

April 18, 1998

Keya Paha Community Pipeline, Inc.

Procedures

1. To record Registered Agent of Corporation, a letter must be sent to Nebraska Secretary of State, 2300 State Capitol, P.O. Box 94608, Lincoln, NE 68509-4608. There is a fee to record this, and the State Secretary's office should be contacted as to amount of fee.
2. Corporation change of address should be reported to Secretary of State by the Secretary of the corporation.
3. Forms for bi-annual reports are sent out from Secretary of State's office. The secretary of the Corporation should complete this form and obtain a check from the Treasurer for fee to include with report.
4. Members will be notified by the Secretary of Corporation or Registered Agent of the annual meeting at least two (2) weeks prior to meeting by letter. In some cases, notification by phone may be acceptable.
5. If a member wishes to appoint a representative to attend a meeting in his absence, a letter appointing such a person should be sent to Corporation Secretary at least ten (10) days before meeting. However, in an emergency a phone call to an officer may be acceptable.
6. Any members may hold office.
7. Each member should use floats on all tanks. Each member is responsible to see that floats are operating properly. If for some reason, a float is impractical, the tanks must be monitored so they don't run over and waste water and keep pumps running.
8. Member should contact repair personnel when they discover a problem on pipeline or at outlets. The member is responsible for paying repair bill. The President or Secretary should be notified regarding the problem.

If the problem is on the main pipeline, the member should pay the bill, then submit it at annual meeting for consideration for reimbursement. Reimbursement will be based on funds available or whether Board decides if a special assessment is advisable.

If the main wells fail, the President will arrange for repair, and the Board will decide how payment will be made.

9. Any officer may enter land which pipeline serves without prior permission from owner to check along pipeline and/or monitor water use.
10. A request for hook up to a house must be submitted by letter or in person at meeting of the Board. If approved, the member must submit \$200 to Treasurer.

The member is to make arrangements for hookup to house and pay related expenses directly to contractor doing work. Fees for water use at house may be paid at annual meeting or arrangements can be made to pay it monthly.
11. If for some reason, a membership is terminated, an officer of the Corporation or an appointed representative will shut off the water at the outlets, and remove hydrants.
12. If land being served by the pipeline is sold or transferred, the new owner should contact the Secretary and/or President of the Corporation requesting membership.

A new member must pay to the Treasurer of the Corporation a fee of \$ for hook-up to water system. This is in addition to water fees based on number of outlets which are collected at the annual meeting.
13. Presently the Commercial National Bank, Springview, NE is depository for Corporation funds. The Treasurer is responsible for depositing all funds. The Treasurer and the Secretary are on record at bank for signing checks, however, it is responsibility of the Board to determine who may sign checks and number of signatures required.
14. The Treasurer of the Corporation is responsible for assuring that electric meter is read each month and the payment submitted to KBR Rural Public Power District, Ainsworth, NE.
15. A copy of the map of the pipeline may be obtained from the Registered Agent.
16. The Secretary of the Corporation will provide all members a copy of the By-laws and company policies and procedures.
17. A yearly water fee will be established for each outlet at the annual meeting. This fee may vary as company expenses vary. Members are expected to pay the fee for the year in advance at annual meeting.