

Major County Rural Water District No. 1

Commercial or Grow House Operation User Agreement

Amended: April 2022

This agreement entered into between the Major County Rural Water District # 1, Major County, Oklahoma, hereinafter called the "District," and _____ Member of the District, hereinafter called "Member."

Whereas, the Member desires to purchase water service from the District and to enter into a water users' agreement related to Commercial/Grow House Operations as required by the bylaws of the District.

The mission of the District is to provide water service primarily to residential customers of the District. Commercial operations, including legal Grow House operations, may be allowed service as long as it does not interfere with residential customers' service. Any usage for Commercial/Grow House operations or changes to the operations that result in reduced services to residential customers can result in limitations or complete cessation of water services to the Commercial/Grow House operation. Any changes to the size, buildings, equipment and other growing or processing facilities after the initial approval for service must be reported in advance of implementation in order for the District to review the impact on other customers and compliance with all laws, rules and regulations of all applicable organizations, and approve those changes before implementation. This evaluation may include an additional hydraulic evaluation by an engineer at the cost of the Member. In addition, any violations of Oklahoma law, Department of Agriculture, Department of Environmental Quality (DEQ), District By-Laws, District Rules and Regulations, District Board Policies (including any future changes to these) can result in limitations or complete cessation of water services to the Commercial/Grow House operation.

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 Member must purchase one Membership Benefit Fee of **\$300**, purchase new service for **a fee determined by the Board of Directors**, or file a Transfer of Membership in the District. The Member may not use this Membership for a residence, home, camper, or living facilities of any kind. The Member must pay for any extension of the District's lines, road crossings or other costs to the location of the meter which will serve the Member's property. In addition, a meter with check valve and meter loop, meter vault, cut off valve, backflow preventer in compliance with DEQ and District standards and any other equipment as considered necessary by the District shall be paid for by the Member. The size of the meter and meter loop will be limited to a maximum of 5/8" with 3/4" connections. The Backflow Preventer shall be indoors or in a receptacle approved by the District which allows periodic inspections and testing by the District as considered necessary by the District. An annual test of the Backflow Preventer will be done by the District and shall be paid for by the Member at a rate set forth by the Board.
2. The potential Member must meet with the Board of Directors in person before Membership approval will be granted by the District. Based on this meeting, the Board of Directors reserves the right to disapprove Membership for any reason.
3. Prior to approval of Membership, the District will evaluate the effects on the operations of the system, water pressure and volume to other customers, and any other effects of adding the Member to the system. This evaluation can include a hydraulic study by an engineer, the cost of which is to be paid by the Member.

4. The District shall furnish subject to the limitations set out in its bylaws and rules and regulations now in force or as hereafter amended such quantity of water as Member may desire in connection with Member's occupancy of the following described real property (see attached property deed). By signing this agreement, Member is attesting to their lawful occupancy of said real property. Should Member transfer, sale, convey or otherwise lose their lawful occupancy of said real property, they shall notify the District immediately.
5. The Member agrees to grant to the District, its successors and 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, 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 of ingress to and egress from the above-described lands.
6. The Member shall install and maintain at his own expense a service line, which shall begin at the meter and extend to the place of use. The service line shall connect with the distribution system of the District at a location approved by the District, provided the Association has determined in advance that the system is of sufficient capacity to permit delivery of water service at that point.
7. 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 service at such rates, time and place as shall be determined by the District, and agrees to the imposition of such penalties for noncompliance as are set out in the District's bylaws and rules and regulations, or which may be hereafter adopted and imposed by the District.
8. The Member understands that water service can be limited or discontinued at any time by the District due to technical problems, weather, acts of God, line breaks, equipment failure or maintenance, water tower cleaning and maintenance, non-payment or violations of any applicable laws, rules, regulations or policies by the Member, mistakes and various other circumstances. The Member agrees that the District, the District's Board of Directors, employees, contractors or subcontractors are not liable for any damage or loss to property, crops, equipment, revenues, or any other damages of any kind as a result of limitation or cessation of water service past the District's water meter on the property of the Member. As a condition of Membership, the Member agrees to hold harmless the parties identified above under any and all circumstances for any damages of any kind.
9. The District shall have final authority in any question of location of any service line connection to its water distribution system; shall determine the allocation of water to Members in the event of a water shortages and 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 deemed equitable by the Board of Directors, and may also prescribe a schedule of hours covering use of water for garden or Grow House purposes by particular Members and require adherence thereto or prohibit the use of water for such 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 all Members for domestic purposes before supplying any water for Commercial/Grow House purposes and must satisfy all the needs of all Members for domestic purposes before supplying any water for garden purposes and marijuana cultivation.
10. The Member agrees that no other present or future source of water will be connected to any waterlines served by the District's waterlines and will disconnect from his present water supply prior to connecting to and switching to the District's system.

11. Water charges to the Member shall commence on the date service is made available, regardless of whether the Member connects to the system.
12. In addition to the terms of this agreement, the Member shall comply with all governmental laws, ordinances and regulations now in force, or which may hereafter be in force, applicable to the Member's Marijuana Operations and with any order, directive, or regulation properly issued as a result of Member's Marijuana Operations, all at Member's sole expense. In the event of any changes in laws, ordinances or regulations after the date of this agreement, Member shall be obligated to comply with such changes when and if such compliance is required under the applicable laws, ordinances and regulations.
13. This service agreement is subject to annual renewal based on the date the Member's Oklahoma Medical Marijuana Business License(s) is renewed. The Member must provide to the District a copy of said renewed license(s). The Member is subject to annual inspection by the Oklahoma Department of Environmental Quality and a copy of such inspection shall be provided to the District within 10 days of completion of such inspection.
14. The Member authorizes the District representatives to access any and all property, buildings, equipment and facilities of any kind for inspection at any reasonable time and as often as deemed necessary by the District. This includes trailers or prefabricated structures of any type.
15. This agreement shall be governed by Oklahoma law, and disputes arising hereunder shall be brought in Major County, Oklahoma.
16. In the event the District is required to file suit against Member to enforce any of the terms of this agreement, the District shall be entitled to recover all court costs and a reasonable attorney's fee incurred in connection with such proceedings.
17. The Association is required to protect its water system from contamination by chemicals, waste, insecticides, fertilizers, and any other contaminants. At any time that such contamination is suspected or identified, the District can cease providing water to the Member until such condition is confirmed and corrected. When possible, water used for mixing or use of any potential contaminants must be infused into a storage or processing tank by use of a drop mechanism which provides a vertical drop above the tank in compliance with applicable rules and regulations.
18. The failure of a customer to pay water charges duly imposed shall result in the automatic imposition of the following penalties:
 - A. Non-payment by the due date will be subject to a penalty of five percent of the delinquent account.
 - B. Non-payment of the water service charges by the 15th of the month following the billing date will result in the water being shut off from the customer's property.
 - C. In the event, it becomes necessary for the District to shut off the water from a Member's property, a fee will be charged for a reconnection of the service at the rate set by the Board.

THE UNDERSIGNED HAVE CAREFULLY READ THE FOREGOING COMMERCIAL/GROW HOUSE USERS' AGREEMENT, UNDERSTAND THE CONTENTS THEREOF, AND SIGN THE SAME AS A RESULT OF THEIR OWN FREE AND VOLUNTARY ACT.

IN WITNESS WHEREOF, We executed this agreement on this _____MONTH of this _____ DAY of _____ YEAR

**Major County Rural Water District #1
Fairview, Oklahoma**

By: _____
Chairman

By: _____
Water User

Attested:

Secretary

State Of: Oklahoma
County Of: Major

On this _____ day of _____, _____ the undersigned a Notary Public in and for: _____, said county and state, personally appeared.

_____, property owner,
To me know to be identical person who executed the within and forgoing instrument and acknowledged to me that he executed the same as a free and voluntary act and deed for the uses and purposed therein set forth.

In witness whereof, I have set my hand and official seal, the day and year last above written.

Notary Public

Commission Expires:
