorney for the District to file suit against any customer whose account is considered delinquent for one hundred eighty (180) days or more or is delinquent in amounts exceeding two hundred fifty dollars (\$250).

K. Customers who request initiation or discontinuance of water and/or sewer service for a portion of the monthly billing period may receive a prorated bill for that portion of the billing period that the service is received in accordance with the District's current or existing procedures for prorating bills.

L. Water and sewer service shall be deemed to be furnished to the occupant and/or owner of the residence or establishment receiving the service. All reasonable attempts will be made to collect payment for service from the occupant. If the occupant fails to pay for service, the District will make all reasonable attempts to determine the ownership of the residence or establishment, and at the

Approved

Charles H. Day

Effective Date: 12/5/06

option of the District, to hold the owner responsible for service if deemed proper by the Board of Directors.

M. Monthly reconciliations will be performed to ensure beginning receivable balances, plus total billings, less total collections, equals ending receivable balances. Complete documentation of the reconciliations shall be retained by the District for a period of two (2) years.

N. All late payment charges shall be abated only upon documented Board approval and the reasons for the abatement will also be documented. In addition, customers may make partial payments only upon documented Board approval.

O. The Board President shall review all credit adjustments and present each credit adjustment for monthly review and approval by the Board of Directors.

P. Ordinance 2007-01 * attached
Rule #9. Water Conservation Plan

A. All connections to the District's water system shall be subject to the District's Water Conservation Plan as identified below and for which plan is to provide for public health and to regulate use of the District's water system.

B. The District or its agents shall give notice to customers of any voluntary requests or mandatory measures the District places into effect by means of radio, television, newspapers and any other news media. In cases of extraordinary measures or disasters the District may utilize all of the above as well as any emergency warning system including local law enforcement agencies.

C. If a disaster occurs, severe conditions exist and/or voluntary water curtailment or restrictions are requested by the District or if demands on the water system continue to indicate that the threat of a water shortage will occur or continues to occur, the District or its agents may immediately implement any parts of the below conservation plan as the District deems necessary:

1. **Mandatory Restriction of Lawn Watering.** Even-numbered addresses water on even-numbered days of the month, odd-numbered addresses water on odd-numbered days of the month.
2. **Mandatory Ban of Lawn Watering.** All lawn watering, watering of gardens, crops, plants, trees and bushes is prohibited except from a hand held container.
3. **Mandatory Ban on Washing Paved Areas.** All washing of sidewalks, driveways, parking areas, patios and any other paved or concrete surfaced area is prohibited.

Approved

Charles A Day

Effective Date: *12/5/06*

Rule #9. Water Conservation Plan (continued)

4. **Mandatory Ban on Filling and Washing.** All filling or refilling of any kind or type of swimming pools and/or washing of cars, trucks or other motor vehicles and/or any washing of trailers or boats is prohibited.
 5. **Mandatory Ban of Water Uses From Hydrants.** All water uses from fire hydrants except for fighting fires and/or flushing mains to alleviate specific complaints and/or sampling and/or testing of water is prohibited.
 6. **Commercial and Industrial Uses.** All commercial and industrial customers shall reduce water usage by twenty-five (25) percent of average use like time period.
- D.** Any customer or person(s) violating the provisions of this rule shall be subject to disconnection of water service and the District and/or its agents shall have the authority to disconnect or terminate said service in the event of violation of mandatory water use restrictions. Any customer or person(s) violating the provisions of this rule shall be subject to a charge not to exceed five hundred (\$500) dollars per occurrence. Each day shall count as a separate occurrence. The District shall authorize any law enforcement agency to diligently enforce the provisions of this rule in connection with his/her duties imposed by law.

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Charles A Day

Effective Date: *12/5/06*

Rule #10. Backflow Prevention

A. Each water customer and/or user shall install an approved backflow prevention device on each service line to the water system serving the premises where, in the judgment of the District or the Missouri Department of Natural Resources, actual or potential hazards to the public (District) potable water system exist. The type and degree of protection required shall be commensurate with the degree of hazard. Each water customer required by the District of the Missouri Department of Natural Resources shall follow the rules, regulations and requirements set forth in this backflow prevention rule and all other regulations that may be adopted from time to time by the United States Environmental Protection Agency, the Missouri Department of Natural Resources or by Public Water Supply District #2 of Lincoln County, Missouri.

B. Cross connections are prohibited and no water service connection shall be installed or maintained to any premises where actual or potential cross connections to the District's potable or customers water system may exist unless such actual or potential cross connection(s) are abated or controlled to the satisfaction of the District and as required by the laws and regulations of the Missouri Department of Natural Resources.

C. No water service connection shall be installed or maintained whereby an auxiliary water supply may enter the District's or customer's potable water system(s) unless the connection of such an auxiliary water supply and the method of connection and the use of such a supply shall have been approved by the District and the Missouri Department of Natural Resources.

D. No water service connection shall be installed or maintained to any premises in which the plumbing systems, facilities, point of use devices and water fixtures have not been constructed or installed using acceptable plumbing practices considered by the District necessary for the protection of the District water supply and for the protection of the health and safety of the District's customers.

E. On request by the District or its authorized representative(s), the customer or user shall furnish information regarding water use practices within his/her premises. The customer's or user's premises shall be open at all reasonable times to the District or its authorized representative(s), for the conduction of surveys and investigations of water use practices within the premises to determine whether there are actual or potential cross connections to the District's water system or the customer's water system through which contaminants or pollutants could backflow into the customer's water system or the District's water system.

Approved

Charles H. Day

Effective Date

12/5/06

Rule #10. Backflow Prevention (continued)

F. The type of backflow protection required shall depend on the degree of hazard which exists and shall be as follows:

1. An approved air-gap separation shall be installed where the District potable water system may be contaminated with substances that could cause a system or health hazard.
2. An approved air-gap separation or an approved reduced pressure principle backflow prevention device shall be installed where a public potable water system may be contaminated with a substance that could cause a system or health hazard.
3. An approved air-gap separation or an approved reduced pressure principle backflow prevention device or an approved double check valve assembly shall be installed where the public potable water system may be polluted with substances that could cause a pollution hazard not dangerous to health.

G. An approved air-gap separation or reduced pressure principle backflow prevention device shall be installed after the metered flow of any service connection or within any premises where, in the judgment of the District or the Missouri Department of Natural Resources, the nature and extent of activities on or in the premises, or the materials used in connection with the activities, or materials stored on or in the premises, would represent an immediate and dangerous hazard to health should a cross connection occur, even though such a cross connection may not exist at the time the backflow prevention device is required to be installed. This includes but is not limited to the following situations:

1. Premises having an auxiliary water supply, unless the quality of the auxiliary water supply is acceptable to the District and the Missouri Department of Natural Resources.
2. Premises having internal cross connections that are not correctable or intricate plumbing arrangements which make it impractical to ascertain whether or not cross connections exist.
3. Premises where entry is restricted so that inspection for cross connection cannot be made with sufficient frequency or at sufficiently short notice to assure that cross connections do not exist.
4. Premises having a repeated history of cross connections being established or re-established.

Approved

Charles H. Day

Effective Date

12/5/06

Rule #10. Backflow Prevention (continued)

5. Premises, which due to the nature of the enterprise therein, are subject to recurring modification or expansion.
6. Premises on which any substance is handled under pressure so as to permit entry into the District's or customers water supply system, or where a cross connection could reasonably be expected to occur. This shall include handling of process waters and cooling waters.
7. Premises where materials of a toxic or hazardous nature are handled such that if backsiphonage or backpressure should occur, a serious health hazard may result.

H. The following types of facilities fall into one (1) or more categories of premises where an approved airgap separation or reduced pressure principle backflow prevention device is required by the District and/or the Missouri Department of Natural Resources to protect the public water supply and must be installed at these facilities unless all hazardous or potentially hazardous conditions have been eliminated or corrected by other methods to the satisfaction of the District and the Missouri Department of Natural Resources.

1. Aircraft and missile plants
2. Automotive plants
3. Auxiliary water systems and water loading stations
4. Beverage bottling plants
5. Canneries, packing houses, reduction plants, stockyards
6. Car washing facilities
7. Chemical manufacturing, processing, compounding or treatment plants
8. Dairies, animal and veterinary clinics
9. Film laboratories
10. Fire protective systems
11. Hazardous waste and disposal sites
12. Hospitals, mortuaries, clinics and medical buildings
13. Industries using toxic substances
14. Irrigation and sprinkler systems, residential or commercial, any size
15. Laundries and dye works
16. Metal manufacturing, cleaning, processing and fabrication plants
17. Nursing and convalescent homes
18. Oil and gas production, storage and transmission facilities or properties
19. Paper and paper products plants
20. Plant nurseries, tree farms and fertilizer facilities

Approved

Charles H. Day

Effective Date:

12/5/06

21. Plating plants of any kind
22. Power plants, printing and publishing facilities
23. Radioactive material processing plants or nuclear reactors
24. Research and analytical laboratories
25. Rubber plants, natural and synthetic
26. Sewage and storm drainage facilities
27. Pumping stations and treatment plants
28. Water front facilities and industries
29. Any customer using any type of booster pressure pump(s) for any purpose or reason

I. The District may, at the District's discretion and in the District's sole opinion, require a backflow prevention device(s) at facilities and premises other than those above that the District deems may have a hazardous or potentially hazardous condition.

J. Any backflow prevention device required under this rule shall be of a type, model and construction approved by the District and the Missouri Department of Natural Resources as follows:

1. Air-gap separation shall be at least twice the diameter of the supply pipe or supply line as measured vertically above the top rim of the vessel, but in no case less than three (3) inches.
2. Double check valve assemblies or reduced pressure principle backflow prevention devices shall be of Watts manufacture series No. 709 or 909 or an approved equivalent

K. Existing backflow prevention devices previously approved by the District at the time of installation and properly maintained shall, except for inspection and maintenance requirements, be excluded from the requirements of this rule so long as the District, in the District's sole opinion, is assured that said backflow prevention devices will satisfactorily protect the water system. Whenever the existing device is moved from its present location or requires more than minimum maintenance or when the District finds that the maintenance or lack of maintenance constitutes a hazard to health, the device shall be replaced by a backflow prevention device meeting the requirements of this rule and shall be subject to all requirements under this rule.

L. Backflow prevention devices required under this rule shall be installed at a location and in a manner approved by the District and shall be installed and maintained at the expense of the water customer or user.

Approved

Charles H. Day

Effective Date:

12/5/06

Rule #10. Backflow Prevention (continued)

M. Periodic inspection and testing schedules are hereby established by the District for all backflow prevention devices at the following intervals:

1. Air-gap separations shall be inspected at the time of service connection or installation and every twelve (12) months thereafter.
2. Double check valve assemblies shall be inspected and tested for tightness at the time of installation and at least every twelve (12) months thereafter. They shall be dismantled, inspected internally, cleaned and repaired whenever needed and at least every thirty (30) months.
3. Reduced pressure principle backflow prevention devices shall be inspected and tested for tightness at the time of installation and at least every twelve (12) months thereafter. They shall be dismantled, inspected internally, cleaned and repaired whenever needed and at least every five (5) years.

N. All costs associated with inspections, cleaning, testing, repairing, overhaul or replacement of backflow prevention devices shall be the responsibility of the water customer or user. All inspections, cleaning, testing, repairing and overhaul of backflow prevention devices shall be performed by a State of Missouri certified backflow prevention service tester. It shall be the responsibility of the customer/user to provide the District with written inspection or repair documentation upon receipt.

O. Backflow prevention devices found to be defective shall be repaired or replaced at the expense of the water customer or user without undue delay and in any event no later than thirty (30) days from the discovery of the defect. Backflow prevention devices shall not be bypassed, made inoperative, removed or otherwise made ineffective without specific written authorization from the District. Bypass piping around a backflow prevention assembly is allowed only if the bypass is equipped with an identical or better backflow prevention assembly.

P. The District shall maintain a complete record of each backflow prevention device. Records will include comprehensive listing of installation, testing, inspections, cleanings, repairs and overhauls and will generally be a complete history of each backflow prevention device from installation to retirement. It shall be the customer's and/or user's responsibility to provide the District with complete records of installations, testing, inspections, cleanings, repairs and overhauls upon receipt or upon request, whichever occurs first.

Approved Charles H. Day Effective Date: 12/15/06

Rule #10. Backflow Prevention (continued)

Q. The District shall deny or discontinue, after reasonable notice to the customer/user thereof, the water service to any premises or facilities wherein any backflow prevention device required by this rule is not installed, tested or maintained in a manner acceptable to the District or if it is found that a backflow prevention device has been removed or by-passed or if an unprotected cross connection exists on the premises. Water service to such facilities or premises shall not be restored until the customer/user has corrected or eliminated such conditions or defects in conformance with this rule to the satisfaction of the District.

Rule #11. Fire Hydrants, Regulations for Use.

A. Hydrants and flushing assemblies shall only be operated by District personnel, Fire Protection Districts, persons carrying written authorization or permit to operate hydrants and flushing assemblies or those persons or companies granted temporary permit to operate hydrants and flushing assemblies in accordance with the regulations of the District. The operation of any hydrant or flushing assembly by any unauthorized person(s) or company may result in the impoundment of any hose(s), wrenches, nozzles, backflow preventors, meters or other items used in the hydrant operation with charges and penalties defined in Rule #17 and those persons shall be subject to prosecution by the District.

B. Persons or companies authorized to use and operate hydrants may be required to provide a security deposit and shall pay for all water used. The authorized hydrant user shall provide all equipment necessary for hydrant use including hoses, control valves, approved backflow prevention device, plus any other equipment deemed necessary by the District for the safe and proper operation of the hydrant and/or flushing assembly.

C. The District reserves the right to deny any person, persons, company, companies or any other entity any request for hydrant or flushing assembly use for any reason the District believes necessary to protect the property and/or best interests of the District.

D. The District reserves the right to develop and implement detailed regulations for hydrant use, permits, fees and charges, and procedures for hydrant operation and amend hydrant use procedures whenever the District deems necessary. The District reserves the right to waive or reduce hydrant deposits and water use charges for improvements or for construction projects and extensions to the District's system directly awarded and paid for by the District.

E. All District hydrant users shall follow the permit and use procedures and pay the applicable fees as adopted by the Board of Directors and as may be amended from time to time.

Approved Charles H. Day Effective Date: 12/15/06

Rule #12. Sprinkler System Uses

A. Fire protection, irrigation systems and similar types of sprinkler systems shall be subject to all backflow requirements set forth by the District and the State of Missouri. Those systems not complying with the requirements shall be subject to disconnection, with no liability incurred to the District, or by any other entity, company or person serving as the District's agent. All liability is assumed by the customer, user or owner of the residence or establishment receiving the service.

B. All water mains laid on private property for the sole purpose of providing fire protection through fire hydrants or sprinkler systems are subject to the installation of a detector check valve with bypass water meter, sized as approved by the District. The detector check valve design and installation shall be approved by the District. All costs for the furnishing and installation of the fire protection service shall be borne by the customer, user or owner and not the District. The detector check valve and meter will be checked periodically by the District and water use through the meter shall be added to other water usage for billing to the customer, user or owner.

C. The customer and/or water user shall promptly report to the District any situation or fires that occur that resulted in water use through the fire protection line and the District or other authorized persons will reset the detector check valve. In the event a periodic check shows that the valve was opened and no situation or fire was reported, the customer, user or owner shall be subject to a charge as identified within the Rule addressing the charges for tampering and penalties for violation. Furthermore, the District reserves the right to require that all water lines be fully metered with all costs of metering to be borne by the customer, user or owner.

D. All fire protection systems are also subject to the approval of the Fire Protection District having authority in the area the premises are located and the customer or user shall follow all requirements set forth by the Fire Protection District as they pertain to fire protection regulations.

Rule #13. Private Systems

Section A. Private Sources of Water and Private Water Systems

1. All owners of land or customers receiving District service(s) for buildings or premises connected to the District sewer system and who derive their water in whole or in part from sources independent of the District shall register with the District, the location, building or premises, all wells or other private sources of water supply used or consumed thereon, and furnish such information as may be reasonably requested, including location, size, depth, capacity or wells or other sources of water drawn.

Approved: Charles H. Day Effective Date: 12/5/06

Rule #13. Private Systems

Section A. Private Sources of Water and Private Water Systems (continued)

2. No cross connection between any private water supply system and the District water system shall be permitted unless the District is protected against backflow by an approved reduced pressure backflow prevention device or an air-gap in accordance with the District's rule pertaining to backflow prevention.

3. Private water supply systems serving building or premises which discharge into the District's sewer system shall be required to be metered. Meters shall be of a type and size approved by the District. Meters shall be read by the District or at the District's option, readings and usages be made available to the District.

Section B. Private Sewer Systems

1. Construction of private sewer systems within 300 feet of a District sewer line are hereby prohibited and shall not be constructed unless the following requirements have first been met:

- a. The Board of Directors have given approval for the construction of such a private sewer system. Such approval shall not be given if it is determined that the District sewer system has the ability to serve the area, such extension is economically feasible and can be accomplished to meet the immediate needs of those proposed to be served by the proposed private sewer system; and
- b. The owner of the private sewer system has obtained a construction permit from the Missouri Department of Natural Resources; and
- c. The owner of the private sewer system has obtained an operating permit from the Missouri Public Service Commission; and
- d. Such system shall be constructed and operated according to the rules, regulations and requirements of the Missouri Department of Natural Resources and any and all other Federal, State and County agencies which have the authority to set such regulations.

2. Private sewer systems shall make a direct connection to the District's public sewer system within ninety (90) days notice of availability, such notice being given after the public sewer system is made available to the property. The public sewer system is considered available to the property if it is within three hundred (300) feet of any part of the property to be connected to the sewer line.

Approved: Charles H. Day Effective Date: 12/5/06

Rule #13. Private Systems

Section B. Private Sewer Systems (continued)

3. The private sewer system facilities shall be abandoned and properly destroyed and/or closed after connection to the public sewer system in accordance with State regulations and timing

Rule #14. Water and Sewer Line Extensions

A. The specifics and details of this rule pertaining to water and/or sewer line extensions are available in a separate package available upon request. All water and/or sewer line construction and water and/or sewer line extensions shall be designed in accordance to industry standards set forth by AWWA, WPCF, the District's Engineer, and the District's Standard Construction Specifications. Prior to any construction of any water and/or sewer line extension, all applicable planning, engineering, review and inspection fees must be paid and the construction plans must be approved in writing by the District and all other applicable governmental agencies.

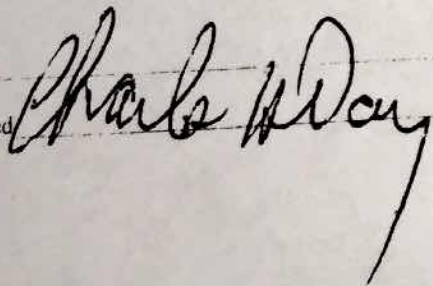
Rule #15. Governmental Agreements, Tank & Golf Course Sales & Emergency Interconnections

A. The District may make specific water and/or sewer service contracts and agreements with the United States of America and its agencies, the State of Missouri and its agencies, school districts, municipal and political corporations differing from the stipulations set out in the rules, regulations and rate schedules set forth herein.

B. The District has the option and authority to authorize tank sales and sales of water in bulk by any method at any such rate as the District may designate. Sales of this nature may be restricted whenever and however as deemed necessary or desirable by the District. The District reserves the right to develop or modify bulk sales requirements or restrictions at will.

C. The District may make and enter into specific reciprocal agreements for emergency interconnections between the District water system and other public, governmental or other water systems regulated by the Public Service Commission for the purposes of providing an emergency supply of potable water from the District or to the District as the need arises. Such specific agreements shall set out the respective duties, rights and obligations as respects the construction, operation, maintenance and use of the reciprocal emergency interconnections.

Approved



Effective Date

12/5/06

Rule #16. Services deemed furnished both to occupant and owner of premises

A. Sewerage services, water services, or water and sewerage services combined shall be deemed to be furnished to both the occupant and owner of the premises receiving such service and, except as otherwise provided in subsection B of this Rule, District rendering such services shall have power to sue the occupant or owner, or both, of such real estate in a civil action to recover any sums due for such services less any deposit that is held by the District for such services, plus a reasonable attorney's fee as set forth in RSMo. Section 250.140.

B. When the occupant is delinquent in payment for thirty days, the District shall make a good faith effort to notify the owner of the premises receiving such service of the delinquency and the amount thereof. Notwithstanding any other provision of this Rule to the contrary, when an occupant is delinquent more than ninety days, the owner shall not be liable for sums due for more than ninety days of service. Any notice of termination of service shall be sent to both the occupant and owner of the premises receiving such service.

C. The provisions of this Rule shall apply only to residences that have their own private water and sewer lines. In instances where several residences share a common water or sewer line, the owner of the real property upon which the residences sit shall be liable for water and sewer expenses.

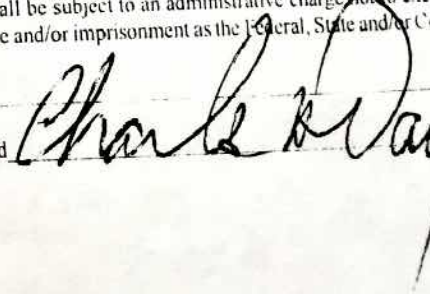
D. Notwithstanding any other provision of law to the contrary, the District shall not be liable for any civil or criminal damages in connection with terminating service due to delinquency of payment by a consumer.

E. The provisions of this Rule shall not apply to unapplied-for utility services. As used in this subsection, "unapplied-for utility services" means services requiring application by the property owner and acceptance of such application by the District prior to the establishment of an account. The property owner is billed directly for the services provided, and as a result, any delinquent payment of a bill becomes the responsibility of the property owner rather than the occupant.

Rule #17. Penalties for Violation

A. Any user, person, firm, customer, corporation, partnership, etc. found to be in violation of any provision of these rules and regulations or who fails to comply with any of the requirements stated herein or who deliberately tampers with, operates or otherwise uses a District owned water line, water meter, water setter, water valve, water storage tank, water supply or water pumping facility, sewer line, sewer manhole, sewer cleanout, sewer pump station or wastewater treatment facility shall be subject to an administrative charge not to exceed five hundred dollars (\$500) per occurrence and/or imprisonment as the Federal, State and/or County law provides in addition to any

Approved



Effective Date: 12/5/06

costs incurred by the District for repairs necessary due to any tampering or failure to follow rules and regulations of the District. Each day of violation and each tampering incident shall count as a separate occurrence.

B. The District shall have the option and authority, in lieu of, or in addition to the above penalties, to discontinue water and/or sewer service to the buildings and/or premises in violation of the requirements, rules and regulations herein. The District absolves itself of any claims of liability for damages incurred as a result of discontinuance of service. Any such liability or damages resulting from the discontinuance of water and/or sewer service is the responsibility of the customer, user, owner, etc.

C. Water and/or sewer service shall not be restored until the violations have been corrected and eliminated to the satisfaction of the District and once service has been disconnected, all charges, fines, court costs and permit fees must be paid prior to the restoration of service.

D. Nothing contained herein shall prevent the District from taking other lawful actions as necessary to protect the health and safety of the public and/or to prevent damage to the District's water and/or sewer systems and facilities, including obtaining court orders in law or equity. Should the District go to court in law or equity against any one or more customers, users, owner/owners, then such customer, user, or owner/owners shall pay for all costs thereof, including attorney's fees.

Rule #18. Severability and Effective Date

A. This resolution provides that the rules and regulations covered herein supersede previous rules and regulations pertaining to the items herein addressed. Should any provision or portion of

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Approved

Charles H Day

Effective Date

12-05-06

this resolution, rules and regulations be found to be unlawful or invalid by any court of competent jurisdiction, the remaining portions and provisions of this resolution, rules and regulations shall continue to be in full force and effect.

B. That this resolution be in full force and effect upon the adoption by the Board of Directors for Public Water Supply District #2 of Lincoln County, Missouri and the effective dated noted herein.

On motion duly made, seconded and carried, this resolution is hereby adopted by the Board of Directors of Public Water Supply District #2 of Lincoln County, Missouri on this 5th day of December, 2006.

(SEAL)

Charles H Day
Charlie Day, Board President

ATTEST:

Carolyn Cockrell
Carolyn Cockrell, Board Secretary

Approved

Charles H Day

Effective Date

12-05-06