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RULES AND REGULATIONS OF

TRI-TOWN WATER DISTRICT NO. 1

INTRODUCTION:

WHEREAS, the legal voters of the Towns of Addison, Bridport and Shoreham did on the 27th day of October 1964 vote to form a consolidated water district pursuant to sections 3341 through 3355 of Title 24 Vermont Statutes Annotated, which on the 30th day of October 1964 was certified by the Vermont Secretary of State as a body politic and corporate with the powers incident to a public corporation; and

WHEREAS, on the 14th day of December 1964, the legal voters in said consolidated water district did meet and organize the District and did elect a Board of Water Commissioners and did designate the name of the consolidated water district to be Tri-Town Water District No. 1 (herein also referred to as the "District");

NOW,THEREFORE, the board of Water Commissioners (in general, the Board of Water Commissioners of the District is herein also referred to as the "Board") adopt the following rules and regulations to guide the operations of the District so as to provide the most efficient and economical water service to the users in the District; all rules and regulations in effect prior to the adoption of these rules and regulations are hereby amended in their entirety and replaced by these rules and regulations as of the effective date of these rules and regulations. Until further notice, these rules and regulations, as amended from time to time, (herein also referred to as the "Rules") shall be considered a part of the contract between the District and everyone who uses water:

1. APPLICATION FOR SERVICE

a. (application form) Applications for new or changed water

service are to be made in writing and filed at the office of the Clerk of the District on any applicable form provided by the District. Every application must be made and signed by the owner (herein also referred to as the "Applicant") of property for which service is requested. Once any water service is approved by the Board, the respective present and future owners of the property from time to time become and are herein also referred to as a "user".

b. (owner/user property ownership) As herein used, the owner

at any particular time of the property served, shall include every person, trustee, estate and/or entity, etc. owning it, at least to the extent so known to the District. The property served may consist of a so-called long term leasehold type interest in real estate or a socalled life estate type interest in real estate; all as determined by the Board from time to time. The District is not obligated to search the applicable land records to determine who the owner is at any particular time of the property served. The Board may at any time require the user to give the Board adequate written proof as to the ownership by the user of the property served.

c. (application acceptance or rejections) Unless determined

otherwise by the Board, the Applicant or representative for the Applicant shall meet with the Board before the Board acts on the application. Upon receiving an application for service, the Board shall consider whether to accept or reject a service contract to furnish water service. Any such acceptance may be upon any specific condition(s) imposed by the Board which may be in addition to the requirements of these Rules. Any such rejection may be because the Board has determined that it is not economically feasible to furnish water to such Applicant and that the capacity (both in general and specifically as to any user; and ability to provide water whether based on quantity, pressure or otherwise) of the District's water system is not sufficient to supply the needs of its existing users and the needs of the new Applicant.

d. (tap-on fees and other installation costs due to District)

A tap-on or connection fee is to be paid by the Applicant by or at the time an application is approved by the Board. The amount of the fee shall be determined by the Board from time to time. The fee amount shall include consideration of the size of the pipe being connected; with the fee amount increasing with the pipe size and which respective different fees shall at least include pipe sizes of: 3/4th of an inch, 1 inch and 1.5 inches. In addition, all installation costs (including meter and all other materials and labor provided by the District) shall be paid by the Applicant to the District before the water is turned on.

e. (contract between user and District) Each Applicant, for

the Applicant and the Applicant's successors, heirs and assigns, shall agree that these Rules, including any later amendment thereof, shall constitute a contract between the District and such user. By acceptance of the water service, the user will be considered to have expressed the user's consent to be bound thereby, including but not limited to the taking of water only for the purpose stated in the application and at the established rate(s) --- as established from time to time by the Board.

2. USE OF WATER, INCLUDING LIMITATIONS UPON USE

a. (type of water use) Each user shall be entitled to purchase

from the District pursuant to any contract, whether in the form of an application or otherwise, (any written form of which shall be as required and agreed to by the Board from time to time) such water for domestic, livestock and commercial purposes as the user may desire, subject, however, to the provisions of these Rules, as amended from time to time, and to such rates or charges and other policies or requirements established by the Board from time to time.

b. (limitations on water use) Use of water is confined to the

property named in the application or other contract. No user shall supply another not entitled to the use of water nor shall any user use it for any purpose not mentioned in the user's application or other contract. No person not entitled to the use of water shall obtain it from or through any hydrant-valve or other fixture of the District without the previous consent of the Board. User shall repair any water leaks as soon as possible.

c. (illegal sale of water) Sale of water delivered by the

District is illegal.

d. (special contract use) Ornamental fountains, stationary

sprinklers, swimming pools and irrigation systems will be supplied with water by special contract only.

e. (building sprinkler system connections) The District does

not provide water service for fire protection to its general service area. However, the hydraulics of some places are suitable to provide

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adequate water pressure and flow for so-called inside buildings fire protection sprinkler systems. The District will consider applications for the connection of such sprinkler system on a case by case basis. Approval of such a sprinkler system connection does not guarantee the user fire protection nor does it make the District liable for disruptions of such service. Each application therefore shall include information on the proposed sprinkler system including required pressure and maximum flow. In addition, the Applicant shall submit for review, a hydraulic analysis, prepared by a registered professional engineer, of the District's water main being connected to. Such analysis must indicate that adequate capacity exists and also confirm the maximum flow conditions will not result in substandard pressures and flows elsewhere in the District's water system. The Applicant shall include information on the sprinkler service sizing and backflow prevention equipment. All construction and materials shall be to the standards set by the Board. Connection and user fees therefore shall be as established from time to time by the Board.

f. (general insufficient water shortage) In the event that the

total water supply shall be insufficient to meet all the needs of the users, whether in the event there is a shortage of water or otherwise, the District may pro rate the water available among the various users on such basis as it deems equitable and may also prescribe a schedule of hours covering use of water for lawns, automobiles, gardens, etc., and require adherence thereto or prohibit the use of water for lawns, automobiles, gardens etc. Provided further, that if at any time the total water supply shall be insufficient to meet all of the needs of all of the users for domestic, commercial, livestock and lawns, automobiles, gardens and any other purposes, the District must first satisfy all of the needs of all of the users for domestic purposes before supplying any water for livestock, commercial and other purposes, and must satisfy all of the needs of all of the users for domestic, livestock and commercial purposes before supplying any water for lawns, automobiles, gardens and other purposes.

g. (District not responsible for damage) The District will not

be responsible for any damage (whether lack of water or water pressure, dirty water or otherwise) occasioned by any of the following: if, by reason of shortage of supply or for the purpose of making repairs, extensions or connections, or for any reason beyond the control of the District (including but not limited to any leak or other failure), it becomes necessary to shut off water or reduce water pressure in all or any part of the District's water system or the

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result is such a lack of water or water pressure in all or any part of the District's water system. If and to the extent deemed practicable by the District (the Board or any of its employee's as applicable), notice of such a shut-off will be given, but nothing in this Rule shall be construed as requiring the giving of such notice. The District will also not be responsible for damage caused by dirty water which may be occasioned by cleaning pipes, pumps, treatment facilities, standpipes or other facilities or by the opening and closing of valves including but not limited to hydrant-valves. The District will also not be responsible for the misapplication of any chemicals.

3. <u>RATES</u>

a. (required meters) Each service line shall have at least one

separate meter, except as otherwise approved by the Board. Motels, hotels and cottage colonies, which are occupied at irregular intervals, may be served through one water meter, provided they are located on the same property and under the same single ownership. Apartment buildings, trailers in trailer parks and any other dwelling occupied on a regular basis and owned by one or more owners (whether of the same or different ownerships) must have each separate building, trailer or dwelling served by separate meters, except as otherwise approved by the Board. The user of the service provided by each meter shall pay the applicable rates established by the Board pursuant to these Rules.

b. (general rates) from time to time, the Board shall

establish the applicable rates for water service. Except to the extent established differently by the Board, the water service provided by each meter shall be charged a quarterly service charge of a certain dollar amount up to a maximum of 15,000 gallons, with additional quarterly usage from 15,001 to 25,500 gallons charged an additional dollar amount per thousand gallons, with additional quarterly usage from 25,501 to 60,000 gallons charged an additional dollar amount per thousand gallons, and with additional quarterly usage above 60,000 gallons charged an additional dollar amount per thousand gallons. c. (municipal rates) Municipals, including churches and

cemeteries, are billed at a quarterly dollar amount rate for a maximum of 15,000 gallons, with additional quarterly usage charged at the same

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rates as additional usage is charged under the previous paragraph unless established otherwise by the Board.

d. (meter failure) In case of failure on the part of a meter

to properly record the quantity of water used in any period, the District shall estimate the quantity of water used during the period in which the meter shall have been non-operative or shown to be incorrect as determined by the District.

e. (unmetered water charges) In the case of water either lost

through any leak in the portion of any service line for which user is responsible or for any other water obtained which did not pass through a meter during any period, the District shall estimate the quantity of such water so lost or obtained during the period and bill it to the user as if it had passed through the meter.

f. (rates to pay system costs) The rates to be charged by the

District shall always be sufficient to enable it to pay all costs of operation and maintenance of the water system, interest and principal on loans and other indebtedness of the District and to provide funds to meet anticipated replacements and additions to the system and unforeseen contingencies.

g. (meter reading --- water service billing) Meters will be

read at least twice a year. Water bills will be sent at least quarterly and will be due and payable as set forth therein. When the Board deems it necessary to guarantee payment for any current quarterly period, the Board may require a deposit therefore. Such deposit shall not exceed the amount estimated by the Board to be billed for such period.

h. (owner/user responsibility to pay) Except to the extent the

Board agrees otherwise, the owner of the property which has received or is receiving water service shall be responsible for all charges (whether for water used, interest or

other charges and whether already billed or to be billed) for such water service. Except to the extent the Board agrees otherwise, a change in ownership of the property served does not relieve any former property owner of any such charges that are related to being for water service after any change of owner ship and before proper written notice has been given to the District

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of the change in such ownership and the new owner of the property served has filed with the District (on a form provided by the District for such purposes) a written application for continuation of such water service. Except to the extent the Board agrees otherwise, such new owner shall not be relieved of being responsible for such charges for water service merely because of the new owner's failure to file such written application for continue water service. Anything to the contrary herein notwithstanding, the right of the District to collect all of the charges for such water service included but is not limited to the right to collect them from whom the District believes to have been or be the owner of the property served whether at the time water service is being provided, at the time of any billing, or otherwise.

i. (service discontinuance for nonpayment) Water service may

be discontinued by reason of delinquency in payment under Title 24 V.S.A. Chapter 129 on Uniform Water and Sewer Disconnect (Section 5141 et. seq.), including the future amendments thereof. Pursuant to Section 3306 of V.S.A. Title 24, or as otherwise applicable, the charges, rates or rents for water shall be a lien in favor of the District upon the property (real estate) furnished with its water in the same manner and to the same effect as taxes are a lien on real estate under Section 5061 of V.S.A. Title 32. The filing of any written notice of any bill for water service in the town clerk's office of the town in which the property (real estate) furnished with such water service is located, shall constitute record notice of the aforesaid lien. The lien shall be effective until it has been paid in full.

- 4. SERVICE LINE CONNECTION
- a. (definition of service line) Unless otherwise established

by the Board for any particular situation, as used in these Rules, a "service line" constitutes all of the piping and other facilities that run from the point of connection at a water main through to and including a check valve; including but not limited to at least the following in the following order: piping from the water main to the curb stop owned by the District and used to shut off the water to the rest of the service line, additional piping, (with the following facilities needing to be located either inside a building or in a meter pit) valve capable of shutting off the water flow, pressure reducer, meter (which may include wiring and a remote meter reader located outside of a building or meter pit), and check valve.

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b. (District owned portion of service line) After installation

of the portion of the service line running from the water main to and including said curb stop, said portion shall become and remain the property of the District. The District shall have the right to inspect, maintain (including repair or replace) and use all of said portion. To the extent any of such facilities are located upon user's property (including but not limited to any easement type right), user agrees the District shall have the perpetual rights for such facilities to be there with the right of the District to at any time enter upon such property of user to exercise all of its rights in regards to such facilities.

c. (user owned portion of service line) After installation of

the remaining portion of the service line running to and including said check valve from, but not including, said curb stop, shall become and remain the property of the user. The user agrees all of said portion shall be maintained (including repaired or replaced) at user's expense including but not limited to in a manner consistent with all obligations in regards thereto of the District. Said portion shall be installed and maintained by user in a manner preventing any thereof from freezing. The part of such facilities needing to be located either inside a building or a meter pit, shall be located and maintained by user in a clean, dry, non-freezing and accessible place; which inside a building shall be, as near as possible, to the point of entrance of the service line into the building and which, in the case of a meter pit, shall be in the meter pit.

d. (District meter requirements) Unless otherwise approved by

the Board, meters will be provided by the District at the expense of the user. Only meters approved by the Board are allowed. For any meter (including any wiring and remote meter reader), any installation, maintenance (including repair or replacement) and change of location shall only be done by an agent of the District; and all thereof shall be at the expense of the user.

e. (to read meter, etc. right of District to enter property)

User agrees that the District shall have the right to enter (at reasonable intervals and at reasonable hours) upon user's property (including but not limited into any building or meter pit) for all reasonable purposes in connection with the District's water business, including but without limitation, for: (i) inspecting, reading and

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maintaining (including repairing or replacing) a meter, (ii) inspecting or monitoring for any leaks, any unauthorized use of water or any violation of these Rules or other policies or requirements of the District, (iii) repairing any water leak, the reasonable cost for which the user shall pay to the District, (although not limited thereto and even though the District would not have the obligation to so repair, a possible example would be a water leak in the portion of the service line for which the user is responsible before the meter and which leak the user has failed to repair), and (iv) collecting or leaving of any notice concerning the collection of delinquent water charges including but not limited to in regards to the shutting off of water.

5. SERVICE LINE INSTALLATION

a. (service line installation standards) The user shall have

the service line installed in accordance with these Rules and all specifications of the Board, including but not limited to materials (including type, size and quality), excavating, location and manner installed, and entirely at the expense of the user. This includes but is not limited to charges for materials provided by or on behalf of the District and charges for work performed by personnel or agents of the District in the installation of the service line; all of which the user shall pay to the District before the water is turned on. Water shall not be turned on until personnel designated by the Board has approved that installation of the service line has been properly done, at least to the extent of such personnel's knowledge.

b. (meter pit requirement) Any service line installation

requiring more than 200 feet of piping between the location of the District's shut-off, where approved by it, and the meter, must have a meter pit (in which to locate the meter, etc.) installed at the user's expense.

c. (time of year service installation limit) Service line

installations will not be made between November 1 and the following April 1, except as otherwise approved by the Board.

d. (property water pump) Should the Board ever approve of the

installation on user's property of a water pump in the providing of water service or for any such existing water pump, the purchase,

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installation, maintenance (including repair or replacement from freezing or otherwise, and electricity) shall be the expense of the user.

6. <u>TITLE TO NEW OR OLD WATER LINES</u>

The District is not required to accept title to any water line not constructed by the District. In its sole discretion, the District may elect to accept title to any such water line subject to any terms and conditions approved by the Board which shall include but not be limited to the following:

- i. The water line must have been in use for at least 12 months.
- ii. The water line must have been constructed in accordance with the proper engineering standards as approved by the Board.
- iii. The water line must pass a pressure test meeting standards approved by the Board administered by personnel or an agent of the District or administered by someone else approved by the Board.
- iv. An adequate easement approved by the Board at least 25 feet in width, or such other width as approved by the Board, must be conveyed to the District which shall include granting the District the right to inspect, use and maintain (including repair or replace) the water line.

7. VIOLATIONS

Any user or other person or entity violating any of the

provisions of these Rules, as amended from time to time, shall be subject to prosecution, injunction, penalties, damages and/or fines as provided by law, including but not limited to termination of water service. These Rules shall be administered as Civil Rules.

8. <u>SEVERABILITY</u>

If any portion of these Rules, including as they may be amended,

is held unconstitutional or invalid by a court of competent jurisdiction, it shall not affect or impair the validity of the remainder thereof. Any headings in these Rules are included just as an aid to helping to locate various provisions thereof.

9. <u>AMENDMENTS</u>: These Rules may be repealed or amended by the Board.