

Water Users Agreement

This agreement is entered into between the Poweshiek Water Association, a (Rural Water District under Chapter 357A of the Iowa code as amended), hereinafter called the "WATER SYSTEM" and _____, member(s) of the Water System, hereinafter called "MEMBER".

WITNESSETH

Whereas, the MEMBER desires to purchase water from the WATER SYSTEM and to enter into a water users agreement as required by the Bylaws of the WATER SYSTEM.

NOW 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. The WATER SYSTEM shall furnish, subject to the limitation set out in its Bylaws and Rules and Regulations now in force or as hereafter amended or adopted, such quantity of water as MEMBER may desire in connection with MEMBER's occupancy of the following described property.
2. The MEMBER agrees to grant to the WATER SYSTEM, its successors and assigns a perpetual easement in, over, under and upon the described land, with the right to erect, construct, install, and lay and thereafter use, operate, inspect, repair, maintain, replace and remove water pipelines and appurtenant facilities, together with the right to utilize adjoining lands belonging to the MEMBER for the purpose to ingress to and egress from the described lands.
3. The MEMBER shall be responsible for installing and maintaining at the MEMBER's expense a service line, which shall begin at the meter pit installation and extend to the dwelling or place of use. The service line shall connect with distribution system at a place as designated by WATER SYSTEM and MEMBER with the WATER SYSTEM having final authority in any question of location. The WATER SYSTEM will determine in advance that the system has sufficient capacity to permit delivery of water at that point.
4. The MEMBER agrees to comply with and be bound by the Articles, Bylaws, Rules and Regulations of the WATER SYSTEM, now in force or to be in force, or as hereafter duly and legally supplemented, amended, or changed. The MEMBER also agrees to pay for water at such rates, time(s), and place(s) as shall be determined by the WATER SYSTEM, and agrees to the imposition of such penalties for noncompliance as are now set out in the WATER SYSTEM's Bylaws and Rules and Regulations, or which may be hereafter adopted and imposed by the WATER SYSTEM.
5. Purchase or cause to be purchased, one 3/4 x 5/8 water meter for water service at the unit price of \$_____. There will be an additional charge for larger meters. Payment must accompany this application. Upon acceptance of the applicant as a User of the Association said consideration shall be considered a donation to the Association and shall in no event and under no circumstances be refunded to the User. If the undersigned is not accepted as a User of the Association said consideration shall be refunded less any expenses incurred by the Association to determine the feasibility of service to the undersigned.

Amount previously paid \$ _____
 Amount paid herewith \$ _____
 Total amount paid to date \$ _____

6. The WATER SYSTEM shall purchase and install a cutoff valve and shall also include a water meter installation at each service. The WATER SYSTEM shall have exclusive right of ingress and egress to use the cutoff valve and water meter installation.
7. The WATER SYSTEM shall determine the allocation of water to MEMBERS in the event of a water shortage, and may shut off water to a MEMBER who allows a connection or extension to be made to the MEMBER's service line for the purpose of supplying water to another user or location.
8. In the event the water supply shall be insufficient to meet all of the needs of the MEMBERS, or in the event there is a shortage of water, the WATER SYSTEM may prorate the water available among the various MEMBERS on such basis as is deemed equitable by the Board of Directors, and may also prescribe a schedule of hours covering use of water for garden or other purposes by MEMBERS and require adherence thereto or prohibit the use of water for garden or other purposes; provided that, if any time the water supply shall be insufficient to meet all of the needs of all the MEMBERS, the WATER SYSTEM must first satisfy all of the needs of all MEMBERS for domestic purposes before supplying any water for livestock purposes and must satisfy all needs of all MEMBERS for both domestic and livestock purposes before supplying water for garden or other purposes.
9. The MEMBER agrees that no other present or future source of water will be connected to any waterlines served by the WATER SYSTEM's waterlines and will physically disconnect from the present water supply prior to connecting to and switching to the WATER SYSTEM's line and shall eliminate their present or future cross-connections in the MEMBER's system. Any MEMBER with a cross-connection shall be responsible for the damages associated or as a result of health and safety of the WATER SYSTEM's members
10. **The MEMBER shall connect the service lines to the WATER SYSTEM's distribution lines at the meter pit installation and shall commence to use water from the system within 60 days after the date of notification that the water is made available to the MEMBER by the WATER SYSTEM. Water charges to the member shall commence on the date water service is made available to the member's property.**
11. **The terms of this water users agreement shall be for a period of five years from the date water is available. The member agrees to use the water and pay a monthly water bill for a period of five years. The Rules and Regulations further define who a water user may be and the responsibilities of the MEMBER and WATER SYSTEM.**

Please initial _____

12. In the event the MEMBER fails or refuses, without just cause as determined by the Board of Directors to connect a service line to the WATER SYSTEM distribution lines as set forth above, and to continue using water for a period of five years, the MEMBER agrees to pay the WATER SYSTEM a lump sum as liquidated damages of \$6,000 based on the average project development cost per MEMBER. The average project development cost is determined from the total cost of the WATER SYSTEM's water supply, treatment, distribution and storage facilities. The liquidated damages payment will be on the following declining schedule of payment by percentage depending on the year the MEMBER fails to comply with the water users agreement:

100% for default prior to the end of the first year.

80% for default prior to the end of the second year.

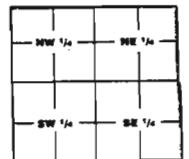
60% for default prior to the end of the third year.

40% for default prior to the end of the fourth year.

20% for default prior to the end of the fifth year.

Section _____ Township _____ Range _____

Account # _____



It is expressly understood and agreed by the parties hereto that the above listed lump sum percentage schedule shall be settlement for the facility expenditures made by the WATER SYSTEM for the MEMBER's benefit. The parties hereto have agreed upon said lump sum and percentage in an attempt to make reasonable forecast of probable actual loss because of the difficulty of estimating with exactness the resulting damages.

13. The failure of a MEMBER to pay water charges duly imposed shall result in the automatic imposition of the following penalties:
 - a. Nonpayment within 10 days from the due date will be subject to a penalty of 10 percent of the delinquent account.
 - b. Nonpayment within 30 days from the due date will result in the water being shut off from the MEMBER's property.
 - c. In the event it becomes necessary for the WATER SYSTEM to shut off the water from a MEMBER's property, a fee set up by the corporation in its rate schedule will be charged for a reconnection of the service.
 - d. Nonpayment of water bill within 60 days from the due date shall, at the sole option of the Board of Directors of the WATER SYSTEM, be ample justification for declaring the amount determined pursuant to Section 12 hereto immediately due and payable and terminate in the membership in the WATER SYSTEM by the MEMBER.
 - e. Such other legal and equitable remedies as allowed by law may be pursued by the WATER SYSTEM.

IN WITNESS WHEREOF, we have executed this agreement this _____ day of _____, 20_____

Member Signature