

Skyview Acres
Water Company

Rules and Regulations
For Water Service

Adopted by the Board of Directors
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RULES AND REGULATIONS OF THE SKYVIEW ACRES WATER COMPANY

1. Definitions:

“Skyview” shall mean Skyview Acres Water Company, an Oregon Cooperative.

“Backflow Device” shall mean the assemblies installed to prevent backflow or backsiphonage.

“Board” shall mean the Board of Directors of Skyview which is Skyview’s governing and controlling body.

“Customer” shall mean any person granted water service by Skyview.

“Customer Line” shall mean the pipe and valves, leading from Skyview facilities into the premises served.

“Dwelling” shall mean premises occupied or intended to be occupied by one “family” living unit.

“Main” or **“Water Main”** shall mean the pipe in the street, alley, right-of-way or easement owned and maintained by Skyview for the purpose of distributing water to customers and servicing fire hydrants.

“Meter” shall mean a device for measuring the flow of water to a particular water service.

“Person” shall mean and include any natural person, firm, partnership, association or corporation.

“Premise” means any building, structure, improvement, or parcel of land, which may now or at some future time, receive water service from Skyview.

“Pressure Reducing Valve” shall mean a valve installed for the purpose of maintaining constant pressure on the downstream side of the valve.

“Service Area” shall mean that area included within the corporate limits of Skyview Acres and such other contiguous or neighboring territory as the Board shall determine to serve.

“Service Line” or **“Service Connection”** shall mean the pipe, valve, stops and fittings from a main to and including the meter, meter box, and other devices as installed by Skyview.

“System” shall mean all or any part of the water system owned and operated by Skyview and shall include all service lines, meters, vaults, reservoirs, pumping stations and facilities.

“Vault” shall mean an enclosure used to protect meters, valves or similar devices.

2. Ownership of System

The water system is owned by Skyview Acres Water Company and, in turn, by the people residing therein. None of the properties of Skyview may be disposed of without approval of the Board. Skyview is a domestic cooperative corporation, whose primary purpose is to supply water to co-op members within the confines of Skyview, in the manner approved by the Board and in accordance with applicable law.

3. Jurisdiction and Operation

The entire system, including all mains, service lines, meters, reservoirs, pumping stations, treatment plants and all facilities and appurtenances shall be operated only by authorized personnel of Skyview.

No person shall connect to any main or service of the system or interfere with the operation of any of the facilities whatsoever, or turn on or off any meter or service or operate any valves or fire hydrants; provided, however, that members of regularly constituted Fire Districts shall be permitted to connect and use fire hydrants for the express purpose of fighting fires, or testing in accordance within such procedures as Skyview shall establish.

4. Responsibility and Liability of Skyview

Skyview shall maintain and repair its mains, service lines, meters, back flow devices, pressure reducing valves, structures, facilities and all appurtenances so as to keep them in repair and operative condition at all times as is practical and reasonable.

Skyview shall not be liable for damages or otherwise responsible because of interruptions or discontinuance of water service or variations in water pressures unless it can be shown that Skyview has been negligent in its duties as owner of these systems.

The Board shall have the right in cases of inadequate supply or shortages of water, to determine how water from the system may be used, and may establish regulations limiting water use. Skyview may give preference to those uses determined to be in the best interests of public

health, well-being or necessity, and shall give highest priority to household use which shall not include irrigation.

By making application for water service or by using water service supplied by Skyview, every applicant, customer or user does thereby grant and give to Skyview, its duly authorized agents and employees, the right to enter upon the concerned premises to which water is furnished at all reasonable times for the purpose of inspection for compliance with these Rules and Regulations.

5. Use of Water

Skyview shall furnish water for ordinary domestic, household, business and community use, and for such sprinkling, irrigation, industrial, commercial and firefighting purposes as the system can reasonably supply and as may be approved by the Board.

Limitation on the use of water as to hours, purpose or manner may be prescribed by the Board.

Resale of water purchased from Skyview by a customer may be permitted only by special contract with Skyview, and shall be in writing, specifying any conditions.

6. Furnishing Water

Skyview shall not be obligated to furnish and install system facilities for all properties and premises within Skyview. Skyview shall, so far as reasonable and practicable, and within its financial means, provide adequate source of supply, mains, storage facilities and other improvements to make water service generally available to all areas within Skyview. Main extensions and other facilities to furnish water to areas and premises, shall normally be at the expense of those persons requesting such services and shall be made only by Skyview, or its duly authorized agent, or by those with express written authorization of the Board under such terms and conditions as required.

7. Water Service/Application and Meters

Application for water service shall be made in writing by the owner of the premises to be served, or the owner's duly authorized agent, on application forms furnished by Skyview. No service shall be rendered until the application is accepted by Skyview and required payment made.

All applications shall include the signature of applicant, the location of premises for which the service is requested, address to which all bills shall be sent, and such additional data as Skyview may require. Skyview personnel shall regard as confidential, additional information furnished by an applicant at Skyview's request. However, Skyview shall use said information at its discretion. Failure to supply such information when requested shall be deemed sufficient cause to deny the application.

Applications for service shall be considered merely as a request for service and shall not bind Skyview or Board to provide such services. Charges made for the installation of water service shall be paid in full and in advance of installation by Skyview.

Water service shall be provided only from Skyview mains to premises abutting such mains with sufficient frontage to provide for appropriate service. Each dwelling or building or premises shall be provided with its own water service connection and meter. No person shall furnish water to any other building, property or premises without written approval of the Board, and only in accordance with the specific terms of any such authorization, which might be granted.

So-called "spider connections" which would provide service from one Skyview owned meter to an additional dwelling, premises, or tax lot shall no longer be permitted. Spider connections documented by Skyview at the date of adoption of these rules and regulations shall be deemed approved for continued use until such time as additional meters may be added to the system and ownership interest or title of the property serviced by the spider connection transfers from the owner of record at the time these regulations are adopted. Owners of property served by a spider connection should disclose the nature of the water service to their property as part of any real property transaction. Water service to a property served by a spider connection will be transferred to a new meter and connection once additional connections are available. The owner of the property will be required to pay appropriate costs associated with the installation of the

meter and may be required to pay a system development charge if no evidence of prior payment of such charge can be documented.

A service connection shall be made in accordance with specifications relating to size, material and location, as set forth by Skyview. The service pipe from the main to the meter as well as the meter, meter box, and appurtenances shall be the property of Skyview and not the person owning the premises or paying for the installation.

8. Installation/Service Connections

Service connections shall be not less than 3/4 or 5/8 inch and all meters, together with meter box, shut-off valve, pressure reducing valves, double check valve assemblies, and such fittings and connections as may be required must be approved by Skyview.

When, in the judgment of Skyview personnel, unusual conditions exist which may require greater attention, extra fittings, meter boxes, vaults or other safeguards to assure adequate volume and pressure of water to an individual service and/or to minimize repair and maintenance problems inherent in the installation, Skyview shall require the applicant to pay the cost of such additional fittings, meter vaults or other safeguards. Skyview costs, plus applicable overhead, will be charged to the applicant and be in addition to the usual meter and service installation charges.

9. Temporary Service

Applications for temporary service shall be made in writing on forms furnished by Skyview. Applicants shall pay the established charge for installation of the service connections plus any additional charge that may be required by Skyview for the removal of the service following the termination of such temporary use.

Temporary service shall be continued at the sole discretion of the Board of f Skyview and may be terminated at any time upon 30 days written notice to the owner or occupant of the premises so served. Temporary service shall impart no special privilege or provide any vested right to water service within Skyview to the premise receiving the service. Temporary service

shall not, under any circumstance, alleviate said premise and/or occupant or owner from being required to pay a proportionate share of any charges incurred for main extensions, or assessments for the provision of permanent service or facilities for permanent service to the area of concern.

10. Contracts/Special Services

Premises connected for water service as a result of application made to, and accepted by, Skyview shall be considered as a contract in which the applicant agrees to abide by all rules and regulations in effect at the time of signing application, or as may be adopted or modified thereafter by the Board. The applicant agrees to pay all bills promptly.

Whenever the applicant or user's requirements for water service are unusual, large, or subject to great fluctuation or variation, Skyview may require a special contract. Skyview, in addition, may require reasonable security sufficient to protect Skyview against loss and to guarantee performance under the terms of any contract.

All rules, regulations, rates and charges are subject to change or modification by the Board. All special contracts shall be in writing, signed by the customer and the Board or its representative.

11. Deposits and Establishment of Credit

At the time a written application is made for water service, the applicant shall pay to Skyview an amount sufficient to cover the cost of the installation in accordance with schedules established by Skyview. After such installation is made, the facilities shall be the property of Skyview, and the cost of installation shall not be refunded to the customer or owner of the premises served.

Skyview may at its discretion require an advance cash deposit for water service either for new services, new premises, or for turning on water at an inactive service if the credit of the new applicant is unknown or has not been established, or for other good cause. Advance deposits for water so collected shall be applied to final bills, and any excess refunded. Deposits or payments

made to cover costs of new service installations shall not be considered such deposits as herein described.

12. Discontinuance of Service or Change of Occupancy and Delinquencies

In the event prompt payment of water charges are not made by a customer for water services furnished any premise, Skyview may shut off the water supplied to the dwelling, building, structure, or premises.

Customers are considered delinquent 30 days after date of invoice. Customers delinquent in their payments will be notified in writing of Skyview fees and costs associated with delinquent accounts. If the bank forecloses on the property, a lien on the property will be filed.

The failure of Skyview to discontinue water service for any reason, including non-payment for water services due, unless so notified, shall not relieve the owner of the premises or customer from the obligation and duty to pay for all of said services, whether said owner or customer does or does not have knowledge of any delinquencies for water uses or charges.

Skyview shall not re-establish water service to premises where services have been disconnected involuntarily until appropriate arrangements are made by the customer for the satisfaction of water charges due Skyview.

If, at the customer's request, a service is shut off and turned on more than once in a given month, a charge shall be made for such service as the Board shall determine.

Skyview, in complying with an owner's or customer's request to discontinue water service, shall under no circumstances, be responsible to said owner or customer or any other party for any damages resulting from such action, including civil damages.

13. Meter Reading and Billing

Meters shall be read at regularly established intervals as determined by Skyview, and bills rendered based upon consumption to the nearest 100 cubic feet of water furnished.

For the purpose of making charges, all meters serving a customer's premises shall be billed separately, and readings shall not be combined unless such meters are installed in a battery at one location in accordance with the requirements of Skyview.

Separate meters shall be provided for each service unit or structure unless otherwise specifically approved in writing by the Board.

Charges for the "service charge" for a portion of a billing period shall be prorated upon actual days of use.

Renters: The property owner of property served by a Skyview owned meter is responsible for payment of the water bill. At the property owners request, the water bill will be sent to the tenant and not the property owner.

14. Payment for Service, Shut Off of Service for Non-Payment

All charges for water services furnished shall be due and payable on the date of billing and become delinquent 30 days after date of invoice. When a bill becomes delinquent, a Late Notice will be sent to the customer and a Late Notice Fee will be added to the delinquent amount. If the payment is not received by Skyview within 15 days after the date of the Late Notice, a Shut-off Notice will be posted prominently at the customer premises and an additional Shut-off Notice fee will be added to the delinquent amount. If payment is not received within 5 days of posting the Shut-off Notice, Skyview will shut off the customers' water service. An additional Meter Turn-on fee will be assessed before service is reinstated. When water service is shut off, the meter will be locked and a Utility Notification with the cost of reinstating water service will be posted on the customer's door.

Water service shut off for lack of payment shall not be restored until all past due bills are paid including such other charges as the Board shall determine proper and as set forth in Skyview's rate and service schedule. This requirement shall not be avoided by change in user, customer, or owner of property. The property will be subject to lien.

All payments shall be made to Skyview either by mail, at the office, or via such other places or methods as the Board may designate.

15. Leakage Within Premises/Damages Thereto

Skyview shall not be liable for any damage or injury whatsoever for leaking or the running of water on the premises from pipelines, plumbing fixtures, open faucets, valves, fixtures and hoses beyond Skyview's service meters.

All leakage occurring beyond the meter installation shall be at the expense of the customer. The customer shall be responsible for the proper maintenance and repair of their own lines, stop and waste valves, gate valves, and plumbing fixtures within their own premises. Customers may use the attached leak adjustment form and policy to request credit for leaks.

No person other than a contracted employee of Skyview or Board member shall turn on or off any of the services or meters of Skyview. Customers desiring either discontinuance or restoration of service, a new or modified service, shall make arrangements at Skyview's office.

16. Cross-Connections or Physical Connections with Other Water Supplies or Systems

Skyview shall install a Backflow device as part of the installation of each new single-family residential meter installation and the cost of the device shall be paid for as part of the installation cost. Skyview will be responsible for testing each of the units. Skyview will add Backflow devices to all meters in Skyview over time, as meters are changed out and/or repaired, until the water supply is completely protected.

(See Cross Connection Control Plan adopted June 5, 2002)

17. Maintenance, Repair and Testing of Meters

Normal maintenance and repair of meters shall be carried on by Skyview at its expense.

18. Service Interruptions

Skyview from time to time must interrupt service for repairing mains, making extensions, repairing valves, pumps, and control devices, and for cleaning, maintaining and reconditioning reservoirs and storage tanks. Skyview shall not be responsible for any damages caused by such interruptions of service or fluctuations in pressure. Whenever feasible to do so, Skyview shall give customers advance notice that service is to be interrupted for any appreciable length of time. However, failure to give such notice shall in no manner cause Skyview to become liable for loss or damage caused by service interruptions, such as bursting of boilers, the breakage of any pipes or fixtures, stoppage or interruption of water supply, or any other damage resulting from the shutting off of water.

19. Pressure Regulation

Insofar as is reasonably possible, feasible and economical for Skyview to do so, it will furnish water at desirable pressures. In locations in which service pressures are higher than needed or desired by users, Skyview shall install and maintain any pressure regulators.

Skyview shall not be responsible for damages or difficulties caused by variations in pressure within the system.

20. Water Facilities in General and Main Extensions

Skyview shall pay for the cost of providing supply, pumping stations, storage facilities and transmission (primary) mains which Skyview determines specifically for the general conveyance of water within Skyview. In those cases where pumping, storage or other facilities are needed to serve a limited, local area, they shall be paid for by the person or persons

requesting such extensions. Skyview shall not pay the cost of main extensions to service additional customers, properties, tracts, or subdivisions. Such extensions shall be paid for by the person or persons requesting such extensions. The costs for facilities shall be the actual cost plus twenty percent (20%) for overhead.

All such main extensions shall be made by Skyview, or by a contractor approved by Skyview, in accordance with appropriate construction standards and in accordance with pertinent requirements of the Oregon State Health Division for public community, municipal or public utility water supply systems. Engineering designs not prepared by Skyview shall be prepared by a professional engineer registered in Oregon and shall be submitted to Skyview for review in advance of any construction to determine that Skyview standards and those of appropriate State agencies are being followed. In such instances, such design shall be in accordance with appropriate Skyview standards and requirements. All construction materials used shall be purchased or approved by Skyview and be of first quality and be consistent and fully compatible with the existing water system of Skyview so as to permit Skyview to apply uniform maintenance, repair and replacement.

Skyview shall determine the size of mains required. Fittings, valves, valve boxes and fire hydrants required shall be included in the cost of extensions. Extensions shall be made for the full frontage of the property to be served. Water main extensions for new subdivisions shall extend the entire distance between opposite boundaries of the subdivision and shall be located within public rights-of-way unless Skyview determines it necessary to construct water lines on easements across private property, which determination shall be in the sole judgment of Skyview.

It shall be the responsibility of the person or persons requesting extension of the water main to pay the full cost of the distribution system, which is generally considered to be up to and including 6". The size of the main required by Skyview will be based upon the needs of the development being served, the type of the land uses and building types, fire protection needs, and the integrity of Skyview water distribution system. Skyview may elect to install a main larger than that required for the distribution system at the time the extension is made. In such cases, Skyview will pay the additional cost of the larger transmission main.

When the person or persons requesting extension of water mains elects to have Skyview provide the engineering design and contract for construction of the water main extension, advance payment shall be made by the requesting parties. Skyview shall prepare a detailed estimate of cost and furnish the estimate cost to the applicant. The applicant shall make full payment of the estimated cost prior to any work being done on the main extension.

If the actual cost of the main extension exceeds the estimated cost, the applicant shall pay the excess cost to Skyview within 30 days after determination of actual cost.

When the person or persons requesting extension of water mains elects to have their own engineer design the water main extension and their own contractor install the water main extension, Skyview will prepare an estimate of costs for plan review, construction inspection, as-constructed drawings, map updates, and other Skyview expenses related to the main extension. The applicant shall make full payment of the estimated cost prior to any work being done on the main extension.

If the actual cost of Skyview work exceeds the estimated cost, the applicant shall pay the excess cost to Skyview within 30 days after billing by Skyview. If the actual cost of Skyview work is less than the estimated cost, Skyview shall refund the difference to the applicant within 30 days after determination of actual cost.

21. Water Main Extension—Cost Refund

Any person required by Skyview to pay the cost of extending a water main adjacent to property other than their own by virtue of such main extension so that water service for domestic use is provided for such other property without further extension of said main, shall be entitled for a period of ten years after the date of the acceptance by Skyview Board of the said water main extension, to a pro-rata portion of the initial cost of the main extension which shall be paid prior to such later service connection. The amount to be refunded shall be determined by Skyview and such determination shall be final. The pro-rata reimbursement shall be based upon:

- (1) total front footage of all property abutting on the street, road or right-of-way, within which

the main extension was made and which was benefited or (2) any other reasonable basis that equitably distributes the cost of the main extension to the benefited properties.

When the person or persons requesting extension of water mains elects to have their own engineer design the water main extension and their own contractor install the water main extension, Skyview will prepare an estimate of costs for plan review, construction inspection, as-constructed drawings, map updates, and other Skyview expenses related to the main extension. The applicant shall make full payment of the estimated cost prior to any work being done on the main extension.

If the actual cost of Skyview work exceeds the estimated cost, the applicant shall pay the excess cost to Skyview within 30 days after billing by Skyview. If the actual cost of Skyview work is less than the estimated cost, Skyview shall refund the difference to the applicant within 30 days after determination of actual cost.

22. Water Rates and Charges

Skyview shall adopt and maintain appropriate rate and charge schedules, including service charges, for water furnished and services rendered by Skyview. These schedules shall be reviewed and amended by Skyview as required. Rates charged may be fixed and classified according to the type of use and according to the amount of water used. In the event a particular service is not specified, a rate will be established upon request by the Skyview Board.

Current rate and charge schedules of Skyview will be maintained on file by Skyview at its general office at all times and will be available for viewing by the public.

Where a meter is found to be broken or fails to register, at the option of Skyview an estimated bill shall be prepared by Skyview and charges based upon a comparable period in the preceding months or year if possible. A customer rendered such “estimated” bill may appeal to the Board if they have objections. The Board shall consider the same and reach decision with respect to appeal; the Board’s decision shall be final.

Charges for the installation of service pipe and meters from main to property line, various materials furnished by Skyview and such other services as rendered shall likewise be set forth in

Skyview's current rate and charge schedule and may be amended to meet the needs of Skyview and current economic conditions.

In determining appropriate service and installation schedules, Skyview shall consider and include therein appropriate charge for Skyview overhead, which shall be twenty percent (20%) of actual cost.

In addition to current rate and charge schedules, Skyview Board may, by appropriate action, adopt appropriate connection, system development, and general surcharges as the needs of Skyview may require after consideration during a regularly scheduled meeting of the Board. All such charges and schedules of Skyview presently in effect as of the date of the adoption of these revised Rules and Regulations shall remain in full force and effect until further amended or revised by Skyview.

23. Complaints and Special Requests

All complaints and special requests for service and all other matters upon which action by Skyview is requested or sought, shall be presented to Skyview in writing. Skyview need not give consideration to any request or complaint not so presented.

24. Revision and Modification of Rules, Regulations and Charges

The Board of Directors of Skyview may, and in its sole discretion, make such modifications, revisions and additions to the Rules and Regulations of Skyview as may be deemed necessary and in the interests of Skyview. Such modifications, revisions or deletions to the Skyview Rules and Regulations shall be made only after consideration at an annual membership meeting and upon approval of a majority of the entire Board of Directors of Skyview.

Rate and charge schedules for furnishing water, for services, installation of meters, service piping, main extensions and the like, may be revised, as determined by the Board. Rate

and charge schedules of Skyview shall be modified, revised, added to or deleted by the Board by appropriate action adopted by a majority of the entire Board of Directors.

Any increase proposed in the existing rates charged water consumers by Skyview shall be made by the Board only following consideration on such proposals during a regularly scheduled annual membership meeting.

25. Membership

Membership is based on ownership of real property receiving water service from a Skyview owned water meter.

Properties not now within the Skyview Acres Water Cooperative Boundaries may only be brought within the boundaries of Skyview by virtue of purchase and installation of a water service at the property and payment of the membership fee provided for in the by-laws of the organization. Additional memberships are contingent upon availability of meters.

26. Scope of Skyview

The scope of Skyview's authority as exercised by its governing body, the Board of Directors of Skyview, shall extend to and include all power and authority granted to Skyview by appropriate provisions of Oregon law, and especially those powers and duties and authority as set forth in Oregon Revised Statutes, Chapter 62. In all such instances, not specifically set forth herein, the Board shall act in its discretion and in a manner consistent with the intent and purposes of O.R.S. Chapter 62 and such other law as may be applicable thereto.

Mike Persons, President

9-10-14

Chris Maier, Secretary/Treasurer

9-10-14