RURAL SEWER DISTRICT #1, ROGERS COUNTY P.O.BOX 1294 CLAREMORE, OK 74018-1294

By-Laws

ARTICLE ONE. NAME AND PLACE OF BUSINESS:

Section 1. The name of this corporation shall be Rural Sewer District No.1, Rogers County, Oklahoma.

Section 2. The principal office of this District shall be located in the area commonly known as Verdigris, Oklahoma.

ARTICLE TWO. CORPORATE POWERS:

Section 1. The corporate powers of this District shall be vested in the Board of Directors, hereinafter referred to as the Board.

ARTICLE THREE. PURPOSES AND OBJECTIVES:

Section 1. The purposes and objectives of this District are as follows:

(A)To collect and treat sewage and to build and acquire pipe lines and other facilities, and to operate the same for the purpose of treating sewage to serve the needs of owners and occupants of land located within the District, and others as authorized by these By- Laws.

(B) To protect the public health by complying with the current rules and regulations of the Oklahoma Department of Environmental Quality.

(C) To borrow money from any Federal or State agency, or from any other source, and to secure said loans by mortgaging or pledging all easements and rights-of- way.

(D) To hold such real and personal property as may come into its possession by will, gift, purchase, or otherwise, as authorized by law, and to acquire and dispose of such real and personal property, including rights-of-way and easements, wherever located, and as may be necessary and convenient for the proper conduct and operation of the business of the District.

(E) To establish rates and impose charges for sewage treatment to participating members and others.

(F) To enter into contracts for the purpose of accomplishing the purposes of the District with any person or governmental agency.

(G) To cooperate with any person or with any governmental agency in any undertaking designed to further the purposes of the District.

(H) To do and perform any and all acts necessary or desirable for the accomplishment of the purposes of the District which may lawfully be done by such District under the laws of the State of Oklahoma.

ARTICLE FOUR. USERS:

Section 1. Service shall be supplied only to residents of land located within the District. Provided, however, that the Board may make service available to the public for purchase distribution points as it may establish.

Section 2. No owner of land located within the District shall be eligible to become a subscriber unless he has first subscribed and paid for one or more Benefit Units. Tenants occupying land located within the District may become subscribers; provided that the owner, or someone on behalf of the owner, has subscribed and paid for one or more Benefit Units in favor of the land or premises occupied by the tenant.

ARTICLE FIVE. PARTICIPATING MEMBERS:

Section 1. Only participating members shall have the right to vote, and each participating member shall be entitled to a single vote, regardless of the number of Benefit Units to which he may have subscribed; provided all owners of land located within the District shall be eligible to vote at meetings of landowners until ninety (90) days after a declaration of availability of Benefit Units and unit fees has been entered by the Board in its minutes. There shall be no proxy voting, and no dual ownership of Benefit Units for voting purposes. A participating member may be an individual, firm, partnership, association, or corporation.

Section 2. Participating members shall be owners of land located within the District who have subscribed to one or more Benefit Units: Provided, payments of charges are current on at least one of the Benefit Units.

ARTICLE SIX. BENEFIT UNITS:

Section 1. The Board shall at the proper time cause a declaration of availability of Benefit Units for Subscription to be entered in its minutes and shall establish a unit price for said subscriptions. Each Benefit Unit shall carry with it the obligation of paying a minimum monthly charge from the time service is available. The Board in its discretion may from time to time, if the capacity of the District's facilities permit, make additional Benefit Units available. Subscriptions for Benefit Units shall be given preference and priority in order in which received.

The Board may refuse the subscription for a Benefit Unit in favor of a particular tract of land located within the District, or impose special conditions on granting the same if in the judgment of the Board, the granting of said subscription and the furnishing of service pursuant thereto would impair the service to other users in that locality or be uneconomical, unfeasible, and place an undue burden on the District. Any landowner who feels himself aggrieved by such denial, or imposition of special conditions, may appeal from the action of the Board to a vote of the members at the next regular meeting of the members, or special meeting of the members called for such purpose: Provided, the decision of the Board shall stand, unless 3/4ths of all participating members vote in favor of a motion to overrule the decision of the Board.

Section 2. Upon the purchase of Benefit Units, the owners of land shall designate the tract of land to which the Benefit Units shall be assigned, and the Benefit Unit shall not be transferred from one tract of land to another within the District, without the approval of the Board. The owner of lands subscribing for more than one Benefit Unit to be assigned to one tract of land shall at the time of said subscription designate as nearly as practical the location on said tract where he intends to utilize said Benefit Units and no major change in location shall be made without the approval of the Board. Benefit Unit Certificates shall be issued by the Board, signed by the Chairman and Secretary showing name of owner and tract of land to which the Benefit Unit is assigned, numbered consecutively in the order in which issued.

Section 3. Benefit Units shall follow the title of the land unless the owner of the land designates otherwise. Owners may transfer Benefit Units from one tract of land to another tract owned by them within the District, subject, however, to the approval of the Board. No transfer in ownership of Benefit Units shall be permitted without the approval of the Board. No transfers will be approved unless all charges against the Benefit Unit are paid. All approved transfers shall be recorded in the books of the District.

Section 4. Each Benefit Unit shall entitle the owner not to exceed one line from the District's sewer system. Each line shall serve not to exceed one residence or business establishment together with the necessary and usual outbuilding.

Section 5. Failure to pay the minimum monthly charge, shall constitute a forfeiture of the Benefit Unit on behalf of which such failure occurs: Provided, that such Benefit Unit shall be reinstated if within three (3) months after such failure all back charges are paid in full, plus 10% interest, and reasonable labor charges necessary to effect such reconnection: Provided, further, that if the defaulting subscriber is a tenant, the time set out above shall not commence to run until the secretary of the District has mailed or caused to be mailed, by registered or certified mail, notice of such default of the tenant to the landowner at his last known address as shown on the books of the District.

ARTICLE SEVEN. ELECTION OF DIRECTORS:

Section 1.The Board of this District shall consists of five (5) members, all of whom shall be participating members of the District: Provided, however, that the original Board shall consist of owners of land located in the District. The Directors elected at the time of the incorporation of the District shall hold office only until the required number of Benefit Units have been sold, i.e., 300 Benefit Units, at which time an election shall be held by all of the owners of the Benefit Units and the Directors elected at the time of the election by the owners of all the Benefit Units shall be for staggered terms of One (1), Two (2) and Three (3) years, and they shall serve until the expiration of the term or which they have been elected, as shown by the Minutes of the Meeting of the Benefit Unit owners and until their successors have been elected and have qualified. At each annual meeting of the participating members, the participating members shall elect for a term of three (3) years the number of Directors whose terms of office have expired.

Section 2. Immediately following the annual meeting of the participating members, the Board shall meet and shall elect a Chairman, Vice-Chairman, Secretary and Treasurer, from among themselves, each of whom shall hold office until the next annual meeting and until the election and qualification of his successor unless sooner removed by death, resignation or for cause. One person may hold office of the secretary and treasurer.

Section 3. Any vacancy in the Board, other than from the expiration of a term of office, shall be filled by appointment by the remaining members of the Board. The disqualification of a Director as a participating member of the District or failure of any original Director to become a participating member within 30 days after subscription to Benefit Units are made available through action of the Board, shall operate to disqualify him as a Director and to create a vacancy in the office of the Director.

Section 4. A majority of the Board shall constitute a quorum at any meeting of the Board.

Section 5. Any Director of the District may be removed from office for cause by a vote of not less than 3/4th of the participating members of the District at any annual or special meeting called for that purpose. The Director shall be informed in writing of the charges preferred against him at least 10 days before such meeting, whether regular or special, and at the meeting shall have an opportunity to present witnesses and be heard in person in answer thereto. Officers of the Board may be removed for cause by vote of 2/3rds of the members of the Board, and employees and agents discharged or removed from office or employment at any time by action of the Board.

ARTICLE EIGHT. POWERS AND DUTIES OF DIRECTORS:

Section 1.The Board, subject to the restrictions of law, the current rules and regulations of the Oklahoma State Board of Health, and these By-Laws, shall exercise all the powers of the District and without prejudice to, or, limitation upon their general powers, it is hereby expressly provided that the Board shall have, and is hereby given, full power and authority in respect to the matters as hereinafter set out

(A)To select and appoint all agents and employees of the District or remove such agents and employees of the District for just cause, prescribe such duties and designate such powers as may not be inconsistent with these By-Laws, and fix their compensation and pay for faithful services.

(B)To borrow from any source money, goods, or services and to make and issue notes, and other negotiable and transferable instruments, mortgages, deeds of trust and trust agreements, and to do every act and thing necessary to effectuate the same.

(C)To prescribe, adopt and amend, from time to time, such equitable and uniform rules and regulations, as, in their discretion, may be deemed essential or convenient for the conduct of the business and affairs of the District, and the guidance and control of its agents and employees.

(D)To fix charges to be paid by each user for services rendered by the District to him, the time of payment, and the manner of collection, and to establish equal rates for farm members and non-farm members according to the amount of services furnished.

(E) To require all officers, agents and employees, charged with the responsibility of any funds of the District to give adequate bond, and cost thereof to be paid by the District, and it shall be mandatory upon the Directors to so require.

(F)To select one or more banks to act as depositories of the funds of the District and to determine the manner of receiving, depositing and disbursing the funds of the District in the form of checks and the person by whom the same shall be signed on behalf of the Chairman, with the power to change such bank or person signing such checks and the form thereof at will.

(G) Prepare annually an estimated budget for the coming year, adjust rates, if necessary to produce sufficient revenue required by such budget, cause an annual audit of the District records and accounts to be made by a licensed municipal public accountant or a certified public accountant, and make a report on said matters at each annual meeting of participating members.

ARTICLE NINE. POWERS OF MANAGER:

Section 1. The Board may employ for the District a manager, who shall have charge of the business of the Association under the general control, supervision and direction of the Board. No Director shall serve as manager, Subject to the direction of the Board, the manager shall employ, supervise and dismiss all agents and employees of the District and fix their compensation. He shall also, so far as practical, conduct the business in such a way that all patrons receive equal service and treatment, deposit in a bank selected by the Board all money belonging to the District which comes into his possession; maintain his records and accounts in such a manner that the true and correct condition of the business may be ascertained there from at anytime; furnish the Board a current statement of the business and affairs of the District at each scheduled meeting of the Board and at the end of fiscal year and at such other times and in such forms as the Board may direct; carefully preserve and turn over to his successor all books, records, documents and correspondence pertaining to the business of the District which may come into his possession; and to perform such other duties as may be prescribed by the Board, provided this section is needed.

ARTICLE TEN. DUTIES OF OFFICERS:

Section 1. Chairman. The Chairman, who shall be a member of the Board, shall preside over all meetings of the District and the Board, call special meetings of the District and the Board, perform all acts and duties usually performed by an executive and presiding officer, and shall sign all Benefit Unit Certificates and such other papers of the District as he may be authorized or directed to sign by the Board, provided the Board may authorize any person to sign checks, on behalf of the District, provided that all checks must be counter-signed by the Treasurer. The Chairman shall perform such other duties as may be prescribed by the Board.

Section 2. Vice-Chairman. In the absence or disability of the Chairman, Vice-Chairman, who shall be a member of the Board, shall perform the duties of the Chairman.

Section 3. Secretary. It shall be the duties of the Secretary who shall be a member of the Board, to keep a record of the proceedings of the meetings of the Board and of the District. He shall serve, or cause to be served, all notices required to be served by law or by the By-laws of the District; and in case of his absence, inability, refusal or neglect to do so then such notices may be served by any member of the Board directed by the Chairman.

Section 4. Treasurer. The Treasurer, who shall be a member of the Board, shall receive and account for all funds of the District, shall deposit the same in some bank designated by the Board as a depository, and pay the amounts, or cause them to be paid out of the depository only in the checks of the Chairman, or someone authorized to sign on the Chairman's behalf, countersigned by the Treasurer. At each annual meeting of the District, he shall submit for the information of the participating members a complete statement of his account for the past year and he shall discharge such other duties pertaining to his office as shall be prescribed by the Board, and shall give a good and sufficient bond in such amount as may be fixed by the Board.

ARTICLE ELEVEN. BOOKS AND RECORDS:

Section 1.The books and records of the District, and such papers as may be placed on file by vote of the District or Directors, shall during all reasonable business hours, be subject to inspection of any landowner or participating member of the District.

ARTICLE TWELVE. ANNUAL MEETING OF PARTICIPATING MEMBERS:

Section 1. The annual meeting of the participating members of the District shall be held in September at some suitable location within the District. The Board shall designate the day and time of the meeting.

Section 2. Special meetings of participating members may be called at any time by the Chairman or upon resolution of the Board, or upon written petition to the Chairman of the Board, signed by 51% of the participating members of the District. The purpose of every special meeting shall be stated in the notice thereof, and no business shall be transacted thereat except such as is specified in the notice,

Section 3. Notice of annual meetings of participating members of the District shall be given by mail to each participating member of record directed to the address shown upon the books of the District at least 10 days prior to the meeting. Such notice shall state the nature, time, place and purpose of the meeting, but no failure or irregularity of a notice of any annual meeting, regularly held, shall affect any proceeding taken thereat.

Section 4.The participating members present at any meeting of participating members shall constitute a quorum for the purpose of transacting business.

Section 5. The order of business at the regular meeting, and so far as possible at all other meetings, shall be:

(A) Call to Order; (B) Proof of Notice of Meeting: (C) Reading and approval of minutes of last meeting: (D)Report of officers and committees: (E) Election of Directors; (F)Unfinished Business (G)New Business; (H)Adjournment **ARTICLE THIRTEEN. BOARD MEETINGS:**

Section 1. The Board shall meet annually, immediately following the meeting of the participating members, and may meet at such or other times as may be determined by the Board or upon call by the Chairman or any two members of the Board. Notice of all meetings of the Board, other than the annual meeting to be held in September of each year, shall be by mailing a notice to the last known business or residence address of each Director, at least two days before the holding of such meeting: Provided, however, that when all of the Directors are present at any meeting, however called, or consent in writing that such meeting may be held, the proceedings thereat shall be as valid as though the previous written notice aforesaid had been given.

ARTICLE FOURTEEN, MANNER OF ELECTION AND VOTINGS:

Section 1.At all meetings of the District, each participating member qualified as stated in these By-laws, shall be entitled to vote upon all propositions coming before said District. No cumulative voting shall be permitted and each participating member of the District shall have but one vote.

ARTICLE FIFTEEN. SEAL:

Section 1.The District shall have a corporate seal, consisting of a circle having in its circumference and face the words, "Rural Sewer District No.1, Rogers County, Oklahoma," which shall be in the custody of the Secretary.

ARTICLE SIXTEEN, FISCAL YEAR:

Section 1. The fiscal year of the District shall begin the first day of July of each year.

ARTICLE SEVENTEEN. AMENDMENT:

Section 1. These By-Laws may be repealed or amended by a vote of 3/4ths of the participating members present at any regular meeting of the District, or at any special meeting of the District called for that purpose except that the participating members shall not have the power to change the purposes of the District so as to impair its rights and powers under the laws of the State of Oklahoma or to waive any requirement of bond or other provision for the safety and security of the property and funds of the District, or its participating members, or to deprive any participating member or landowner of rights and privileges then existing, or to so amend the By-Laws as to affect a fundamental change in the policies of the District. Notice of any amendment to be made at any regular or special meeting of the participating members must be given at least 10 days before such meeting and must set forth the Amendments to be considered.

ARTICLE EIGHTEEN. BASIS OF OPERATION:

Section 1.The District shall, at all times, is operated on a nonprofit basis for the mutual benefit of its participating members.

ARTICLE NINETEEN. BENEFITS AND DUTIES OF MEMBERS:

Section 1.The District shall install, maintain and operate a main collection pipeline or lines to the source of treatment and lines to the main collection pipeline or lines from the property line of each participating member of the District, at which point designated as collection points. Each member shall install, maintain and operate their line to the district collection main in a manner approved by the Oklahoma Department of Environmental Quality

Section 2.Each participating member shall be entitled to purchase from the District, pursuant to such agreement as may from time to time be provided and required by the District and the Board, such service for domestic and other purposes as a participating member may desire, subject, however, to the provisions of these By-Laws and such rules and regulations as may be prescribed by the Board.

ARTICLE TWENTY. PRINTING:

Section 1. After adoption, these By-Laws shall be prepared in pamphlet form and a copy thereof shall be delivered to each participating member.

Rules and Regulation

Adopted by the Board of Directors at the October 4th 1999 Regular Scheduled Public Meeting by resolution the Board of Directors of the Rural Sewer District #1, Rogers County, Oklahoma, has formerly compiled the following Rules and Regulations and adopts them as the official guidelines in the conduct of the affairs of the District.

RULE 1. AUTHORITY: The source of authority for the District shall be the following and in the presented order:

- (A) The Constitution and Statutes of the State of Oklahoma.
- (B) Applicable decisions of the Supreme Court of the State of Oklahoma.
- (C) The Incorporated Documents of the Board of County Commissioners of Rogers County, Oklahoma.
- (D) Duly adopted by-laws of the Sewer District
- (E) These Rules and Regulations and Amendments thereafter.
- (F) Duly passed and applicable Resolutions of the Board of Directors.
- (G) Decisions of the Board of Directors as voiced by the Chairman.
- (H) Decisions of the Duly Appointed Business Manager/Administrator of the District.

RULE 2. DEFINITIONS: The following expressions when used herein will have the meaning stated below:

(A) Applicant: Any individual, firm, partnership, corporation or other agency owning land located within the District, applying for sewer collection and treatment service.

- (B) Benefit Unit: A right entitling the holder to one sewer service connection as provided in the District's By-laws.
- (C) Directors: The Board of Directors of Rural Sewer District #1, Rogers County, Oklahoma.
- (D) District: The Rural Sewer District #1, Rogers County, Oklahoma

(E) Customer: Any individual, firm, partnership, corporation, or other agency receiving sewer collection and processing service from the District's facilities and owning or occupying land located within the District in favor of which one or more Benefit Units have been paid.

(F) Application for Waste Water Service and Waste Water Users' Agreement:

The agreement, or contract, between the customer and the District, pursuant to sewer collection and treatment service is provided.

RULE 3, RATE SCHEDULE: Providing of sewer collection and treatment service will be in conformance with these Rules and the applicable rate schedule attached hereto, provided, however, that this rate is subject to change by action of the Directors; and, provided, further, that if at any time the Directors determines that the total amount derived from the collection of sewer charge is insufficient for the payment of operating cost, emergency repairs, or debt service, the Directors shall increase the rate for the first month thereafter in an amount sufficient to pay such operating costs, emergency repairs, or debt service.

RULE 4. APPLICATION FOR SEWER SERVICE: Applicants for sewer service shall present the "Application for Waste Water Service and Waste Water Users' Agreement" to the designated agent of the District. The application will require the inclusion of the tap fee for a Benefit Unit for each connection desired. The application will be presented to the Directors for the approval and assignment of a Benefit Unit Number. The applicant may be required to attach proper documentation of compliance with the Rogers County Planning Commission requirements.

RULE 5. SEWER SERVICE CONNECTION: A standard sewer service connection is for the sole use of the applicant or customer, and does not permit the extension of pipes to transfer sewage from one property to another. If an emergency or specific situation should make such an arrangement advisable, it shall be done only on specific written permission of the Directors for the duration of the emergency.

RULE 6. RATES FOR SERVICE CONTRACTS: The Directors may make specific sewer service contracts with the Federal, State, County or City Governments or with agencies such as school districts, water or fire districts, differing from stipulations set out in the rate schedule and Rules.

RULE 7. RIGHT OF SERVICE BY THE DISTRICT: The District will make all reasonable efforts to provide continuous and uninterrupted sewer collection and treatment service. However, the District shall have the right to interrupt services for the purpose of making repairs, connections, inspections, extensions, or other necessary work. The District's representatives shall have the right to enter upon the customer's' properties to inspect piping, and to perform other duties for the proper maintenance and operation of the collection and processing service. Efforts will be made to notify customers who may be affected by such interruptions, but the District will not accept responsibility for losses that might occur due to such necessary interruptions.

RULE 8. LOSSES DUE TO LOSS IN SERVICE: The District does not accept responsibility for losses which may occur due to interruptions to service caused by storms, strikes, floods or those causes beyond the District's control.

RULE 9. LATE FEE: Bills will be rendered for service by the 5th day of the month following the service month. Service bills not paid by the 16th of that billing month will be subject to a ten per cent (10%) late charge. Failure of the District to submit a service bill shall not excuse the customer from the obligation to pay for that service. Failure to pay a bill by the end of the first day of the month following the billing month could result in the disconnection of the incoming water service.

RULE 10. COST OF RECONNECTION: The cost for reconnection of water service that has been disconnected due to infraction of any of these rules or regulations, or the articles presented in the District's By-laws, shall be the unpaid amount charged to date against the customer's Benefit Unit, plus ten percent (10%) interest, and the reasonable cost of labor necessary to make such reconnection.

RULE 11. REASSIGNMENT OF A BENEFIT UNIT: It shall be the customer's responsibility to notify the District's representative of change in occupancy of the resident; owned, leased or rented, to have the Benefit Unit changed and/or billing to the new occupant's name. In the event there is to be a name changed on the Benefit Unit, the existing holder of that Benefit Unit will be responsible for payment of the outstanding service bill. That bill is to be paid prior to transfer of the Benefit Unit. The holder of the Benefit Unit on the sixteenth (16) day of the service month is responsible to render payment for the full month's cost of service. Cost for the transfer is to the new Benefit Unit holder. The new holder of the Benefit Unit is to also sign the Reassignment form prior to acceptance of the transfer by the Directors.

RULE 12. COST OF A BENEFIT UNIT AND SERVICE TAP: The cost of the Benefit Unit is at a fixed amount as shown on the "Application". The Directors do reserve the right to revise that amount when economically necessary.

RULE 13. REFUSAL OF COLLECTION AND PROCESSING SERVICE: The District has the right to refuse collection and processing service to a new applicant in the event the projected amount of flow, or materials to be collected and processed, causes an adverse effect on the existing system's capacity or processing routine. The applicant may be requested to participate in the cost of any collection and/or processing upgrade prior to fully accepting the applicant's request for the collection and processing service.

RULE 14. RESPONSIBILITY OF PROPERTY OWNERS: To minimize groundwater infiltration and inflow to the public sewer system that may overload and inhibit wastewater processing, the District hereby requires that all property owners utilizing the sewage collection system be responsible for the maintenance of all service connections, lines, and fixtures in a manner sufficiently watertight so as not to allow leakage out of or seepage into said connections, lines, and fixtures from the place of discharge to the place of connection to the public collection system mainlines. At the discretion of the District, such connections, lines and fixtures shall be subject to inspection and testing by the District, or its designated agent.

RULE 15. PROHIBITED CONNECTIONS: No person shall make connection of roof down spouts or leaders, interior or exterior foundation drains, cleanouts, sump pumps, cellar, yard, and areas drains, cooling water discharge, drains from springs or swampy areas or other sources of surface, storm or ground water to a structure drain which is connected, either directly of indirectly, to the District's sewer collection system.

RULE 16. BACKWATER VALVE INSTALLATION REQUIREMENTS: A backwater valve to prevent sewer water backflow shall be installed in the sewer service line at every new building location within the District as of the date February 5th, 2008 (see RSD#1 Minutes dated Feb 4th, 2008). The backwater valve shall be installed in the building sewer service line and below ground. All bearing parts of backwater valves shall be of corrosion-resistant material. Backwater valves shall comply with ASME A112.14.1, GSA CAN/CSA-B181.1 or 8181.2. The backwater valve shall include a mechanical seal to seal against backflow. The valve, when fully open, shall have a capacity not less than that of the pipe in which it is installed. The backwater valve shall be installed so that access is provided to the working parts for service and repair.

RULE 17. DISCONNECT ORDER: The Business Manager, or his designated agent, may issue a disconnect order directing the owner of the real estate or structure to disconnect private infiltration or inflow waters from the sewer collection system. The order shall be effective not less than 30 days from its date of issuance. The order may state a deadline for compliance but such deadline shall, in no event, be more than three (3) months after issuance of the order.

RULE 18. TERMINATION OF SERVICE: The District may order the termination of sewer collection service and/or request water service termination to any real estate or structure if the owner has refused to allow access and entry or has failed or refused to comply with the disconnect order requiring that the private infiltration of inflow waters be prevented from entering the sanitary sewer system. The termination of either service shall be effective 30 days after the notice to the owner of the termination for sewer collection service. Notice of the termination order shall be in person or by restricted delivery mail.

RULE 19. RECONNECTION OF SERVICE: Sewer collection service and/or water service disconnected under the provisions of these Rules and Regulations shall not be reconnected until sources of infiltration or inflow have been disconnected. The cost of service disconnection and reconnection shall be to the burden and responsibility of the owner, lessee or renter.

RULE 20. ABATEMENT OF NUISANCE: In addition to, or in lieu of, termination of service and/or prosecution in the County Court, the District may maintain a civil action by injunction, in the name of Rural Sewer District #1, Rogers County, Oklahoma, to abate and temporarily or permanently enjoin the continuation of the private infiltration or inflow and/or as a nuisance, in any court of competent jurisdiction.

RULE 21. LICENCED PLUMBER: No person shall engage in the construction, repair or cleansing of building line sewers, or in making sewer connections to the RSD#1 owned sanitary sewer system unless such person is licensed by the Oklahoma Department of Environmental Quality as a plumbing contractor or journeyman plumber.

RULE 22. INSPECTION REQUIRED: All sanitary sewer work from the building line is to be installed per the BOCA Plumbing Code outward to the District's owned main collection line and shall be done in accordance with the provisions of these RULES AND REGULATIONS and the standard specifications for house sewers. The installation shall be inspected by an authorized representative of the District. A certificate of inspection will be filed at the District's office after verbal disposition of the service line and tap connection is given. If requested, the District will issue a letter of the disposition to the property owner.

RULE 23. ACCESS AND ENTRY:

(A) Access: Representatives of the District shall have the right to make an inspection of any parcel of real estate and/or structure for the purpose of determining compliance with Rules 14, 15 and 16. Inspections shall be done at a reasonable hour of the day.

(B) Notice: If the structure or real estate to be inspected is occupied, the representative shall first present proper credentials and request entry. If the structure or real estate is unoccupied, the representative shall first make a reasonable effort to locate the owner or other person(s) having charge or control of the structure or real estate and request entry.

(C) If, after proper request, entry or access is refused; the District may declare a forfeit of the assigned Benefit Unit.

RULE 24. PRIVATE REPAIRS: It shall be the duty of all persons owning any property that is serviced by the District, to keep the sewer service line in a sufficiently good state of repair that it does not constitute a health nuisance nor interfere with the operation and maintenance of the District's collection and treatment facilities. Repairs made to sewer lines on private property shall be made by a licensed plumber within five (5) days after the District issues written notice.

RULE 25. OPTIONAL ABATEMENT PROCEDURE: If the property owner is unable or refuses to comply with these rules (repair or disconnect of infiltration and inflow source), the District may, at its discretion, contract with a plumbing contractor of the District's choice to make the required repair and/or replacement/disconnection to remove the infiltration and inflow source. The cost of the abatement may include but not be limited to; repair of the defect; repair of streets, alleys, curbs and parking. The cost of such action will be filed as a lien on the property. A charge determined by the District, but not less than \$25.00 per month, will be added to the sewer bill of the property owner or user of that address until paid in full. The lien release will be issued on receipt of total cost.

RULE 26. GREASE TRAP POLICY FOR COMMERCIAL ESTABLISHMENTS: Commercial food service facilities are to have a grease trap, interceptor or separator to remove grease and oil waste prior to the waste flow entering into the District's mainlines. The District reserves the right to require a grease trap, interceptor or separator on any sewer service line when the District deems it necessary. See the District's Grease Trap Policy adopted by the Directors on March 3, 1997

RULE 27. AGREEMENT WITH DEVELOPERS: Prior to the acceptance of the sewer collection system included in any new housing development, the "AGREEMENT" policy adopted by the Directors on Sept. 22. 1998 (with addendums as attached to the Agreement) is to be signed and totally consummated.

RULE 28. MOBILE HOME PARKS: A Mobile Home Park where the residents are not permanent residents, the District will bill the owners of such park at a commercial rate based on water usage as registered by a water supply master meter. All sewer collection lines inside the Mobile Home Park are to be installed under the Districts Standards and as approved by the District's Engineer as would be for any trunk, main or lateral line installed in the District. A plan of the Mobile Home Park showing locations of all utility lines as well as profile of the owner's sewer collection system shall be subject for approval by the District's Engineer prior to connection to the District's collection and treatment service. Cost for the material and installation of the park's collection system is to be paid by the owners of the Mobile Home Park. Cost for the inspection by the District's representative is also to be paid by the owners of the Mobile Home Park. Cost for the inspection by the District's representative is also to be paid by the owners of the Mobile Home Park. Cost for the inspection by the District's representative is also to be paid by the owners of the Mobile Home Park. Cost for the inspection by the District's representative is also to be paid by the owners of the Mobile Home Park. Cost for the inspection by the District's representative is also to be paid by the owners of the Mobile Home Park. Cost for the inspection by the District's representative is also to be paid by the owners of the Mobile Home Park. Cost for the inspection by the Obstrict's representative is also to be paid by the owners of the Mobile Home Park. Cost for the inspection by the District's representative is also to be paid by the owners of the Mobile Home Park. Cost for the inspection by the District's representative is also to be paid by the owners of the Mobile Home Park. All the expected collected lift stations. All maintenance of the sewer collection lines within the defined property of the Mobile Home Park is to be the responsibility of the

RULE 29. UNACCEPTABLE POLLUTANTS: The following pollutants will not be allowed into the RSD#1 collection and transport systems or treatment facility.

(A) Pollutants, that creates a fire or explosive hazard, including, but not limited to, waste streams with a closed cup flash point of less than 140"F or 60"Centigrade.

(B) Pollutants that will cause corrosive structural damage to the collection, transporting and treatment-processing equipment, but in no case discharges with a pH below 5.0.

(C) Solids or viscous pollutants in amounts that will cause obstruction to the flow in all collection lines or pumps.

(D) Any pollutant including oxygen-demanding pollutants (e.g., BOD), released in a discharge at a flow rate and/or pollutant concentration that will cause interference with the treatment facility.

(E) Heat in the amounts that will inhibit biological activity at the treatment facility, but in no case, heat in such quantities that the temperature at the treatment facility exceeds 40"C (1(WF).

(F) Petroleum oils, non--biodegradable cutting oils, or products of mineral oil origin in amounts that will cause interference or pass through the treatment process.

(G) Pollutants that result in the presence of toxic gases, vapors, of fumes within the collection systems and the treatment facility in a quantity that may cause acute worker health and safety problems.

(H) Salts of the heavy metals, in solution or suspension, in concentrations that are toxic to the biological wastewater treatment process. (I) Any trucked or hauled pollutants.

RULE 30. PRETREATMENT REQUIRMENTS: When it is required by the District that the effluent from any applicant's owned source is to be modified through a pretreatment facility prior to admission to the District's sewer collection system, that applicant shall provide, at their expense, such pretreatment as the Directors shall determine necessary to render the sewerage acceptable for admission to the main sewer collection system. Plans, specifications and any other pertinent information relating to the pretreatment processing shall be submitted to the District's Engineer for approval prior to the start of construction. Monitoring of that pretreatment facility will be required to verify continued effluent quality requirements set forth by the District.

RULE 31. ACCEPTANCE OF EXISTING COLLECTION SYSTEMS: Prior to the acceptance and attachment of any existing sewer collection system to the District's mainline, that system is to be shown free of any inflow and/or infiltration by any method of testing or viewing designated by the District. Costs of the testing will be borne by the owner of the collection system. Existing Pump stations are to be in acceptable operating condition and the history of operation made available to the District.

RULE 32. EXTENDING A SEWER MAIN: To extend a sewer collection main to serve an applicant, the Directors may at their discretion exercise one of the following options:

(A) If the cost of the extension is greater than the average cost of the entire system to each existing customer, and sufficient construction funds are available, the Board may elect to make the extension upon the applicant's purchase of a Benefit Unit.

(B) If the cost of the extension is greater than the average cost of the entire system to each existing customer, but funds are available to the extent of such average cost, the Directors may elect to contribute to the extension the amount of such average cost, and require the applicant to deposit in cash the additional cost in addition to the price of a Benefit Unit. If, and as funds become available, all or part of the original customer's deposit may be returned to him. Any portion of the original deposit remaining after the expiration of a five-year period will become the property of the District. In no case will interest be paid on such deposits.

(C) In the event that the District does not have funds available to pay for construction on the amount of the average cost per customer of the entire system, it may require as a condition of extending service, that the applicant's deposit, in addition to the price of a Benefit Unit, an amount which may equal the entire cost of the extension. In such event, the Directors may, as funds become available, return to the customer that portion of his deposit equal to the average cost of the system per number. No interest will be paid on such deposits. The Directors may require the applicants for the Benefit Units within the extended area who did not participate in the original extension contribution, as a condition precedent to the purchase of said unit, to contribute to said extension costs an amount up to and equal to the average cost per member on the entire system. Provided, said requirement shall terminate after expiration of five years or less, in the discretion of the Directors, or the agreement to reimburse the original contributors has been satisfied, whichever event first occurs

RULE 33. FORFEITURE OF BENEFIT UNIT: A violation of the Laws of the State of Oklahoma or any Agency thereof concerning the operation of the District's sewer system or a violation of the District's By-laws or the District's Rules and Regulations by the applicant or Benefit Unit user or any person acting on behalf of same will result in the forfeiture of the Benefit Unit at the sole discretion of the Directors and upon forfeiture the patron will no longer be entitled to sewer service from the District.

SECTION 2. REPEALER: All rules and/or regulations or parts of a rule or regulation in conflict herewith are repealed to the extent of the conflict only. hereof, be held invalid, void or unconstitutional for any reason, such holding shall not render invalid, void or unconstitutional any other rule, section, subdivision, sentence, provision, clause or phase of these Rules and Regulations, and the same are deemed severable for this purpose.

SECTION 4. EMERGENCY: These Rules and Regulations being designated to protect the public health, safety and welfare of the inhabitants of the Rural Sewer District #1. Rogers County, Oklahoma, and its passage being immediately necessary, an emergency is hereby declared to exist and by reason whereof these Rules and Regulations shall take effect immediately upon its passage, approval and publication as provided by law.

SECTION 5. SEWER USE FOR INDUSTRIAL DISCHARGES: (Adopted by Resolution #2008-01 in the January 7th, 2008 Regular Meeting of RSD#1 Board of Directors. See the attachment to Minutes o f that meeting).