

# Water System Rules

SCOTT LAKE MAINTENANCE COMPANY

## WATER SYSTEM RULES AND REGULATIONS

Adopted by the SLMC Board of Trustees on October 18, 2018

as Amended on November 15, 2018

1. PREAMBLE: The Scott Lake Maintenance Company, Inc., (SLMC) a Washington State corporation, and their authorized agents, shall at all times strive to operate the Scott Lake Water Supply System, State ID# 768676, in compliance with State Laws governing nonprofit corporations (Chapter 24.03 RCW), State Board of Health Water System Regulations (WAC 248-54), Department of Ecology Ground Water Codes (RCW 909.44) and to parallel applicable customer service practices permitted by the Washington Utilities and Transportation Commission rules relating to water companies (WAC 480-110).
2. DEFINITIONS:
  - 2.1 UTILITY: Scott Lake Maintenance Company, Inc., including its authorized agents or contractors.
  - 2.2 CUSTOMER: Any person, partnership, firm, corporation, association, municipality, cooperative, organization, government agency, etc., that is the recorded property owner of the plotted area of the Scott Lake development that obtains water from the Utility.
  - 2.3 BOARD OF TRUSTEES: The elected Board of Trustees of the Scott Lake Maintenance Company (SLMC).
  - 2.4 RATES: The Utility shall establish a monthly fee for access to the availability of water and/or a fee for consumptive use of water. Customers will be given thirty (30) days notice of any change in rates. The Utility shall keep an adequate record of such notice.

The current basic rate for water service is \$22.00 each month. Meters are read every other month, so the basic rate provides water customers with 2,000 cubic feet of water consumption in a two-month period. There is an additional charge of \$1.00 per 100 cubic feet from 2,001 to 3,000 cubic feet. For water use exceeding 3,000 cubic feet, there will be an additional charge of \$1.50 per 100 cubic feet.

2.5 REPLACEMENT RESERVE: The Replacement Reserve assessment of \$10.00 per month provides funds necessary to replace any or all of the components of the water system as needed. SLMC has a Water System Plan, where each component has been estimated for cost replacement and the replacement cost of the entire water system is estimated. SLMC must have sufficient funds in the reserve to replace the entire water system if needed. The Water System Plan shall be periodically updated, at least once every ten years, to ensure the reserve is adequate.

2.6 MAINTENANCE RESERVE: The Maintenance assessment of \$10.00 per month provides the funds necessary to maintain other community owned property and to replace components as needed. This assessment will be billed and is payable together with the water system reserve assessment and water rates bill.

2.7 BILLING DATES: Bills shall normally be mailed by the Utility to Customers on the first day of each month. Bills are due and payable by the 20<sup>th</sup> day of each month. Exceptions may be made if these days fall on holidays or weekends. Bills are sent on a monthly basis and are payable by mail to the office of the Utility's contractor (if any), or payments can be dropped off at the Utility's contractor's office. Bills are deemed delinquent if not paid by the due date provided in the billings.

2.8 PENALTIES FOR LATE PAYMENTS AND DELINQUENT ACCOUNTS: A \$25 fee will be added to bills that are not paid by the due date. If the bill is still not paid by the due date for the subsequent bill, an additional \$25 fee will be added. Bills not paid after the third billing due date will result in a shut-off of water service. In addition, a 1% per month charge on the outstanding balance will be added to the amount due each month that the bill(s) remain unpaid.

2.9 CHECKS RETURNED FOR NONSUFFICIENT FUNDS: If a bill is paid by a check that is later returned to the Utility by the bank due to nonsufficient funds in the payer's account, a fee of \$25.00 shall be added to the Customer's bill. In addition, late charges per 2.8 above may apply.

3. NEW PROPERTY OWNERS WITH EXISTING SERVICE CONNECTIONS: New customers with existing service connections shall submit an application to the Utility on a form supplied by the Utility for water service as provided below. A new account set-up fee of \$25.00 will be payable with the application.
4. NEW SERVICE CONNECTIONS: The Utility provides a water supply line, valve and meter to the lot line nearest to the street or to the main water line. An installation charge of \$1,000.00 for a new service connection will be payable upon application for water service to lots that have not previously been served. Property owners of lots without existing service connections (for example, owners of vacant lots to be built on) shall submit an application to the Utility on a form supplied by the Utility for water service as provided below.

5. APPLICATION FOR SERVICE: New property owners requesting water service shall be required to make application in writing on forms provided by the Utility and shall be required to pay the new account set-up fee. An application shall be deemed to be a notice to the Utility that the applicant desires service and is an expression of his or her willingness to conform to these rules and regulations. Such application shall state clearly the character of service for which applied (for example, residential use on a specific property). Should a prospective Customer use service prior to making application, the Utility shall require said Customer to pay for such service in accordance with the applicable rate schedule including the procedure for delinquent accounts.
6. CUSTOMER REQUESTED SHUT-OFFS: When a Customer requests their water to be shut off for a vacation, for a vacancy or for other reasons, a service reconnection fee of \$75.00 will be charged.
  - 6.1 It shall be the responsibility of the Customer to request in writing that their water service be shut off by the Utility, including start and end dates of the shut-off.
  - 6.2 Customers who request a temporary shut-off of their water service will not be billed for the basic rate or water usage rates during the requested shut-off. Such Customers shall continue to be billed for, and are responsible for payment of, the Replacement Reserve and Maintenance Assessment charges on the regular monthly basis.
7. WATER SERVICE SHUT-OFF NOTICE: After 60 days of delinquency a notice of shut-off will be sent by certified mail to the recorded property owner. A notice shall be placed upon the property giving the owner 10 (ten) days to pay their outstanding bill with a warning of a water shut-off (discontinuance of service) if the bill is not paid by the date given in the shut-off notice.
8. WATER SERVICE SHUT-OFFS: If the bill is not paid by the date given in the shut-off notice, the Utility shall shut off water service, the meter shall be locked and a lien shall be filed against the owner's property for past due bills, including unpaid penalties, interest, filing fees, reconnection fees, and any extra costs incurred by the Utility. Upon payment of the outstanding bill(s) service shall be restored.
9. HARDSHIPS: Claims for hardship cases will be reviewed on an individual basis by the Water Committee of the Board of Trustees. The SLMC shall develop and post guidance for allowing temporary reductions in payments due as the result of specific, documented, temporary hardship circumstances. The Water Committee may rule on hardship claims or refer them to the Board of Trustees for a final decision. Decisions of the Water Committee may be appealed to the board by the claimant.
10. WATER LEAKS: In the case of extensive water loss caused by a leak(s) in the Customer's private water lines or plumbing fixtures that are suspected by the Utility's meter reader or discovered by the Customer, the Customer may request in writing to the Water Committee a reduction in the water bill if the following conditions are met:
  - 10.1 The Customer promptly notifies the Utility of the suspected leak; and

10.2 The Customer takes prompt action to identify the source of the leak(s) and stops continued leakage from the Customer's water lines and plumbing fixtures and verifies same to the Utility.

11. RENTAL PROPERTY HOUSEHOLDS: The recorded property owner(s) of rental homes are fully responsible for the observance of these rules and regulations. Property owner(s) shall ensure that rental occupants are knowledgeable of and follow these rules. Payments must be made to the Utility as required by these rules. Late notices will be sent to the recorded property owner(s) of the rental property and to the renter, if known. Property owner(s) are responsible for all water charges incurred by their renters and guests. Nonpayment of outstanding bills will result in shut-offs until the bill is paid in full.
12. ACCOUNTS FOR RENTAL PROPERTY HOUSEHOLDS: Beginning on January 1, 2019, all new and existing accounts shall be in the name of the recorded property owner(s). Water bills will be sent to the property owner(s) and they shall be required to pay the bill, including any outstanding amounts.
13. AVAILABILITY OF INFORMATION: The Utility shall make known to applicants for service and to its Customers such information as is needed to assist them in obtaining adequate and efficient service. Information relating to the rates, rules and regulations of the Utility shall be made available to the Customer upon request at the SLMC business office and on the SLMC website. In addition, each applicant for service and each Customer shall be provided with a copy of these Water Rules and Regulations as enacted and amended.
14. DISCONTINUANCE OF SERVICE BY CUSTOMER: A Customer shall be required to give at least 15 days advance notice to the Utility of the date of the requested discontinuance of service.
15. DISCONTINUANCE OF SERVICE BY UTILITY (REASONS): Service may be discontinued by the Utility for any of the following reasons:
  - 15.1 For late or nonpayment of bills or nonpayment of any proper charge on the account.
  - 15.2 For noncompliance with any written payment contract for a delinquent account.
  - 15.3 For the use of water for purposes or properties other than that specified in the application.
  - 15.4 For willful waste of water through improper or imperfect piping, equipment, nonuse of water valves, or other similar waste of water.
  - 15.5 For extensive loss of water through continued leakage from the Customer's water lines and/or plumbing fixtures after the Customer has been notified by the Utility of such leakage.

15.6 When a Customer's piping or equipment does not meet the Utility's standards or fails to comply with other applicable codes and regulations.

15.7 For tampering with the Utility's property, including meters, water lines and any or all other equipment owned by SLMC.

15.8 When the Customer vacates the premises.

15.9 For refusal to comply with the requirement to provide access to premises.

15.10 For violations of these rules or of service agreements.

15.11 For use of equipment which adversely affects the Utility's services to its other Customers.

15.12 Whenever service is fraudulently obtained or used, the Utility may discontinue service without notice. If the Customer shall make immediate payment for such estimated amount of service that has been fraudulently taken and all cost resulting from such fraudulent use, the Utility shall restore such service, subject to conformance to these water rules and regulations by the Customer. If a second offense as to fraudulently obtaining service is detected, the Utility may refuse to restore service. The burden of proof of such fraudulent obtaining service or use will be upon the Utility. This rule shall not be interpreted as relieving the Customer or other person of civil or criminal responsibility under state law.

16. DISCONTINUANCE OF SERVICE BY UTILITY (CONDITIONS): Except in the case of danger to life or property, fraudulent use, or violation of the law, the Utility shall discontinue service only if the following conditions are met, and as otherwise required above concerning delinquent accounts.

16.1 The Utility shall provide notice of pending shut-off as required in 7.0, except in the case of emergencies when notice may be provided by telephone or in person or posting on the premises for an immediate shut-off.

16.2 All notices of delinquency or pending disconnection shall detail procedures pertinent to the situation and provide the means by which the Customer can make contact with the Utility to resolve any differences. Except in the case of danger to life or property, no disconnection shall be accomplished on Saturdays or Sundays or legal holidays or any other day on which the Utility cannot restore service on the same or following day.

16.3 The Utility shall provide written notice of the disconnection served on the Customer by certified mail. If the property is known to be rented, a copy of the notice shall be mailed to the current resident or posted on the premises.

16.4 Service shall be restored when causes of discontinuance have been remedied and when payment of all proper charges due from the Customer are made to the Utility.

17. CUSTOMER RESPONSIBILITIES: The Customer shall notify the Utility in advance of all changes in equipment or usage which will materially affect the service to be rendered. Such notice shall be given within a reasonable time to permit the Utility to provide facilities and acquire additional supplies if required. The Customer shall maintain current "Special Service Needs" information with both Scott Lake Maintenance Co. and the Utility operating agent. The Customer shall bear all cost in the change of owned equipment. All non-emergency operations and maintenance requests or complaints by the Customer which require the service of the Utility's agent or sub-contractor shall be directed to the Utility for dispatching.

17.1 The Customer shall maintain unobstructed access to the meter box and shall ensure it is protected from private vehicle traffic. Denial of access shall be grounds for discontinuance of service by the Utility.

17.2 Customers with automatic water sprinkler systems shall install anti-siphoning device or devices between that system and the meter. The Customer shall bear the cost of installation of such devices.

17.3 The Customer shall ensure sufficient protection of the meter service lines and home plumbing against freezing.

17.4 The Customer shall provide and update address and telephone number information necessary for delivery of mailed billings and for other important messages. Billing statements and related notices shall be considered delivered if mailed by first class mail to the address of record.

17.5 The Customer shall avail the use of utility locating services by calling 811 before any construction or digging that may impact Customer owned water lines or Utility owned water system equipment such as water lines, meter boxes, etc. Costs incurred by the Utility due to failure to use locating services prior to work that results in damages to Utility owned equipment or excessive waste or leakage of water shall be charged to the Customer.

17.6 The customer shall identify and promptly fix any leaks in the Customer's service lines or plumbing in compliance with current construction and plumbing standards.

18. UTILITY RESPONSIBILITIES: The Utility shall install and maintain with its system such equipment as may be necessary to determine the operating characteristics of the system, such as amount of water pumped, water quality, well use, etc. The Utility shall maintain its water system in such condition as will enable to furnish adequate service.

18.1 The Utility shall ensure the protection of the water supply and shall ensure the quality of the water supplied as required by WAC 246-290. The Utility shall post an annual water quality report on its website and shall make it available at the Utility if requested.

18.2 The Utility shall conveniently post at the SLMC business office, the Utility office and website telephone numbers to call for certified operators, who will be on call 24 hours a day for direct notification of system emergencies.

18.3 The Utility shall avoid leaving dead ends in the distribution system to the extent reasonably possible. Where such dead ends exist, the Utility shall flush them at reasonably frequent intervals to ensure satisfactory quality of water to customers.

18.4 The Utility shall endeavor to make all reasonable efforts to avoid interruptions of service and, when such interruptions occur, to restore service with a minimum of delay.

18.5 When it is necessary for the Utility to make repairs to, or change its facilities, the Utility may, without incurring any liability therefore, interrupt service for such periods as may be reasonably necessary, and in such manner as to minimize the inconvenience to Customers. All Customers and the fire department affected by a scheduled interruption shall be given notifications at least one day in advance if possible, unless an emergency arises.

19. SERVICE CONNECTIONS: For the connection of its distribution system to the Customer's premises, the Utility shall, with exceptions indicated below, furnish and install, at its own expense, the pipes, valves and fittings between its distribution system and the Customer's property line. Such installation shall be designed as "service connection". The Utility shall own, maintain and replace, when necessary, the "service connection".

19.1 PRIVATE SERVICE LINES: The Utility recommends that private service lines be no less than 160 psi rated 1-inch sized polyethylene pipe for service up to 100 feet long. Larger diameters should be considered for service lengths exceeding 100 feet. The Utility should be consulted before choosing pipe size for lengths exceeding 100 feet.

19.2 CUSTOMER'S SERVICE LINES: The Customer shall furnish and install the necessary pipe and fittings to make the connection between the various points of water consumption and the Utility's "service connection" at the Customer's property line. Such an installation is designated as the "Customer's Service".

19.3 METER LOCATION: The meter shall be placed in a suitable meter box located at the Customer's property line, except when this is not practical. In the latter case, the meter shall be installed upon the Customer's premises in some convenient place

approved by the Utility, where the meter will be at all times accessible for inspection, reading and testing.

20. **ACCESS TO PREMISES:** The Utility shall have the right to enter or leave the premises of the Customer by its authorized personnel or agents at such reasonable hours as may be necessary for meter reading or inspection, the performance of necessary maintenance, testing, installation or removal of Utility property. The Utility shall provide means of identification for those persons required to enter the premises of the Customer.

21. **COMPLAINTS OR DISPUTES:** Any complaint or dispute involving the Utility and the Customer must be submitted in writing directly to the Utility. Complaints and disputes shall be treated in the following manner:

21.1 Each complaint and dispute received by the Utility shall be investigated promptly as required by the particular case, and the result reported to the applicant or Customer. When circumstances indicate the need of corrective action, such action shall be taken as soon as possible.

21.2 The Utility shall ensure that personnel engaged in initial contact with a dissatisfied or complaining applicant or Customer shall inform the Customer that if dissatisfied with the decision or the explanation that is provided, the Customer has the right to have that problem considered and acted upon by the Board of Trustees.

21.3 Water service shall not be disconnected while a Customer is actively pursuing any bona fide complaint or dispute with the Utility involving the Customer's water bill until a final decision has been rendered. Decisions by the Board of Trustees on such complaints or disputes shall be final.

21.4 **Records** — The Utility shall keep a record of all complaints. The record shall show the nature and date of the complaint, action taken and the final disposition of the complaint, and shall include all correspondence regarding the complaint. Such records shall be maintained in a suitable place readily available for Board review upon request. All written complaints made to the Utility shall be acknowledged in writing.

22. **CHARGES AND INSTALLATION:** The Utility shall not charge for furnishing and installing valves, meters and pipelines to the property that must be replaced due to normal wear and tear, leakage or breakage, except as noted below.

22.1 All Utility owned valves, meters and pipelines will be maintained and replaced, when necessary, by the Utility without additional cost to the Customer. The Utility shall have the right to set meters or other devices for the detection and prevention of fraud or waste, without notice to the Customer.



22.2 The cost of repair or replacement of Utility-owned pipes, valves and meters will be charged to the Customer in cases where the Utility can prove the equipment was injured by the Customer's equipment or where the meter, locks or valves have been broken due to carelessness, negligence or malicious intent on the part of the Customer or household occupant.

24. RECORDS: All records and reports required by these rules shall be retained on file in the office of the Utility at which records and reports were made, or in such other place as may be specially approved by the Board of Trustees.

**These rules were adopted in total by the SLMC Board of Trustees on**

**October 18, 2018**

**As amended on November 15, 2018**