

# **LINCOLN PIPESTONE RURAL WATER SYSTEM**

## **WATER USERS AGREEMENT**

**WHEREAS**, Lincoln-Pipestone Rural Water (LPRW) System is organized pursuant to Minnesota Statutes, Chapter 116A et.al. as a rural water system.

**WHEREAS**, Member desires to purchase water from LPRW and to enter into a water users agreement as required by LPRW.

**THEREFORE**, in consideration of the mutual covenants, promises, and agreements herein contained, it is hereby understood and agreed by the parties hereto as follows:

1. Member agrees to pay for all water supplied by LPRW that passes through the water meter located on Member's premises.
2. LPRW, 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 LPRW an ingress/egress easement on, over, across, and through Member's real estate for the purpose of allowing LPRW to install, construct, replace, repair, remove 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 LPRW to read, inspect, maintain and replace any and all water meters used to measure Member's water use located on Member's property. LPRW will not be responsible for damage done to obstructions placed over our trench after construction is complete and may refuse to perform service work on lines below or adjacent to these obstructions.
  - a. LPRW shall have the sole and exclusive right to determine the location and dimensions of all water service lines up to and including the shutoff valve or curb stop. LPRW will work with the Member to locate the service line and meter used to serve the Member's property. If LPRW and Member agree on the location of the service line and meter, LPRW will install the service line and meter as part of the hookup cost. If LPRW cannot agree with the location of the service line and meter because of indirect alignment, inaccessible meter location or other unnecessary installation issues or costs, the Member may at Members expense install the service line anywhere on Member's property. However, the location and installation of the water meter shall be approved by LPRW in all cases. After initial installation of the water service, Member shall be responsible for all repair and replacement of the water service line. LPRW shall not be responsible for any damage whatsoever caused by normal water pressure and fluctuation thereof.
  - b. LPRW 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. through 5:00 p.m. unless requested by the Member at other times.
  - c. All easements identified in Paragraph 3 of this Water Users Agreement shall be in effect at any time that LPRW water service is being provided or a meter owned by LPRW remains on the land, are binding upon both Member and LPRW 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 with any attached devices including automatic meter read (AMR) devices, and other appurtenances installed by LPRW. Member hereby also agrees that he/she shall not connect any additional water lines or any other devises to the water lines, meter pits, water meters or on any appurtenances installed by LPRW.
5. In the event of a water shortage, water main break or other System malfunction, LPRW, 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. Any member connected to Lincoln-Pipestone RWS that purchases more than one capacity unit (50,000 gallons per month), and/or utilizes over 50,000 gallons in any month is required to have on-site storage equivalent to one day supply of water demand. If member goes over the capacity limit member will be charged \$5.00 per 1,000 gallons used over the capacity limit.

7. It is understood and agreed that LPRW shall supply water only to Members who have executed a Water User's Agreement, or to municipalities or other water associations that have independently negotiated and contracted with LPRW.

8. The tract which Member owns and to which this agreement applies is described as:

\_\_\_\_\_

9. LPRW has determined that the initial cost to a Member shall be a membership fee of **\$500.00**, a basic connection fee of **\$16,000.00**, and additional hookup charges of **\$\_\_\_\_\_0**. Where a hookup is established and title transfer of land is involved the subsequent owner shall pay a **\$100.00** transfer fee per hookup. The membership fee shall be paid on the date Member signs this Agreement. The initial connection fee and additional hookup charges shall be paid before the commencement of service or if requested by the member and approved by LPRW they may be assessed to the member's property taxes. Any costs in addition to the basic initial connection fee, and the timing and method of payment shall be identified prior to acceptance of this agreement. The basic initial connection fee includes one (1) capacity unit. A capacity unit allows the Member to use up to 50,000 gallons per month, subject to availability. Additional capacity charges are currently established at **\$10,000.00** per 50,000 gallon per month capacity unit. The \$500 membership fee is generally nonrefundable, but LPRW may refund all or part of the membership fee described herein in the event that LPRW elects not to provide service to Member.

10. It is understood and agreed that LPRW shall have the sole and exclusive right to terminate water service to any Member who has violated any terms or conditions of this Agreement or the rules and regulations promulgated by LPRW including, but not limited to, failure to pay water charges and fees or special assessment installments when due. Except in cases of wanton waste of water or emergency, a notice will be provided to the Member prior to disconnection of the water service, subject to the Members right to request a hearing before the LPRW Board of Commissioners.

11. Any violation of any term or condition of this Agreement shall be considered a material violation, which shall allow LPRW to terminate water service to Member and Member's premises, and/or pursue all other remedies available in a Court of law and/or Court of equity.

12. All fees related to memberships, installations and connection charges, water rates and any other related fees, fines, penalties are established by the LPRW Board of Commissioners and are adjusted from time to time at the discretion of the LPRW Board.

13. This agreement shall be binding upon both LPRW 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 LPRW and I (we) agree to the terms and conditions stated herein:

\_\_\_\_\_

Member/Title Owner

\_\_\_\_\_

Member/Title Owner

LINCOLN PIPESTONE RURAL WATER SYSTEM: LPRW hereby accepts Member's application for service under the terms and conditions stated herein:

**Jason Overby**

Lincoln Pipestone Rural Water System by its General Manager