

WATER USERS AGREEMENT

This agreement, between Upper Souris Water District, a cooperative, hereinafter called the District,
and _____, a member of the District hereinafter called the Member.

WITNESSETH

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

NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements herein contained, it is hereby understood and agreed.

The District shall furnish, subject to the limitations set out in its Rules, Regulations, and Bylaws and those hereinafter provided for, such quantity of water as the Member may desire in connection with his occupancy of the following described property:

The Member hereby grants the District, its successors or assigns, a perpetual easement in, over, under, and upon the above described land with the right to erect, construct, install, and lay, and thereafter use, operate and inspect, repair, maintain, replace and remove water pipelines and appurtenant facilities, together the right of ingress and egress over adjacent land for the purpose mentioned above.

The Member shall install and maintain at his own expense a service line which shall begin at the cutoff valve and extend to the dwelling or place of use. The service line shall connect with the distribution system of the District at the nearest place of desired use by the Member provided the District has determined in advance that the system has sufficient capacity to permit delivery of water to that point.

The Member agrees to comply with and be bound by the Articles, Bylaws, Rules and Regulations of the District, now in force, or as hereafter duly and legally supplemented, amended or changed. The Member also agrees to pay for water at such rates, times, and place as shall be determined by the District, and agrees to the imposition of such penalties for noncompliance as are not set out in the District's Bylaws, Rules, and Regulations, or which may be hereafter adopted and imposed by the District.

The District shall purchase and install a cutoff valve and may also include a water meter in each service. The District shall have exclusive right to use such cutoff valve and water meter.

The District shall have final jurisdiction in any question of location of any service line connection to its distribution system; shall determine the allocation of water to Members in the event of a water shortage; may shut off water to a Member who allows a connection or extension to be made to his service line for the purpose of supplying water to another user. In the event the total 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 District may prorate the water available among the various Members on such basis as is determined equitable by the Board of Directors, and may also prescribe a schedule of hours covering the use of water for garden and lawn purposes; provided that if, at any time the total water supply shall be insufficient to meet all of the needs of all of the Members, the District must first satisfy all of the needs of the Members for domestic purposes before supplying any water for any other purposes.

The member agrees to comply with the requirement of the North Dakota State Health Department as to any regulations relating to connections with any water source other than the District's.

The Member shall connect his service lines to the District's distribution system and shall commence to use water from the system on the date that the water is made available to the Member by the District. Water charges to the Member shall commence on the date that the service is made available regardless if the Member makes use of the service.

In the event the Member shall breach this contract by (1) refusing or failing, without just cause, to connect his service line to the District's distribution system as set forth above, or (2) refusing or failing, without just cause, to pay minimum water rates as established by the District, upon the occurrence of either of said events, the Member agrees to pay to the District, in addition to any hookup fee that may have been paid, a lump sum of three hundred dollars, (\$300.00) as liquidated damages. It is expressly understood and agreed by the parties hereto that the said amount is agreed upon as liquidated damages in that a breach by the Member in either of the respects set forth above would cause serious and substantial damages to the District; and it will be difficult, if not impossible, to prove the amount of such damages. The parties hereto have computed, estimated, and agreed upon said sum in an attempt to make a reasonable forecast of probable actual lose because of the difficulty in estimating with exactness the damages which will result.

The initial hookup fee will be \$_____. It is agreed that this fee will be paid at the time this agreement is entered into.

IN WITNESS WHEREOF, we have executed this agreement this _____ day of _____, _____, in duplicate original.

UPPER SOURIS WATER DISTRICT

By: _____
President

Member: _____

Attest: _____
Secretary

Member: _____