

KUSHLA WATER DISTRICT RULES AND REGULATIONS

These Rules and Regulations (“Rules”) govern the provision of water service by Kushla Water District, an Alabama Public Corporation (“District”), to its customers (“Customer”). These Rules are effective as of the date adopted by the District and supersede all prior rules and regulations relating to water service.

Definitions

For purposes of these Rules, the following capitalized terms shall have the meanings set forth below. Terms defined in the singular shall include the plural and vice-versa unless the context clearly indicates otherwise.

Cutoff Valve means the valve installed by the District at the Service Connection that controls water flow to the Customer’s Service Line and is operated exclusively by the District.

Customer means the person or legal entity that has applied for and been granted water service by the District for the Service Address.

District means Kushla Water District, its Board of Directors, its successors, assigns, employees, contractors, and agents acting within the scope of their duties.

Leak Adjustment Policy means the District’s written policy governing discretionary billing adjustments in the event of verified leaks on the Customer’s side of the Meter, as the same may be amended from time to time.

Meter means the measuring device installed by the District at the Service Connection for the purpose of recording the volume of water delivered to the Customer.

Rate Schedule means the District’s published schedule of deposits, rates, fees, charges, and penalties applicable to water service, as amended from time to time.

Service Address means the real property location identified in the Customer’s application where water service will be rendered under these Rules.

Service Connection means the physical point at which the District’s distribution main connects to the Customer’s Service Line and at which the Meter and Cutoff Valve are installed.

Service Line means all water piping, fittings, and appurtenances extending from the Customer’s side of the Meter to the plumbing facilities located on or within the improvements at the Service Address.

Service Rules and Regulations means these Rules and Regulations, policies, procedures, design standards, and specifications governing the provision of water service, as amended from time to time.

1. Provision of Service

Upon the later to occur of (i) the service start date specified in Customer’s application for service and (ii) Customer’s payment of any required deposits and upfront fees, the District shall furnish potable water to the Customer at the Service Address, subject to and in accordance with (a) applicable federal, state, and local laws and regulations, (b) these Rules, and (c) the District’s Rate Schedule and Leak Adjustment Policy, each of which is incorporated by reference. Customer may terminate service by giving notice of termination. Water service may be interrupted for maintenance, repairs, system modifications, or emergencies. The District will endeavor to provide reasonable advance notice of planned interruptions but may forego notice in exigent circumstances.

2. Installation and Maintenance

2.1 Customer Responsibilities. The Customer shall install, own, and maintain the Service Line in a sanitary and leak-free condition beginning at the Customer’s side of the Meter. Private wells or other water sources shall not be physically connected to the District’s system under any circumstance.

2.2 District Responsibilities. The District will install and maintain the Meter and Cutoff Valve at the Service Connection in accordance with the terms hereof. The District retains the exclusive right to operate, relocate, repair, and replace the Meter and Cutoff Valve.

3. Meter and Cutoff Valve

3.1 Ownership and Operation. The Meter and Cutoff Valve are owned exclusively by the District. Tampering with, bypassing, or operating either device without the District’s prior written consent constitutes a material breach of these Rules.

3.2 Relocation. At the Customer’s written request, and subject to the District’s approval, the District may provide a written cost estimate for relocating the Meter and Cutoff Valve within the Service Address. The Customer shall have the opportunity to approve or decline the cost estimate before any relocation is performed. If Customer approves the cost estimate, Customer shall pay the estimated cost in advance and, upon payment, the District shall relocate the Meter and Cutoff Valve to the agreed upon location. If the actual

cost of relocation exceeds the estimated cost, Customer shall pay the difference. If the actual cost of relocation is less than the estimated cost, the District will credit the overpayment to Customer's account. If Customer does not approve the cost estimate, the relocation request will be deemed withdrawn and the District will have no obligation to complete the relocation. Following relocation, the Customer is responsible for relocating and reconnecting the Service Line to the relocated Meter and Cutoff Valve in accordance with District specifications. The District may, in its sole and absolute discretion, require testing, engineering certifications, or other confirmation of proper installation prior to reconnection of the Service Line.

3.3 Meter Testing. The Customer may request an accuracy test of the Meter at the Customer's expense if the Customer believes the Meter is inaccurate. If the Meter is found to be inaccurate within industry standards, the District shall take measures to correct the inaccuracy. If the District cannot or elects not to correct the inaccuracy within 30 days after the inaccuracy is discovered, the District will bill Customer based on estimated actual usage until such time as the inaccuracy is corrected.

3.4 No District Work Beyond the Meter. The District shall not, under any circumstances, perform installation, maintenance, repair, inspection, or any other work on any portion of the Service Line or plumbing facilities located on the Customer's side of the Meter. The Customer is solely and exclusively responsible for all work, costs, and liabilities associated with the Service Line and any plumbing facilities on Customer's side of the Meter, including but not limited to leak detection, repairs, replacements, and compliance with all applicable laws and regulations.

4. Service Application Procedures

4.1 Existing Meter and Service Line. If Customer is seeking service through an existing Meter, Cutoff Valve and Service Line, Customer shall:

- (a) submit a completed application at the District office together with a copy of these Rules signed by Customer;
- (b) provide government-issued photo identification; and
- (c) provide proof of ownership (recorded deed) or, if a lessee, a fully executed written lease showing Customer as the lessee in possession as of the requested service start date.

If the existing Service Line requires repair, relocation or replacement to establish service at the Service

Address, such work must be completed, including reconnection to the Meter and Cutoff Valve, if applicable, by Customer at Customer's expense prior to start of service under these Rules.

4.2 No Existing Meter, Cutoff Valve or Service Line. When no Meter, Cutoff Valve and/or Service Line exists for the Service Address, the applicant shall:

- (a) submit the items required by Sections 4.1(a)-(c) above;
- (b) provide a legal description of the premises;
- (c) supply a valid building permit, if applicable; and
- (d) pay all connection fees and charges in advance, including any applicable meter fees, tap fees, and impact fees, unless the District authorizes financing for owner-occupied residential connections. Any financed amount may be secured by a lien on the property until paid in full, which lien will be recorded in the Office of the Judge of Probate of Mobile County and will not be subordinated.

Upon receipt of Customer's application, the District will coordinate with the Customer to develop a utility plan showing the location of the Meter and Cutoff Valve, the location of any new distribution mains or lines of the District on the Service Address, and location for other associated improvements required to initiate service at the Service Address. The final location of all such improvements will be determined by the District, in its sole and absolute discretion.

Following payment of connection fees and charges and determination of the final location of improvements, the District shall install the Meter and Cutoff Valve as soon as practicable. The District shall endeavor to perform such installation in a timely manner and in accordance with Customer's construction schedule; however, the District can make no assurances as to the completion date of such installation.

Customer is responsible for installing and connecting the Service Line to the Meter and Cutoff Valve in accordance with District specifications. The District may, in its sole and absolute discretion, require testing, engineering certifications, or other confirmation of proper installation prior to connection of the Service Line.

4.3 No Guarantee of Capacity. The District's acceptance of an application does not guarantee service until the District confirms system capacity and connection feasibility. If there is not current system capacity and/or connection feasibility, the District may either deny service or impose additional fees or conditions to service, including without limitation

requiring Customer to pay all or part of the cost to install new distribution mains or lines, pump stations, or other improvements to service the Service Address.

5. Rates and Payment

The Customer shall pay for water service in accordance with the Rate Schedule in effect from time to time. The current Rate Schedule is available at the District office and on the District's website and is incorporated by reference. Bills are due as stated on the District's billing statements. Failure to receive a bill does not relieve the Customer of the obligation to pay.

6. Delinquent Accounts

If any amount remains unpaid after the due date, the District may impose late fees and/or interest charges, disconnect service, and pursue all lawful collection remedies. The Customer agrees to pay all reasonable costs of collection, including attorney's fees and court costs.

6.1 Re-establishment of Service. If service is disconnected for nonpayment, the Customer may request re-establishment of service by paying all outstanding amounts due, including any applicable late fees, interest charges, reconnection fees, and other fees and charges as set forth in the Rate Schedule. The District will restore service within a reasonable period after receipt of payment, subject to operational constraints. The Customer may contact the District office for information regarding the current reconnection fee, outstanding balance, and estimated timeline for restoration.

7. Unauthorized Connections

The Customer shall not extend, convey, or resell water from the Service Address to any other dwelling, structure, or consumer without the District's prior written consent. Unauthorized connections may result in immediate service disconnection and assessment of penalties under the Rate Schedule.

8. Customer Responsibility for Leaks

The Customer shall promptly identify, report, and repair all leaks on the Service Line or other private

plumbing facilities at the Service Address. Participation in the District's Leak Adjustment Policy does not relieve the Customer of this responsibility.

9. Leak Adjustment Policy

The District may, in its sole discretion and in accordance with the Leak Adjustment Policy, adjust bills attributable to verified leaks on the Customer's side of the Meter. The availability of an adjustment is not guaranteed and is subject to the District's investigation and approval.

10. Limitation of Liability

10.1 General Limitation. The District shall not be liable for indirect, consequential, special, or incidental damages arising from or related to interruptions, fluctuations, or variations in water service.

10.2 Force Majeure. The District shall not be liable for any failure or delay in performance caused by events beyond its reasonable control, including but not limited to acts of God, natural disasters, governmental orders, supply shortages, acts of civil or military authority, fires, floods, epidemics, riots, wars, strikes, or failures of public infrastructure not owned or controlled by the District. In such circumstances, the District's obligations under these Rules shall be suspended for the duration of the event, and the District will use reasonable efforts to resume service as soon as practicable.

11. Amendments

The District reserves the right to amend these Rules, the Rate Schedule, and the Leak Adjustment Policy at any time. Amendments will be communicated to Customers by mail, electronic notice, or posting on the District's website, and will specify an effective date not less than thirty (30) days after notice is provided, unless a shorter period is required by law or for emergency changes. Continued use of water service after the effective date of any amendment constitutes the Customer's acceptance of the amendment.