RED ROCK RURAL WATER SYSTEM WATER USER'S AGREEMENT

WHEREAS, Red Rock Rural Water System ("**RRRWS**") is a public body organized pursuant to Minnesota Statutes, Chapter 116A et.al. as a rural water system.

WHEREAS, _____ ("Member") desires to purchase water from RRRWS and to enter into a water users agreement as required by RRRWS.

THEREFORE, in consideration of the mutual covenants, promises, and agreements herein contained in this Water User's Agreement (the "**Agreement**"), it is hereby understood and agreed by and between Member and RRRWS as follows:

- 1. Member agrees to pay for all water supplied by RRRWS that passes through the water meter located on Member's premises.
- 2. RRRWS, at its sole discretion, may adopt and may adjust water use charges and such other service charges, fees and penalties as are necessary to operate and maintain the system.
- 3. Member hereby grants RRRWS an ingress/egress easement on, over, across, and through Member's real estate for the purpose of allowing RRRWS to install, construct, replace, repair, remove, inspect and maintain water service lines, water meters, valves, meter pits, automatic meter read (AMR) devices and other appurtenances necessary to provide water service to the Member. Member shall allow RRRWS to read, inspect, maintain and replace any and all water meters used to measure Member's water use located on Member's property. RRRWS will not be responsible for damage done to obstructions placed over RRRWS' trench and/or waterline after construction is complete and may refuse to perform service work on lines below or adjacent to these obstructions.
 - a. RRRWS shall have the sole and exclusive right to determine the <u>final</u> location and dimensions of all water service lines up to and including the shutoff valve (curb stop), meter pit and 10 feet of one (1) inch poly service line stub out. RRRWS will work with Member to locate the end of the 1 inch poly service line stub out in a location that is mutually agreeable. The connection to and additional water service line beyond the 10 feet (1 inch stub out) is Member's responsibility to pay for and connect to the existing water source line that serves Member's property. After the initial installation is completed, Member shall be responsible for all repair and/or replacement of the water service line beyond the 10 foot stub out including the connection. RRRWS shall own and is responsible for the maintenance and/or replacement of the shutoff valve (curb stop), meter pit and 10 feet of one (1) inch poly service line not including Member's connection. RRRWS shall not be responsible for any damages whatsoever caused by normal water pressure and fluctuation thereof.
 - b. RRRWS shall have the right to use all easements specified in Paragraph 3 of this Water Users Agreement Monday through Friday during the hours of 8:00 a.m. to 5:00 p.m. unless requested by the Member at other times, or an emergency exists which requires RRRWS to access Member's real estate between 5:00 p.m. and 8:00 a.m.
 - c. All easements stated at Paragraph 3 of this Agreement shall be in effect at all times that RRRWS water service is being provided or a meter owned by RRRWS remains on Member's real estate. The easements identified at paragraph 3 herein are binding upon both Member and RRRWS as well as their respective successors and/or assigns, and all easements shall run with the land.
- 4. Member hereby agrees that he/she shall not alter, or in any manner disturb, any water lines, meter pits, water meters (including automatic meter read (AMR) devices), and other infrastructure installed by RRRWS.
- 5. In the event of a water shortage, water main break or other system malfunction, RRRWS, at its sole and exclusive discretion, shall have the right to adjust Member's water supply until such time as the event requiring the adjustment has been corrected.

- 6. If Member purchases more than one capacity unit (50,000 gallons of water per month), and/or utilizes over 50,000 gallons in any month, Member is encouraged to have on-site water storage in a minimum amount which is equal to Member's peak daily usage of water.
- 7. If Member uses more than his/her allotted capacity, Member will be charged their regular water rate, an overage charge plus \$5.00 per 1,000 gallons of water used over Member's capacity limit.
- 8. RRRWS will only supply water to Members who have executed a Water User's Agreement, or to municipalities or other water associations that have independently negotiated and contracted with RRRWS.
- 9. The real estate which Member owns and to which this Agreement applies is described as follows:

PARCEL #: _____

10. The costs to connect to RRRWS shall be a membership fee of <u>\$500.00</u> and a base connection fee of <u>\$18,000.00</u>. The membership fee of \$500.00 shall be paid within 30 calendar days of being invoiced by RRRWS. If the membership fee is not paid within said 30 calendar days, RRRWS shall have the sole discretion to terminate this Agreement. The \$500 membership fee is generally nonrefundable if Member has been considered feasible for the project. RRRWS may refund all or part of the membership fee of \$500.00 if RRRWS elects not to provide service to Member.

The base connection fee of \$18,000.00 includes one capacity unit. A capacity unit allows the Member to use up to 50,000 gallons of water per month. Additional capacity charges are currently established at **<u>\$5,000.00</u>** per 25,000 gallons of water per month, subject to availability.

If Member chooses, Member can have the base connection fee of \$18,000.00 assessed to the Member's real estate taxes as a special assessment. The assessment will be payable in equal bi-annual installments over a period of 30 years and the assessment will accrue interest at the annual rate of 5.9 %. The assessment will be authorized by the Cottonwood County Minnesota District Court following the substantial completion of the construction project. Under Minnesota law Member will have 30 days following the approval of the assessment by the Cottonwood County District Court to pay the entire base connection fee of \$18,000.00 without accruing interest on the assessment.

- 11 Member hereby agrees to abide by all current and future rules, policies, and regulations established by RRRWS.
- 12. RRRWS shall have the sole discretion and right to terminate Member's water service if Member:
 - a. Violates any terms or conditions of this Agreement; and/or
 - b. Violates any current rules, policies, and/or regulations of RRRWS; and/or
 - c. Violates any future rules, regulations and/or policies of RRRWS.

RRRWS' right to terminate water service includes, but is not limited to, Member's failure to pay water charges, fees, or special assessments when due. Except in cases of wanton waste of water or an emergency, prior to water service being disconnected a notice will be provided to the Member which notifies Member that water service will be disconnected. Member shall have the right to request a hearing before the RRRWS Board of Commissioners to contest the termination of water service.

- 13. Any violation(s) of any term(s) or condition(s) of this Agreement shall be considered a material violation, which shall allow RRRWS to terminate water service to Member.
- 14. All fees related to membership, installation fees, connection charges, water rates and any other related fees, fines, and penalties are established by the RRRWS Board of Commissioners and are adjusted from time to time at the discretion of the RRRWS Board. Member hereby agrees to pay for all future increases to said fees, water rates, connection charges, fines, and penalties.

- 15. Attached to and made a part of this Agreement is "*Red Rock Rural Water System Water Use Information Sheet*". This attachment is expressly made a part of this Agreement.
- 16. All terms of this Agreement shall be binding upon both RRRWS and Member, as well as their respective successors, heirs and assigns.

IN WITNESS WHEREOF, We have executed this Agreement effective the _____ day of _____, 20____.

MEMBER: I (we) hereby apply for water service from RRRWS and I (we) agree to the terms and conditions stated herein:

(Signature) Member/Title Owner

(Please Print) Member/Title Owner

(Signature) Member/Title Owner

(Please Print) Member/Title Owner

<u>RED ROCK RURAL WATER SYSTEM:</u> RRRWS hereby accepts Member's application for service under the terms and conditions stated herein.

By:

Dominic Jones its General Manager

Red Rock Rural Water System Water Use Information Sheet

FINAL HOOKUP – WATER USE DATA SHEET	– PART OF THE WATER USER'S AGREEMENT	
Name	Check One: Tenant	
Address	Contract for Deed Holder	
	Title Holder	
Property Address	Titleholder, or Contract for Deed Holder, if other than above:	
Home Phone	Name	
Work Phone	Address	
Cell Phone		
Email Address	Phone Number	
LOCATION OF SERVICE Township Name	Section No.	
The hookup will be located in: Township Number	T N R W	
NW NE Quarter Section (Mark one)	NW NE SW SE	
	DICATE YOUR HOOKUP LOCATION WITH A SMALL "x". IF THIS E IF IT'S A FUTURE HOME, MARK HERE	

DESCRIBE YOUR LOCATION FROM NEAREST TOWN OR LANDMARK

INDICATED USAGE

Indicate HOW and WHEN you will use the water by marking the proper spaces

	HOUSEHOLD	LIVESTOCK
I plan immediate use of the water as soon as it becomes available		
I do not plan to use the water all year (Indicate the no. of months and season	1)	
I plan to use the water ONLY when my existing well goes bad		
I plan NO USAGE		
When I do water livestock, I plan to water ALL 3/4 1/2 1/4 th	ne livestock listed below.	vil

ESTIMATED DOMESTIC AND LIVESTOCK NUMBERS

The number you provide in this section will be used to determine the size of the system. Please be realistic in your estimates. UNDERESTIMATIONS will result in "under sized" pipes, while OVERESTIMATIONS will result in HIGHER WATER RATES.

	NORMAL NUMBERS	FORESEEABLE FUTURE NUMBERS
HOUSEHOLD (NO. OF PEOPLE)		
FEEDER, BEEF, OR DAIRY CATTLE		
HOGS AND SHEEP		
POULTRY		
OTHER (Estimate gal. per day & explain in remarks below)		

REMARKS:

Signed Date_____