

RESOLUTION NO. 5-72 (WATER)

A RESOLUTION ADOPTING RULES AND REGULATIONS FOR THE
OPERATION AND CONDITIONS OF SERVICE OF THE WATER SYSTEM
OF CITY OF COTTER, ARKANSAS.

WHEREAS, the City of Cotter, Arkansas (the "City"), owns and operates water facilities and the City Council of said City has determined that there should be rules and regulations regarding the operation and condition of service for said water system;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Cotter, Arkansas:

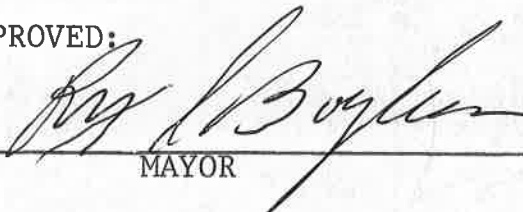
SECTION 1: That attached hereto and made a part hereof as though set forth at length herein is a document entitled "Rules and Regulations" being the "Rules and Regulations for the operation and conditions of service of the Water System of City of Cotter, Arkansas, which is referred to therein as the "Company", which contains definitions, General Rules and specific requirements and obligations on the part of the City of Cotter as well as on the part of the applicant for water service.

SECTION 2: That said document entitled "Rules and Regulations" be, and it hereby is, adopted by the City of Cotter, Arkansas as the Rules and Regulations in the operation and conditions of service of the Water System of said City.

SECTION 3: It is further hereby ascertained and declared that said Rules and Regulations are necessary in order to serve the needs of the City and the inhabitants thereof and is the only practical manner in which the Water System of the City can be operated. It is, therefore, declared that an emergency exists, and this resolution being necessary for the immediate preservation of public peace, health and safety shall take effect and be in force from and after its passage.

PASSED: November 1, 1972.

APPROVED:


MAYOR

ATTEST:


City Recorder

(SEAL)

RULES AND REGULATIONS

RULES AND REGULATIONS FOR THE OPERATION AND CONDITIONS OF SERVICE OF THE WATER SYSTEM OF CITY OF COTTER, ARKANSAS, HEREIN REFERRED TO AS "COMPANY".

DEFINITIONS

Applicant: Any individual, firm, partnership, corporation or other agency owning land located within the area, applying for water service.

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

Point of Delivery: The point of delivery shall be at the meter, unless otherwise specified in the Water User' Agreement.

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

Water Users' Agreement: The agreement or contract between the consumer and the Company, pursuant to which water service is supplied and accepted.

Water Service: A water service shall consist of facilities for supplying water to one residence or business establishment.

GENERAL RULES

1. The supplying and taking of water will be in conformance with these Rules and the applicable rate schedule. Provided, however, that such rate schedule is subject to change with the approval of the State Director; provided further that if the total amount derived from the collection of water charges is insufficient for the payment of operating costs, emergency repairs, or debt service, the water rate schedule shall be increased sufficiently to meet the needs for the emergency repairs, or debt service.

2. Applications for service shall be accompanied by a connection fee of \$50.00 and a meter deposit of \$10.00. The connection fee will be non-refundable. The meter deposit will be maintained in a special account to insure payment of water charges. When service is discontinued, any portion of the deposit remaining after current bills are paid will be returned to the consumer.

3. Before installing a service extension with meter, and providing water available for use, the Company may require the applicant to pipe his home and be in readiness to accept service; or to guarantee the payment of the minimum bill for a period of two (2) years.

4. The consumer shall install and maintain at his own expense a service line which shall begin at his property line and extend to the dwelling and other portions of his premises.

Service is for Sole Use of the Consumer:

A standard water service connection is for the sole use of the applicant or the consumer, and does not permit the extension of pipes to transfer water from one property to another, nor to share, resell, or sub-meter water to any other consumer. If an emergency or specific situation should make such an arrangement advisable, it shall be done only on specific written permission for the duration of the emergency.

Right of Access:

Representatives of the Company shall have the right at all reasonable hours to enter upon consumers' premises to read and test meters, inspect piping, and to perform other duties for the proper maintenance and operation of service, or to remove its meters and equipment upon discontinuance of service by consumers.

Continuity of Service:

The Company will make all reasonable efforts to supply continuous, uninterrupted service. However, it shall have the right to interrupt service for the purpose of making repairs, connections, extension, or for other necessary work. Efforts will be made to notify consumers who may be affected by such interruptions, but the Company will not accept responsibility for losses which might occur due to such necessary interruptions. The Company does not accept responsibility for losses which might occur due to interruptions to service caused by storms, strikes, floods, or other causes beyond its control.

METERS

Meters will be furnished, installed, owned, inspected, tested and kept in proper operating condition by the Company, without cost to the consumer. A complete record of tests and histories of meters will be kept. Meter tests will be made according to methods of the American Waterworks Association by the Company as often as deemed necessary.

Meter Accuracy:

Service meters whose errors do not exceed two percent (2%) fast or slow shall be considered as being within the allowable limits of accuracy for billing purposes. The percentage of error will be considered as that arrived at by taking the average of the error at full load and that at ten percent (10%) load, unless a consumer's rate of usage is known to be practically constant in which case the error at such constant use will be used.

Meter Location:

Meters shall be set in an accessible place on the outside of buildings except where otherwise directed by the Company. All meters shall be set horizontally and never connected into a vertical pipe. Meters set outside of a building shall be placed in a meter box furnished and installed by the Company.

No person other than an authorized representative of the Company shall in any manner whatsoever attempt to turn on or shut off water supplied hereunder/^{or} seek to repair or tamper with meters.

Bills:

Meters shall be read near the 20th of each month, and bills will be rendered for service by the 1st day of the month following that in which the service was rendered as set forth in the rate schedule. Service bills not paid by the 10th of the month shall be subject to a 10% late charge. Failure of the Company to submit a service bill shall not excuse the consumer from his obligation to pay for the water used when the bill is submitted. Failure to pay a bill by the 1st day of the month following the month in which the bill is rendered, shall result in the disconnection of the service.

Reconnection Charge:

The reconnection charge for restoration of service, if reconnection is authorized and approved (after each suspension of service because of delinquent payment or for other infraction of these Rules) shall be the unpaid amount charged to date against the consumer and a sum to cover the unpaid amount charged to date against the consumer and the sum of TWO (\$2.00) DOLLARS to cover the reasonable cost of labor necessary to make such reconnection.

Requested Meter Tests:

Meter tests requested by consumers will be performed without cost to the consumer if the meter is found to be in excess of two percent (2%) fast. Otherwise the consumer for whom the requested test was made will be charged for the cost of making the test.

Consumer's Responsibility:

The consumer shall be responsible for his actions that result in any damage to the meter installed for his service, for any cause other than normal wear and tear.

Change of Occupancy:

It shall be the consumer's responsibility to anticipate changes of occupancy and to notify the Company of such changes; otherwise, the original holder shall be responsible for payment of service. Any balance due a discontinuing customer from his meter deposit will be refunded.

Main Extensions:

1. In extending a water main to serve an applicant, the Company may at its discretion exercise one of the following options:

(a) If the cost of the extension is less than the average cost of the entire system to each user, and sufficient construction funds are available, the Company may elect to make the extension upon the applicant's payment of the required connection fee and meter deposit.

(b) If the cost of the extension is greater than the average cost of the entire system to each user, but funds are available to the extent of such average cost, the Company may elect to contribute to the extension in the amount of such average cost, and require the applicant to deposit in cash the additional cost in addition to the connection fee.

(c) In the event that the Company does not have funds available to pay for construction in the amount of the average cost per member of the entire system, it may require as a condition of extending service, that the applicant deposit in addition to the charge of a connection fee, an amount which may equal the entire cost of the extension.

Services:

The Company will as a part of the connection fee install and pay for all water service lines from its mains to the meters on property abutting the travelway along which the main is installed. The service pipe shall not be less than 3/4ths inch in size. The Company will also install and pay for the Corporation cock, meter and meter box. The meter will be set in front of the premises to be served or at the closest point as designated by the Company. Services of larger size than 3/4ths inch shall be made at not less than cost to the Company.

Applicants Having Excessive Requirements:

In the event an applicant whose water requirements are found to exceed the Company's ability to supply from existing plant without adversely affecting service to other consumers to an unreasonable extent, the Company will not be obligated to render such service, unless and until suitable selfliquidating financing is arranged to cover necessary investment in additional plant.

Connection with Private Water System:

There shall be no physical connection between any private water system and the Water System of the Company. Representatives of the Company shall have the right at all reasonable hours to enter upon consumer's premises for the purpose of inspection and enforcement of this provision. Violation of this provision shall constitute cause for disconnection of a consumer's service.

These Rules and Regulations are subject to change from time to time. However, all such changes must be approved by the State Direction of the Farmers Home Administration until such time as the Company is no longer indebted to the United States of America, or until such time as the Company has completely retired all loans made by or insured by the United States of America. If a provision of the Rules and Regulations conflict with a provision of the rate schedule, the provision of the rate

schedule will prevail. If any portion of these Rules and Regulations shall be declared invalid by competent authority, such voidance shall not affect the validity of the remaining portions.

PASSED and APPROVED this 1st day of November, 1972, By
the City Council of the City of Cotter, Arkansas.

CITY OF COTTER, ARKANSAS

BY Rex S. Bayless, Mayor

ATTEST:

L. A. Rice, Recorder