

DEL-CO WATER COMPANY RULES AND REGULATIONS
REVISED AUGUST 21, 2002

I. SERVICE CLASSIFICATION There is no distinction of this category except during curtailments.

II. SERVICE APPLICATION

- A. Every person (which word as used herein includes any legal entity) who is a record owner of a fee or undivided fee interest or who has a substantial possessory interest in a property served by the water system may become a member of the corporation upon signing such applications and agreements for the purchase of water as may be required by the corporation and paying such membership fees as may be imposed by the board of directors, provided that only one membership may be held at any time by any person and, provided further, that only one membership will be issued with respect to any one property. No person shall be denied membership because of race, color, creed or national origin. However, membership may be denied if the capacity of the water system is exhausted by the needs of existing members or if the applicant's proposed use is such that it would interfere with existing needs or uses. A "substantial possessory interest," as used herein, is one where the person has a legal right to control and occupy a property but does not have legal or equitable ownership of the property such as a tenant or lessee. Where such person and the person who is the record owner of a fee or undivided fee interest to the property both apply for membership, preference will be given to the record owner. (Article 1, Section 1 of Code of Regulations)
- B. The company may reject any application for membership when the applicant is delinquent in payment of bills incurred for service previously supplied at any location.
- C. In the event of a violation of any of the provisions of these rules, bylaws or any other regulation of the Company, the Company may remove the meter and discontinue service. Where the meter is thereafter reinstalled, the member shall first pay to the Company a re-installation charge of \$25.00 dollars. If the member voluntarily requests removal of his meter for a definite or indefinite period, the reinstallation charge shall be the minimum monthly water rate multiplied by the number of months the meter has been out of service, or the established tap fee, whichever is the lesser.
- D. The individual in whose name the membership certificate is prepared shall be responsible for payment of all bills incurred.

III. INITIAL OR MINIMUM CHARGES

- A. The flat minimum monthly rate, as set up in the water rate schedule for the year, will be payable irrespective of whether any water is used by the member during any month.
- B. The current tap fee shall be charged for each new meter installation. Each meter requires a separate meter reading sheet and each meter reading sheet will cover a separate and individual account.
- C. Water furnished for a given lot or farmstead shall be used on that lot only. Each member's service must be separately metered at a single delivery and metering point. All commercial use, including storerooms and stalls for business purposes, shall be metered separately from any

residential use and vice versa.

IV. COMPANY'S AND MEMBER'S RESPONSIBILITIES

- A. The corporation will install, maintain, and operate a water distribution system, including main lines, hydrants, pumping stations, towers, service lines, sources of supply and treatment. The cost of the service line to within ten (10) feet of the property line of each member, as finally determined by the plans and specifications and corporate engineer, shall be paid by the corporation. The corporation may also purchase and install a cutoff valve and meter in each service line from its main distribution line or lines, such cut off valve and meter to be owned and maintained by the corporation. The corporation shall have the sole and exclusive right to the use of such cutoff valve. However, the provisions of this section shall not be construed to require the acquisition or installation of meters or cutoff valves where the directors determine under the circumstances of the system and the nature of the membership that the use of either or both of such devices is impractical, unnecessary to protect the system and the rights of the member and/or economically unfeasible. (Article VI, Section 1 of Code of Regulations)
- B. Each member will be required, at his own expense, to have dug a ditch for the connection of the service line or lines to his dwelling or other portions of his premises and to purchase and have installed the portion of the service line or lines from his premises. The member will maintain such portion of such service line or lines which shall be owned by the member, at his own expense. The corporation may, if the board of directors so determines, purchase the pipe for and install such portion of such service line or lines, the cost of which will, however, be paid by the individual members. In addition each member shall pay such connection charge, if any, as may have been imposed by the board of directors before such member will be entitled to receive water from the system. Each member may be permitted to have additional service lines from the corporation's water system, in the discretion of the board of directors, upon proper application therefore and the tender of payment not to exceed the then existing connection charge. The approval by the board of directors of additional service lines to an existing member may be made conditional upon such provisions as the board of directors determines necessary to protect the interest of the other members and to allow for the orderly expansion and extension of the system to serve other property that may need service along the distribution lines of the system. Each service line shall connect with the corporation's water system at the nearest available place to the place of desired use by the member if the corporation's water system has sufficient capacity to permit the delivery of water through a service line at that point without interfering with the delivery of water through a prior service line. If the corporation's water system is inadequate to permit the delivery of water through a service line installed at such place without interfering with the delivery of water through a prior service line, then such service line shall be installed at such place designated by the corporation. (Article VI, Sections 2 & 3 of Code of Regulations)
- C. The Company does not assume any responsibility for inspecting the member's piping or apparatus and will not be responsible therefore.
- D. The Company reserves the right to refuse service unless the member's lines or piping are installed in such manner as to prevent cross connections or back-flow.
- E. The Company shall not be liable for damages of any kind whatsoever resulting from water or the

use of water on the member's premises, unless such damage results directly from negligence on the part of the Company. The Company shall not be responsible for any damage done by or resulting from any defects in piping, fixtures, or appliances on the member's premises. The Company shall not be responsible for negligence of the third persons, or forces beyond the control of the Company resulting in any interruption of service. In the event of the curtailment, failure or interruption of service for any reason, the Company shall not be liable for consequential damages, but its liability shall be limited to any diminution in the value of the service provided during the affected billing period in an amount not to exceed the minimum monthly bill for the affected member or members.

F. Under normal conditions, the member will be notified of any anticipated interruptions of service.

V. OTHER CONDITIONS OF SERVICE

A. Piping on the premises of the member must be so installed that the connections are conveniently located with respect to Company lines and mains.

B. If the Company is called upon to provide additional meters each place of metering will be considered as a separate and individual account.

C. The member shall provide a place of metering, which is unobstructed and accessible at all times.

D. The member shall furnish and maintain a private cut off valve on the member's side of the meter.

E. The member's piping and apparatus shall be installed and maintained by the member at the member's expense in a safe and efficient manner and in accordance with the Company rules and regulations and in full compliance with federal, state, and local sanitary regulations.

F. The member shall guarantee proper protection for the Company's property placed on the member's premises and shall permit access to it only by authorized representatives of the Company.

G. In the event that any loss or damage to the property of the Company or any accident or injury to persons or property is caused by or results from the negligence or wrongful act of the member, his agent or employees, the cost of the necessary repairs or replacements shall be paid by the member to the Company and any liability otherwise resulting shall be assumed by the member. The amount of such loss or damage or the cost of repairs shall be added to the member's bill and if not paid, services may be discontinued by the Company.

H. The member shall not sell water to any other person. Water shall not be used for irrigation, except when water is available in sufficient quantity. Disregard for this rule shall be sufficient cause for refusal or discontinuance of service.

I. LAWN WATERING RESTRICTIONS

1. No domestic or commercial user or any other person shall use water supplied by Del-Co to sprinkle, saturate, water, or wet their lawn or grass except in accordance with the conditions established in subsection (2). For purposes of this subsection, "lawn" or "grass"

is intended to include grass, ivy, or any other form of ground cover, but shall not be construed to include gardens, shrubs, trees, and flowers.

2. Lawn sprinkling shall be permitted in compliance with the following odd/even systems. Residents with a street address number ending in an odd number shall water their lawn or grass only on Tuesday, Thursday and Saturday. Residents with a street address number ending in an even number shall water their lawn or grass only on Sunday, Wednesday, and Friday.
3. The first violation of the prohibition described will result in a notice reminding the resident of the regulation. A second violation will result in a warning describing penalties for further violations. A third violation will result in a penalty of \$100.00. Repeated violations may result in reduction or termination of water service.
4. The General Manager is hereby authorized to issue permits exempting any person installing a new lawn from the lawn watering restriction. The General Manager shall establish an application process and any conditions of requirements he deems necessary to implement and enforce the issuance of new lawn permits.

VI. EXTENSIONS TO MAINS AND SERVICES

- A. The Company will supply service for temporary purposes, provided that the Company has water available in excess of the Company's regular needs, and provided that the Company has available material and equipment necessary to supply said service. Each applicant for such service must pay in advance to the Company the Company's estimate of cost of labor and materials, less salvage value on removal, for installing and removing such service, unless waived by the board of directors.
- B. All line extensions shall be evidenced by contract signed by the Company and the person requesting and/or paying for said extension.

VII. ACCESS TO PREMISES

- A. Duly authorized agents of the Company shall have access, at all reasonable hours, to the premises of the member for the purpose of installing or removing Company property, inspecting piping, reading or testing meters for any other purpose in connection with the Company's service and facilities.
- B. Each member shall grant or conveyor shall cause to be granted or conveyed to the Company a permanent easement and right-of-way across any property owned or controlled by the member wherever said easement and right-of-way is necessary for the Company's water facilities and lines to furnish service to the member.

VIII. CHANGE OF OCCUPANCY

- A. Not less than one week's notice must be given in person or in writing to the Company to discontinue service or to change occupancy.
- B. The outgoing party will be responsible for all water consumed up to the time of departure or the time specified for departure whichever period is longer provided that service to the premises

may be refused until payment is received by the Company.

- C. The current service charge will be made for each meter for each turn-off or cut-off other than change of occupancy.

IX. METER READING - BILLING - COLLECTION

- A. Meters will be read and bills rendered monthly, but the Company reserves the right to vary the dates or length of period covered, temporarily or permanently, if necessary or desirable.
- B. Bills for water will be figured in accordance with the Company's published rate schedule and will be based on the amount consumed for a period covered by the meter reading. The minimum bill to such member for such period shall be equal to the minimum charge for one full month's service.
- C. Charge for service commences when the meter is installed and connection made, whether used or not.
- D. Reading from different meters will not be combined for billing irrespective of the fact that said meters may be for the same or different premises or the same or different members or for the same or different services.
- E. Bills are due when rendered and are delinquent after twenty (20) days. If not paid in forty-five (45) days service may be discontinued by the Company. See your Water User's Agreement for details.
- F. Delinquent notices will be mailed to the member when sixty (60) days past due. These notices will be mailed as final notices and if payment is not made within five (5) days, services will be discontinued.
- G. Failure to receive bills or notices shall not prevent such bills from becoming delinquent nor relieve the member from payment.
- H. A deposit as specified by the board of directors shall be required from all tenants. Such deposits shall be applied to any water service delinquent more than sixty (60) days. Upon discontinuance of service and payment of all bills due the Company, any balance of such deposit shall be returned to the tenant without interest.

X. SUSPENSION OF SERVICE

- A. Service discontinued for non-payment of bills will be restored only after bills are paid in full and the current service charge paid for each meter reconnected.
- B. The Company reserves the right to discontinue its service without notice for the following additional reasons:
 - 1. To prevent fraud or abuse.
 - 2. Member's willful disregard of the Company's rules.
 - 3. Emergency repairs.

4. Insufficiency of supply due to circumstances beyond the Company's control.
 5. Legal process.
 6. Director of public authorities.
 7. Strike, riot, fire, flood, accident, or any unavoidable cause.
 8. Customer's default in payment of any loan agreement or other obligation guaranteed by the Company except that notice shall be given as in the case of non-payment of said customer's water bill.
- C. The Company may, in addition to prosecution by law, permanently refuse service to any member who tampers with a meter or other measuring device.

XI. COMPLAINTS - ADJUSTMENT

- A. If the member believes his bill to be in error, he shall present his claim, in person or in writing, to the Company before the bill becomes delinquent. Such claim, if made after the bill has become delinquent, shall not be effective in preventing discontinuance of service, as to heretofore provided. The member may pay such bill under a protest and said payment shall not prejudice his claim.
- B. The Company will make special meter readings at the request of the member for a fee, provided, however, that if such special reading discloses that the meter was over-read, no charge will be made.
- C. Meters will be tested at the request of the member upon payment to the Company of the actual cost to the Company of making the test.
- D. If the seal of a meter is broken by other than the Company's representatives or if the meter fails to register correctly or is stopped for any cause, the member shall pay an amount estimated from the record of his previous bills and/or from other proper data.

XII. ABRIDGEMENT OR MODIFICATION OF RULES

- A. No promise, agreement or representation of any employee of the Company shall be binding upon the Company except as it shall have been agreed upon in writing, signed and accepted by the acknowledged officer of the Company or its duly authorized attorney.
- B. No modification of rates or any of the rules and regulations shall be made by any agent of the Company
- C. The word "Company" or "Corporation" used herein applies to Del-Co Water Co., Inc. The word "Member" used herein applies to the members of said Company.
- D. These rules and regulations are subject to amendment, modification or revision at any time by action of the Board of Directors.

XIII. BACKFLOW PREVENTION & CROSS CONNECTIONS

- A. For the purpose of preventing backflow and providing cross connection control in the public water system, the Company has adopted a Rule 3745-95-01 through 3745-95-08 of the Ohio Environmental Protection Agency Rules and Regulations for Public Water Systems as were effective on November 26, 1980.

XIV. SPECIAL CONNECTION FEE

- A. When an applicant for service is received with respect to a property or any portion thereof for which the Company has been denied or refused an operating easement or right-of-way, the Company may charge, in addition to any and all other charges or fees, a special connection fee equal to the then estimated cost of relocating any pipes or other facilities required to serve the property from the public right-of-way within which such facilities were installed or located as a result of such refusal or denial. The purpose of this fee is to reimburse the Company for any costs or expenses incurred or anticipated for any past prospective, or future relocation of such facilities and shall be payable whether or not the applicant was the person or entity who or which denied, or refused the Company's request for an easement or right-of-way for such property.