

FINAL RULES AND REGULATIONS
for
SECONDARY RETAIL WATER SERVICE
for the
TOQUERVILLE SECONDARY WATER SYSTEM
Amended July 23, 2001

Rules and regulations covering the Toquerville Secondary Water (hereafter "TSWS") retail water delivery from the Toquerville Secondary Water System pipeline (hereafter the "System"). The following rules and regulations will be in effect immediately upon approval:

1. TSWS does not authorize development activities, whether by approval of subdivision plats, issuance of building permits, or otherwise. TSWS does not intend to impose any payment of money upon development activity as a condition of development approval in connection with provision of water to any customer.
2. Any lot or property owner who signs a Water Application and Agreement with TSWS shall be responsible to construct and install at his sole expense and without any cost or other obligation to TSWS, any pipelines, delivery lines, hydrants, appurtenant fixtures, additional storage or pump capacity, water meters or measurement devices and other facilities involved in obtaining and distributing water made available from TSWS facilities to the place of use provided for in the Water Application and Agreement pursuant to a design approved by TSWS. All such facilities shall be the property of TSWS.
3. All Applicants shall sign a Water Application and Agreement, which shall include the location of the desired water service, the name of the applicant, the date of application, and the basic terms and conditions with which the applicant shall be required to comply to receive water service. Such terms and conditions shall require the applicant to:

- a. Pay fees as established by TSWS's Board of Trustees.
- b. Pay for all sums of water usage and service charges at the rates set by TSWS's Board of Trustees.
- c. Abide by and obey all rules and regulations then in effect and thereafter adopted by TSWS.
- d. Pay all water and service charges within 30 days of the statement due date.
Failure to pay said charges within 30 days will result in the account being declared delinquent and the water service terminated upon proper notice. Water service shall be restored upon payment of all delinquent amounts, including any penalties and late fees, as well as a reasonable service restoration charge.
- e. Pay any interest, collection charge, and restoration fee set forth in these Rules and Regulations or the Water Application and Agreement.
- f. Pay all costs, including attorneys' fees, incurred by TSWS through its efforts to collect any delinquency or to enforce these rules and regulations.
- g. Provide an individual guarantee if the Applicant is a corporation not listed on a national stock exchange.
- h. Acknowledge that the service connection and all of its parts and materials from the water main to the point of connection to the line stubbed from the building, said point of connection being immediately downstream of the meter box, shall be the property of TSWS.
- i. Acknowledge that TSWS has the right to inspect a customer's plumbing for possible cross-connections or other hazards to the System.

- j. Acknowledge that TSWS reserves the right at any time, without notice, to shut off or curtail water service, in the event of a water scarcity, or to facilitate repairing or maintenance of the System.
 - k. Identify a relative by name and address, not living with the applicant.
4. The developer of any subdivision shall be deemed an applicant for each lot within the subdivision and shall apply for and sign a Water Application and Agreement for each lot and pay the appropriate fees prior to construction of any intended additions to the System within the subdivision.
5. All main water lines or extensions to the System shall use high density polyethelene pipe having inside diameter of not less than an 8" ductile iron size and consistent with AWWA specifications for fittings for high density polyethelene pipe.
6. All extensions to the System will require a full evaluation of present pump and storage capacity taking into account any committed lots in the subdivision. The evaluation must show the System has adequate pump and storage capacity to meet the proposed or expected water service connections. Pump and storage requirements will be the greater of that recommended or required by the State Department of Environmental Quality, Washington County, Division of Drinking Water or the State Fire Marshall.
7. All additions or extensions to the System shall be designed and certified by a Utah licensed civil engineer and approved in writing by TSWS's engineers. Review by TSWS engineers shall be paid for by the developer.

8. All new subdivisions or extensions to the System will be required to install main lines and laterals of high density polyethelene pipe along with a meter base which will meet or exceed the specifications set forth by TSWS prior to installation.
9. All new construction or additions to the System must be inspected and approved by TSWS during installation. TSWS will not accept any additions to its System not inspected during installation. The developer shall submit "as built" plans to TSWS after construction, before any connection to the existing System.
10. TSWS will not provide water to a lot which is less than the size recommended by the Hansen, Allen & Luce Groundwater Protection Study. Thus, if the study recommended a density of not less than 10 acres per home, TSWS would not provide water to any subdivision with a home density of less than one home per 10 acres unless it is serviced by a sewer system such as the Ashcreek Special Service District system. (Copies of the Hansen, Allen & Luce Study can be reviewed at TSWS offices).
11. For subdivision lots with septic systems platted and approved by the Washington County Planning Commission and by state and local health agencies prior to the time of the issuance of the Hansen, Allen & Luce report, TSWS will honor whatever densities have been approved. Subdivision plans approved after December 31, 1998, which does not meet those density requirements, will not receive water from TSWS.
12. Transfer of an Existing Connection to a New Applicant:
 - a. An existing connection may be transferred to a new applicant upon the same terms and conditions as required for a new connection with the exception that in place of a connection fee, the new applicant must demonstrate proof of purchase or lease. If no

connection has yet been made to the System, the new applicant shall be responsible for standby fees and connection and service fees thereafter, as set forth in Exhibit A.

b. If the new applicant is a renter or lessee, the property owner must also sign a Water Application and Agreement. The property owner must return the Water Application and Agreement within five (5) days after the renter or lessee has signed an agreement, if a local resident. Out of town property owners must return the Water Application and Agreement within ten (10) days. If the property owner does not return the Water Application and Agreement within the specified number of days, water service shall be terminated at the service address until the signed Water Application and Agreement is received. The bill shall be mailed to the property owner, who shall see that the bill is paid either personally or by the renter or lessee. The renter or lessee shall remit a refundable deposit, the amount of which shall be established from time to time by the TSWs Board.

c. Applicants for a connection to provide water at a location within the System on a temporary basis (for purposes such as construction) shall sign a Temporary Water Use Agreement which shall include the information, terms and conditions included in the regular Water Application and Agreement and also the estimated amount of water usage. The applicant shall also pay a connection fee which shall consist of the estimated charge for actual services rendered and non-recoverable materials used in making the connection, plus a reasonable service charge for the processing of the Temporary Water Use Agreement, the amount of which shall be established from time to time by the TSWs Board.

d. Upon approval of the Water Application and Agreement, payment of the required fees and installation of the service connections by TSWS, the applicant may connect into the System through the service connection provided. The water provided shall only be used for the purpose outlined in the Water Application and Agreement. Use in any other manner may constitute grounds for cancellation of service.

e. All damage to the service connection, meter and excess water usage shall be billed to the applicant and payable upon the terms and conditions of the Water Application and Agreement.

13. Termination of Service:

a. When termination of service is desired, the water user shall notify TSWS and request the preparation of a final bill.

b. If the water user is a renter or lessee, upon payment of the final bill, TSWS shall refund the deposit. Otherwise, the deposit shall be applied towards the outstanding bill. If the deposit is more than required to cover the outstanding balance for water service, the outstanding balance shall be deducted from the deposit and the remainder refunded to the customer. A reasonable attempt shall be made to obtain a forwarding address to refund the remaining deposit. Deposits not refunded or claimed after one year shall be forwarded to the state.

c. TSWS shall maintain a list of customers with unpaid water bills. A Water Application and Agreement for water service from previous customers with unpaid balances shall not be processed until the unpaid balances, together with the interest at a current rate as approved by the Board of Trustees, are paid.

d. TSWs may, for just cause and after due notice and an opportunity to be heard before the TSWs Board or its designee, terminate the water service of any customer.

14. Meter Reading:

a. To the extent possible, water meters shall be read every three months. However, this interval may be varied under special circumstances or situations.

b. Large water users, such as apartment complexes and some types of businesses, shall have their meters read every month.

c. An initial reading shall be made when water service is commenced and a final reading shall be made when service is terminated or transferred to a new customer.

d. For service during only a part of the billing period, the time the service is connected shall be calculated to the nearest whole week and the minimum bi-monthly charge shall be prorated over the number of weeks of service.

e. Except as set forth in Subsection 3.1.2, meters may not be read from November through March. During this time, minimum bills may be sent based on the rates and minimum usage as set forth from time to time by the Board of Trustees. When the meters are buried by snow or other obstacles, or in other circumstances when the meter is inaccessible or otherwise unreadable, TSWs may estimate the bill, taking into account prior years' water use, the season, and the prevailing weather patterns and water use. Any over-charge or under-charge resulting from estimating water usage shall be equalized when the meter is next read and a billing thereon issued.

f. Except when water usage is estimated, the water bill shall give a statement of the current and past meter readings and the current water consumption.

15. Payment of Bills:

- a. A bill shall be due and payable within 25 days from the date the statement is prepared.
- b. A bill that is not paid by its statement due date shall be considered delinquent, at which time a late charge of 25% of the delinquent amount shall be assessed, and shall incur an interest charge of 1 1/2% per month (18% a.p.r.) on the delinquent balance. In addition, legal action may be taken to collect the amount due TSWS.
- c. A bill which remains unpaid for more than 30 days after the statement due date shall be sufficient grounds for termination of the water service.
- d. If a bill remains unpaid for more than 30 days after the statement due date, a notice will be sent to the customer. The notice may or may not be contained in or printed on a customer's bill. The notice shall state that the bill is delinquent and that unless other arrangements are made with TSWS staff, the outstanding balance, late charge and interest must be paid by the date specified in the delinquent notice (generally 15 days after mailing); otherwise, the water service will be terminated.
- e. If, after the specified date, the bill remains unpaid, a written notice shall be hand delivered to the service address and a 25% late notice fee shall be assessed. If no one is home, the notice shall be placed in some conspicuous place. The notice shall state that unless the all amounts, including accrued interest, late charge and late notice fee are paid or other arrangements made with TSWS staff within 24 hours, the water service shall be disconnected.

f. If the customer pays the bill, interest charge, late charge and late notice fee in full, the account will be cleared, and revert back to normal status.

g. If the account remains unpaid or other arrangements for payment have not been made by the customer with TSWs staff, the water service shall be terminated the morning of the second workday. Water service shall not be resumed until the delinquent bill, interest charge, late charge and late notice fee, as well as a \$50 service restoration fee, have all been paid.

h. If a customer calls to make payment arrangements with TSWs staff, the reason for the request must be unexpected financial hardships. Payment plans will only be allowed in extreme cases. The Customer Service Section Supervisor may approve payment plans for accounts with an outstanding balance less than \$200. The Assistant Treasurer must approve payment plans for accounts with outstanding balances in excess of \$200, but less than \$500. Any plan for a balance greater than \$500 must be approved by the TSWs Board. The terms of the payment plan must include immediate payment of all interest charges, late fees, service restoration fees, a security deposit, if required, and a third of the outstanding balance. The remaining balance is due in two equal payments with the first payment due within two weeks and the second payment due within two weeks of the first payment. In certain situations, the length of payments may be deferred, but only with the Board's approval. Any scheduled payment not made when due will result in immediate termination of service without notice. All outstanding amounts must be paid in full before service is restored.

i. If TSWs has terminated water service at any location for any reason, and if a customer or owner restores service at such location through the System in any way without remedying the cause of such termination, such customer shall be assessed three times the normal restoration service fee, plus the cost of restoring the connection to its normal operational status.

j. If a customer issues any check, draft, order, or other instrument for payment of his water bill which is not honored upon presentation to the depository institution upon which it is drawn and is marked "refer to maker" or for any other reason not honored, a written notice will be sent demanding payment of the bill, plus a service charge as set forth in Utah Code Ann. § 7-15-1, as it may be amended from time to time. The notice shall also provide for payment of water received within seven (7) days from the date on which the notice was postmarked, and the customer shall then become liable, in addition to the amount due, for late charges and collection fees, interest, court costs, and attorney's fees, as provided by law. Service shall be terminated the next working day without any additional notice.

k. Any amounts unpaid in connection with water service as provided for herein shall become a lien upon the lot for which the water service was provided.

16. Disputed Bills:

a. If a customer believes that a bill is incorrect, the billing may be protested in writing or by calling the office.

b. All protests shall be made within 15 days of the postmark date, or the protest is waived.

c. Disputed bills shall not be declared delinquent during the time the dispute is unresolved. Upon resolution of the dispute, a new statement showing the revised charges to the customer shall be issued. The payment of said revised charges shall become delinquent 15 days after the statement date of the new bill. In the event that said charges are not paid, the water service may be terminated as provided in sections 14D *et. seq.*

d. In the event that a dispute remains unresolved in excess of 30 days after protest, legal action may be initiated by TSWS to resolve the dispute and to collect the lawful amounts due TSWS.

17. Rates, Charges, and Fees:

All rates, charges, and fees presently existing and hereafter established shall be set and changed from time to time by the Board of Trustees. Rates, charges, and fees shall be reasonably related, to the extent possible, to the cost of providing the service for which they are assessed. A schedule of current fees and charges in effect is attached hereto as *Exhibit A*.

18. Service Connections:

a. To the extent practicable, each residential service connection shall supply only one single family dwelling unit.

b. Upon installation, the service connection becomes the property of and responsibility of TSWS from the water main through the meter to the point of connection with the pipe stubbed from the building, said point of connection being immediately downstream of the meter box. The meter, as part of the service connection, shall be repaired or replaced by TSWS, unless it becomes damaged or inoperable due to

intentional or reckless damage by the customer. TSWS shall have the right to estimate the amount of water used during the time the meter is inoperable. Such estimate shall be based upon past usage by the customer, usage by a customer with similar circumstances, or any other relevant criteria.

c. Repair of leaks and service of plumbing on the customer side of the service connection shall be the responsibility of the customer. As such, water lost through a leak or open valve on the customer side of the service connection shall be paid for by the customer at the prevailing rates for water. TSWS will attempt to notify the customer if a leak is suspected. If a break occurs on the customer's side of the meter and the customer petitions for relief from part of the bill, the Board may waive, at his sole discretion, up to one-half of the amount attributed to the break.

d. Where possible, the meter and service connection shall occupy the public right-of-way. In cases where this is not possible, the meter may be situated on the customer's property. TSWS shall have the right of access to water meters wherever located for inspection and meter reading, as well as for connection service and maintenance. The customer shall not do, or cause to be done, any act that would, in any way, impair or prevent TSWS's access to the meter or service connection.

e. TSWS shall periodically, or upon reasonable request of the customer, test water meters for accuracy. Faulty meters shall be repaired or replaced by TSWS.

f. Any customer who tampers with, damages, or destroys a meter in any manner, shall be liable to TSWS for all costs associated with returning the meter to its normal operation.

g. TSWs retains the right to inspect a customer's plumbing and water lines for possible cross-connections or other conditions that may prevent a hazard to the integrity of the System or the water conveyed by TSWs. If a cross-connection or other condition is discovered that presents a hazard, water service shall be discontinued by TSWs after due process, written notification of the hazard and an appropriate time lapse for the customer's response. Service will not be resumed until the hazard is removed or corrected.

h. Whenever TSWs, acting through its inspectors, determines that a water service connection is a hazard to the water supply, a backflow prevention device, accepted by the Utah Department of Environmental Quality, Division of Drinking Water, shall be installed by the customer on the service line of the customer's water system, at or near the property line, or immediately inside the building being served; but in all cases, before the first branch line leading off the service line. Thereafter, the customer shall obtain a certified inspection and operational testing of the backflow prevention device at least once per year and furnish the results to TSWs. In instances where TSWs deems the hazard to be great, TSWs may require certified inspections at more frequent intervals. The inspections and tests shall comply with standards established by the Utah Department of Environmental Quality, Division of Drinking Water.

19. Multiple Units:

a. The owner of the property shall be liable for payment of all water delivered to the various units.

b. If two or more buildings are connected to the same meter, and if their ownership should become severed, the original owner shall remain liable for payment of all water usage until separate meters can be placed in service for each building. The new owner shall be liable for all costs associated with the new service connection.

20. Fire Hydrants & Fire Lines:

- a. The cost of installation and materials for fire hydrants, fire lines, and Detector Check Systems shall be borne by those benefitting from the location of the facilities, as determined by TSWS. Upon installation, the hydrants, fire lines, and Detector Check Systems shall become the property of TSWS.
- b. Existing hydrants will be inspected, maintained, and replaced as determined by TSWS.
- c. Use of fire hydrants without permission of TSWS, except by the Fire Department, is prohibited.
- d. TSWS shall have the right to approve the type of fire hydrant together with the design, specifications, and installation of all fire lines and Detector Check Systems. A Detector Check System is required when installing a fire line.
- e. Each month the Detector Check Systems shall be inspected to insure the valves are turned on and to check for water use. Any unauthorized use shall be billed to the customer.
- f. The cost of inspecting and maintaining fire lines and Detector Check Systems shall be billed to the customer according to an approved fee schedule.

21. Water Main Extensions:

- a. Any residential or commercial developer must request retail water service by as set forth herein, before extensions of water mains, fire hydrants, or other waterworks.
 - b. To the extent practicable, the cost of installing water line extensions shall be borne by those benefitting from the extensions, as determined by TSWS.
 - c. If, in the discretion of TSWS, projected future water needs require a water main of greater size than that needed for the development alone, TSWS may require that a larger water main be installed.
 - d. Existing water mains shall be maintained and replaced by TSWS.
 - e. All water main extensions shall become the property of TSWS.
22. Upgrading Size of Connections:
- Customers desiring a larger service connection than is presently in place shall be charged the actual cost of up-sizing the connection less the fair market value of any salvaged materials from the old connection.
23. All Other Services:
- All other services to be rendered by TSWS shall be negotiated between the customer and the Board of Trustees. Every effort shall be made to ensure that fees charged for services rendered reasonably correspond with costs incurred by TSWS for such services.
24. General Provisions and Obligations:
- a. TSWS shall not be responsible for disruptions of service caused by broken water mains, power outages, equipment failure, or other circumstances beyond its control.

- b. In the case of any emergency such as a natural disaster, TSWs solicits the cooperation of all customers. During such emergencies, TSWs will make every effort to keep its customers informed of the status and adequacy of its water supply.
- c. TSWs reserves the right at any time, without notice, to shut off or curtail water deliveries through its mains for the purpose of making repairs or extensions or for other purposes, and no claim shall be made against TSWs, by reason of any breakage whatsoever, or for any damage that may result from shutting off the water for repairing, laying, or relaying mains, hydrants, or other connections, or for any other reason whatsoever, including natural causes. TSWs will attempt to provide notice to customers affected by a shut-off when adequate time exists to give such notice.
- d. In the event of scarcity of water, the Board may, by proclamation, limit the use of water for any purpose to the extent as in its judgment is required for the public good.
- e. The provisions of these rules and regulations shall be severable. If any provisions hereof, or the application of such provision under any circumstances is held invalid, it shall not affect any other provision of these rules and regulations, or its application in a different circumstance.

EXHIBIT A

1. An initial water availability fee shall be due and payable for all lots within a subdivision upon request by the developer for water service, in accordance with the following fee schedule:

\$1,500 per lot, so long as the lot is less than one acre

2. An annual standby charge shall be \$60 per lot per year prior to connection of service, due and payable for each lot immediately after construction of the additions to the System within the subdivision.

3. A connection fee shall be \$400 per lot, to cover installation of a water meter and connection to the System, due and payable upon request for connection of any lot to the System. Thereafter, the annual standby fee shall be replaced with a minimum service fee in accordance with the following fee schedule:

¼ acre lot - \$90

Greater than ¼ acre but less than ½ acre - \$120

More than ½ acre but less than 1 acre - \$180

Agriculture without dwelling - \$50 per acre (Land must have been under irrigation out of the Toquerville irrigation company before January 1, 1998)

4. The fees set forth above may be changed from time to time by the Board of Trustees of TSWs.

Minutes
TSWS PUBLIC HEARING

May 24, 2006 at 5:00 p.m.
Toquerville Town Hall

The purpose of the public hearing was to take input from the public regarding a proposed resolution fixing and prescribing a policy for impact fees for secondary water facilities; adopting a capital facilities plan for the provision fo said facilities, establishing service areas for purpose of equitable distribution of secondary water impact fees, imposing impact fees for those service areas and other related matters.

The public hearing was opened by Mayor Powell. There was no one in attendance. After discussion and the reading of the resolution, Ron Thompson made a motion to adopt the Capital Facilities Plan and the impact fee as set forth therein for the Toquerville Secondary Water System (TSWS), effective immediately. He also moved to pass the resolution, which is attached hereto as Exhibit "A". Than Naegle seconded the motion and all voted aye.

Secretary

TSWS

August 15, 2006

PUBLIC HEARING

5:00 p.m. - Toquerville Town Hall

Present: Morgan, Than, Mayor Powell, Julie Breckenridge

Meeting was called to order by Mayor Powell at 5:01 p.m.

Discussion was made on filters on systems to prevent debris from entering sprinkler heads and clogging them.

Discussion was made on town ordinance requiring new subdivision to install a secondary line.

No public came to the hearing.

A motion by Morgan Jensen was made to adjourn the meeting at 5:46 p.m. Than seconded the motion all voted aye.

Tuesday, June 12, 2007

TSWS Board Meeting

Attending the meeting: Morgan Jensen, Than Naegle, Ron Thompson, Mayor Powell, Julie taking minutes

Meeting called to order 4:10 p.m.

Discussion on Complaints: Gilbert has received complaints on his over watering, and Lowe's have received many complaints from Barbara Bruno and few forwarded from the city office on over watering and watering out of the allotted time frame. Discussion on how inefficient their system is.

The board gave some discussion on Gary's pond from being almost empty and the upper pond is always going out. In 2002 resolved this issue by going every other day and cutting down the cities, but Than brought up the issue of wind causing problems of not being able to water. The board also discussed there are two different irrigation issues. There are agriculture user who need to only irrigate once a week and homeowners need to water every 3 days. Ron will cut the cities back, but need to devise a game plan to combat the problem of running the ponds dry.

There was some discussion of solutions by reducing the time allowable to irrigate to 6 p.m. to 10 p.m. 6 a.m. - 10 a.m. or go to every other day.

The board decided to ask the system users what they would like.

Ron will send out an email, and then Ron will send the letter to the cities to hold them to their limit.

This year the board agreed to not have the assessments go up, but they during the public hearing for the assessments of 2007 they will notify of the increase in assessments effective 2008.

Ron moved to approve the minutes, Morgan seconded. Everyone voted aye.

Ron voted to adjourn the meeting Morgan seconded. Everyone voted aye.

Meeting adjourned 4:53 p.m.

7/17/2007

Meeting called to order at 4:20 p.m

Attending: Morgan Jensen, Than, Dave, Mayor Powell, Ron, Julie taking minutes

In the meeting the board discussion water use among the different types of users and users specific on the system. Some users are taking 12 hours to water one area and then moves the line the next day and waters another 12 hours in the same spot and proceeds to next area and it take seven days to complete the pasture.

It was decided on by the board that before a letter is sent out, a district employee is sent to verify complaint and a log will be made to document the complaints. The letters will now be sent via certified mail.

Morgan read a new proposed policy for system valves. It reads:

The holder of any TSWS connection is responsible for the use, management and irrigation practices and observance of water conservation measures in effect at the time the property is served by the connection.

TSWS valves are not suitable and should not be used to control or distribute system water. Normally the expected use of system valves should be limited to winter season shutdown and or major repairs by the landowner to his system. This new policy will become effective March 1, 2008.

Valve keys should not be stored or left in the valve box or pipes when not in use. Ron made a motion to adopt the new rule and Dave seconded the motion. All voted aye. This policy will be in effect next spring.

The board discussed the problems with the ponds emptying out every night. Ron added, the difficulty is not the water source keeping up; it is the ponds are not keeping full each evening.

There were several proposals given but the board decided the limited irrigation time daily would be the best. Therefore it was proposed that the new irrigation hours for agriculture users only would be between the hours of 7-11 p and 7-11 a. The classification would be if the user's lot has a \$50 charge for the acre. Than motioned to accept this new policy and Morgan seconded it. All have ayes. The effective date will be August 1st. Julie will send out a letter to all users explaining the new valve policy and the limited hours for ags.

Than presented that the cemetery should be upsize the pipe when converting to new electric valves

Meeting adjourned at 5:15

