Iredell Water Corporation Rules and Regulations

I. CLASSIFICATION OF SERVICE

All water services are classified under one of the following categories:

- 1. Residential includes all residential, multi-family and residential irrigation
- 2. Commercial includes business done with the sole motive of gaining a profit, also includes agriculture
- 3. Industrial includes any business dealing with manufacturing goods
- 4. Institutional includes schools, hospitals, churches or other non-profits or governmental agencies

II. RATE SCHEDULE AND TAP-ON FEES

Rate Schedule and Tap Fees are established by the Board of Directors periodically and set forth in the minutes of the meeting of the directors. For current schedule of fees see document titled *Schedule of Fees & Charges*.

III. APPLICATION FOR SERVICE

- A. The service will be supplied only to those who have become members. A person becomes a member by paying a membership fee. Membership will only be extended to a person or entity filing an application for water service at a location on which a tap fee has been previously paid or at a new location after paying all applicable tap fees.
- B. The application for water service, membership fee, and deposit of guarantee will be made in person at the office of the Corporation. In special circumstances, alternative arrangements may be made. Identification will be required. A social security number is requested on the application. If the applicant prefers to not divulge that information, they will be required to pay the maximum deposit as designated by the corporation. (See V. DEPOSIT below.)
- C. The Corporation may reject any application for new service if it is not available under a standard rate, involves excessive cost, affects the supply of service to other customers or for other good and sufficient reasons, in which case, any membership fee, tap fee, and security deposit previously paid will be refunded.
- D. The Corporation may reject any application for service when the applicant, or any adult living on premises or operating a business on premises, is delinquent in payment of bills incurred for water service previously supplied at any location. Provided that the owner of the premises has been served water and has not paid for the same, the Corporation shall not be required to render services to anyone at said location where the water was used until such water bill has been paid in full.

IV. MEMBERSHIP FEE

A. The membership fee shall be set in the Schedule of Fees & Charges. Membership fees shall not draw interest.

B. The individual or entity in whose name the membership fee is paid shall be responsible for payment of all bills incurred in connection with the service furnished.

V. DEPOSIT

- A. All deposits fees will be published in the *Schedule of Rates & Fees*. Deposits may be paid by cash, check, certified check, credit or debit card, or money order. The Corporation reserves the right to require a higher deposit when warranted by previous account history or credit reports. Deposits shall not draw interest.
- B. The individual or entity in whose name the deposit is made shall be the same as the membership and will be responsible for payment of all bills incurred in connection with the service furnished.
- C. A separate deposit is required for each account and /or location.
- D. The deposit receipt is not negotiable and can be redeemed only at the Corporation's office.
- E. Once an account is established, payment is expected by the due date. If account is disconnected due to delinquent payment, a security deposit or additional deposit up to 3 times the monthly average bill, as determined by billing history, may be required in addition to other applicable fees.
- F. For property owners, security deposits may be eligible for refund after 24 months of excellent payment history. Deposits are refunded to the account as credits, which are applied towards future billings. Excellent payment history is defined as no late fees or account suspensions for 24 consecutive months. Ownership is defined as owner of land.
- G. Renters, Tenants and Sublease Situations: Security deposit refund will occur after the account has been closed and applied toward the final bill.
- H. All security deposits shall be refunded in accordance with Section XIII, Paragraph A

VI. <u>INITIAL OR MINIMUM CHARGE</u>

- A. The initial or minimum charge, as provided in the rate schedule, shall be made for each meter installed, regardless of location.
- B. Where service is furnished to a member during certain months only, the minimum charge per service for the period of non-use shall be the regular minimum as set out in the *Schedule of Fees & Charges*.
- C. Water furnished for a particular lot or property shall be used on that lot or property only. Each member's service must be separately metered at a single delivery and metering point. Each commercial unit used for business purposes shall have a separate meter unless prior approval is received from the Corporation. All commercial use, including storerooms and stalls for business purposes, shall be metered separately from any residential use and vice versa, whether now in service or to be installed in future.
- D. Any member who does not wish to use the water, pay the minimum charge, or if the account is suspended, will have the service meter removed after one year of inactivity. After five years of

inactivity the meter, tap, and service may be removed, and a new service must be paid if water service is desired in the future When the potential member desires to have the water cut on for a particular location, upon proper request and payment of service charges and fees, the tap and or water meter will be re-installed and, at this time, the normal monthly rate charge will resume. The service charges and fees related to inactive account recovery or tap fees will be at current rates set forth in the *Schedule of Fees & Charge*.

E. Any member receiving a discounted tap fee related to a system extension will be required to pay the minimum monthly bill for 48 billing cycles for each meter or the difference in the discounted tap fee. At the end of the 48-month cycle period the Water Corporation will lock and remove the meter at the written request of the member. At this time the payment of minimum water charges will be suspended, member will not be required to make any minimum payments, and membership and any deposits will be refunded to member. Removal of meter and or tap will follow as defined under D of this section above.

VII. CORPORATION'S RESPONSIBILITY AND LIABILITY

- A. The Corporation shall run a service line from its distribution line to the property line where the distribution line runs immediately adjacent and parallel to the property to be served, which a tapon fee then in effect for each size of meter will be charged.
- B. The Corporation may install its meter at the property line or, at the Corporation's option, on the member's property or in a location mutually agreed upon.
- C. The Corporation shall retain ownership of service to member, which includes service line between water main and meter setter, including water meter, meter setter, and meter box. Corporation's ownership and maintenance ends at the last brass fitting attached to the meter setter, normally defined as the brass male adapter or brass multi-purpose fitting.
- D. When two or more meters are to be installed on the same premises for different members, they shall, when practical, be closely grouped and each clearly designated to which member it applies.
- E. If the Corporation's water mains are not immediately adjacent to property requesting service but can be served without an extension of water mains, the owner requesting service must obtain and present to the Corporation the following:
 - 1 For installations of service where meter will be installed on a property other than that to be served and/or where private service will be installed on another owner's property to reach property to be serviced
 - a Signed and notarized consent letter and/or easement from property owner(s) where water meter will be installed and/or where private service line will cross through private owner's property. Letter must grant access to duly authorized agents of the Corporation to have access at all reasonable hours to the premises of the member for the purpose of installing or removing Corporation property, inspecting piping, reading or testing meters or for any other purpose in connection with the Corporation's service and facilities.
 - 2 Where service will be installed on the edge or right-of-way of a NCDOT road or intersection:
 - a Signed and notarized consent letter from all other property owner(s) where private service line will cross in front or across other private owner's road frontage.

- b Owner of proposed private service line must draw a map or sketch of the proposed area where meter and private service are to be install. Sketch should be on 8.5" x 11" paper and show the size and type of private line and distance from the edge of pavement, gravel road, or right-of-way. Service line must be no less than 200 psi.
- c Right-of-way Encroachment Form signed by owner or proposed private line and NCDOT. This can be obtained from NCDOT office located on Prison Camp Rd, Statesville, NC.
- d Signed letter or email from the NCDOT stating that A, B, and C have been completed and approved for installation by NCDOT.
- F. The Corporation does not assume the responsibility of inspecting the member's piping or apparatus and will not be responsible for such.
- G. The Corporation reserves the right to refuse service unless the member's lines or piping are installed in such a manner as to prevent cross-connections or backflow.
- H. The Corporation shall not be liable for damage of any kind resulting from water or the use of water on the member's premises. The Corporation shall not be responsible for any damage resulting from any defect in the piping, fixtures, or appliances on the member's premises. The Corporation shall not be responsible for negligence of third persons or forces beyond the control of the Corporation resulting in any interruption of service.
- I. Under normal conditions the member will be notified of any anticipated interruption of service.

VIII. MEMBER'S RESPONSIBILITY

- A. Piping on the member's premises must be arranged so that the connections are conveniently located with respect to the Corporation's lines or mains.
- B. If the member's piping on the member's premises is so arranged that the Corporation is called upon to provide additional meters, each place of metering will be considered as a separate and individual account and/or location.
- C. The member shall provide a suitable place for the location of the water meter box, unobstructed and accessible at all time to the meter reader or maintenance crews. Unobstructed and accessible shall also mean no fencing and no animals in the area of the meter. If a meter is moved at the request of the member or is moved to make the meter accessible to the meter reader or maintenance crew, the member shall pay the costs of moving the meter set forth in the "Schedule of Fees & Charges."
- D. The member shall furnish and maintain a private cut-off valve on the members' side of the water meter. Member may also furnish and maintain a pressure reducing valve and/or backflow device if required, on the member's side of the meter. The Corporation is to provide a cut-off valve on the Corporation's side of such meter, for the Corporation's use only
- 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 Corporation's Rules and Regulation and in full compliance with the sanitary regulations of the North Carolina Department of Environmental Quality (NCDEQ) and/or North Carolina Plumbing Code

- F. The member shall guarantee proper protection for the Corporation's property placed on the member's premises and shall permit access to it only by authorized representatives of the Corporation.
- G. In the event that any loss or damage to the property of the Corporation or any accident or injury to the persons or property is caused by or results from the negligence or wrongful act of the member, his or her agents or employees, the cost of the necessary repairs of replacement shall be paid by the member to the Corporation, as well as, any liability otherwise resulting.
- H. The amount of such loss or damage or the cost of repairs shall be added to the member's bill. If unpaid, service may be discontinued by the Corporation.

IX. EXTENSIONS TO MAINS AND SERVICE

All applications for extensions shall be made in writing to the Board, using a petition form provided by the corporation.

- A Water distribution lines to serve undeveloped subdivisions will be handled as follows:
 - 1. The developer will submit plans and specifications for review and approval by the Corporation, its engineer, and the North Carolina Department of Environmental Quality (NCDEQ).
 - 2. Lines and apparatuses will be installed in accordance with the approved plans and at cost of developer.
 - 3. Lines and apparatuses will be gifted or donated to the Corporation for ownership and maintenance after final approval is received from NCDEQ.

B Other extensions: extension of water lines within the corporation's service areas will be handled as follows:

- 1. The plans and specifications for the extension will be submitted for review and approval by the corporation, its engineer, and the North Carolina Department of Environmental Quality (NCDEQ).
- 2. The lines and apparatuses will be installed by the developer or contractor approved by the Corporation in accordance with approved plans and specifications.
- 3. Lines and apparatuses will be gifted or donated to the Corporation for ownership and maintenance after final approval is received from NCDEQ.

X. ACCESS TO PREMISES

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

XI. CHANGE IN OCCUPANCY

- A. A minimum of one (1) days' notice is required to discontinue service for a change in occupancy. Shorter notice for service changes may be charged an additional fee.
- B. The outgoing party shall be responsible for all water consumed up to one (1) day after the date the Corporation is notified of departure or the date specified by customer for departure, whichever is longer.

XII. <u>METERS - BILLING - COLLECTING</u>

A. Meters For Use:

- 1. Iredell Water Corporation will meter all use, including fire protection lines, except where impractical, such as water main leaks, firefighting use from Corporation owned hydrants, and specific areas where flushing water lines cannot be metered. These exceptions will be estimated when possible.
- 2. Water for construction or contracting purposes will be metered at a location as designated by Iredell Water Corporation. Attempts to use water otherwise will result in fines as established by the Corporation

B. Irrigation Meters:

- 1. All new in-ground irrigation systems installed after September 2009that are supplied water by Iredell Water Corporation shall be independently connected to the system as a separate tap and water consumption shall be measured through a separate irrigation meter.
- 2. An irrigation service may be installed by as a separate tap or by a split line off the non-irrigation service line at a point between the main and the non-irrigation service line (split tap). Either method of connection shall be performed by Iredell Water Corporation.
- 3. An irrigation service line, the irrigation meter and all related appurtenances shall be installed in accordance with the same regulations, policies and procedures that apply to non-irrigation meters.
- 4. All new in-ground irrigations systems shall have installed and must maintain and operate programmable controllers that adjust irrigation frequency and intensity. Also, any new inground irrigation system shall have installed, and must maintain and operate, a rain sensor or soil moisture sensor that will override the irrigation cycle of the sprinkler system when adequate soil moisture is achieved, or rainfall has occurred. Both of these requirements will conserve water, save the customer money, reduce wear on the system, and reduce damage to the health of the landscaping by avoiding unnecessary irrigation cycles.
- 5. During times of drought, excessive water usage, state mandates, and any other consideration, Iredell Water Corporation will have the right to interrupt services to such meters and/or alter watering times, such as specific days of the week or after midnight.

- 6. A Reduced Pressure Zone Assembly (RPZ) is required on all connections, including irrigation, to the Corporations' system not considered residential. See Cross Connection Control guidance documents.
- 7. Customer are required to pay the current monthly minimum and rate for any water used or are subject to have both irrigation and domestic water supplies disconnected for non-payment.
- C. Meters will be read monthly and bills rendered shortly thereafter. However, the Corporation reserves the right to vary the dates or length of period covered, temporarily or permanently if necessary or desirable.
- D. Bills for water will be figured in accordance with the Corporation's published rate schedule then in effect and will be based on the amount consumed for the period covered by the meter readings.
- E. Monthly charges for service commence when the meter is installed, whether used or not.
- F. Readings from different meters at one location may be combined for billing purposes, irrespective of the fact that said meters may be for the same or different members or services.
- G. Bills are due when rendered and become delinquent if not received by due date printed on the bill. A late fee penalty, established by the Board of Directors, will be charged for all payments not received by the due date. Delinquent accounts are subject to be discontinued 30 days after the due date without any notice thereof to such delinquent member. Upon the payment by the delinquent member of all water charges, penalties thereon, and any other charges, such member shall be entitled to resumption of the water supply. During the time of such suspension of water to a member, such member shall have no right to vote in the affairs of the corporation. (See XIII; C)
- H. Failure to receive bills or notices shall not prevent such bills from becoming delinquent or relieve the member from payment.

XIII. SUSPENSION OF SERVICE

- A. Upon discontinuance of service by the account holder or Corporation, the membership and any deposit will be applied by the Corporation toward settlement of the account. If account has been active for less than thirty days, additional service fees may be applied toward the account.
- B. Any credit balance exceeding five dollars will be refunded to the member by check via US Mail. For refunds of less than five dollars the account holder must appear in person to receive refund. If the deposit is not sufficient to cover the amount of the bill, the Corporation may proceed to collect any bill, which exceeds five dollars in the usual way provided by law for the collection of debts. Refunds, for accounts that have a credit balance after the final bill, will occur no less than 35 days after account has been closed.
- C. Service interrupted for non-payment of bills will be restored only after the customer's account balance is paid in full, including all fees and security deposit (if necessary) for each meter reconnected.
 - 1. An "Account Suspension Fee" may be charged to account before water service is physically disconnected. The "Account Suspension Fee" can be found in the current *Schedule of Fees & Charges*.

- 2. Personal or Business checks will not be accepted for accounts that have been suspended for non-payment.
- 3. Disconnected Accounts will only be reconnected during normal business hours.
- 4. If the suspended account has not been settled within 7 days following the disconnection and the Corporation has not been able to establish contact with the account holder, the account will be closed. Membership and deposits will be applied to the balance. If the membership and/or deposit are not sufficient to cover the amount of the bill, the Corporation may proceed to collect any bill, which exceeds five dollars in the usual way provided by law for the collection of debts.
- 5. See Sections III, V, and IV to reinstate service.
- D. The Corporation reserves the right to discontinue its service without notice for the following additional reasons:
 - 1. Leak on members side of meter
 - 2. To prevent fraud or abuse.
 - 3. Member's willful disregard of the Corporation's Rules and Regulations.
 - 4. Emergency repairs.
 - 5. Insufficiency of supply due to circumstances beyond the Corporation's control.
 - 6. Legal procedures.
 - 7. Directions of public authorities.
 - 8. Strike, riot, fire, floods, accident, or any unavoidable cause.
 - 9. Non-payment of other charges on bill or other location
- E. North Carolina General Statute 14-151 makes it unlawful to tamper with utilities. In this respect, anyone who cuts the lock on a meter or tampers with any water line or appurtenances, for any reason, shall be considered in violation of this statute. In addition, evidence of attempting or to turn same on without approval of Iredell Water Corporation shall be deemed tampering. In these cases, the account holder may be subject to criminal prosecution and/or fees imposed by the Corporation. The Corporation may, in addition to prosecution by law, remove tap and service and permanently refuse service to any member who tampers with a meter or other measuring device.

XIV. COMPLAINT - ADJUSTMENTS

- A. If the member believes his or her bill to be in error, the member shall present his or her claim to the Corporation's office before the bill becomes delinquent. Such claim, if made after the bill has become delinquent, shall not be effective in preventing discontinuance of water service. The member may pay such bill under protest and said payment shall not prejudice his or her claim.
- B. The Corporation will make special meter readings at the request of the member for a service fee; however, if such special reading discloses that the meter was read incorrectly, no charge will be assessed.
- C. Meters will be tested at the request of the member. The Corporation shall charge the customer the fee as set forth by the Corporation. After member has made payment on charges the meter will be tested. If the meter is found to register beyond 5 per centum of correct volume, no charge will be assessed, and any fee will be credited back toward members account
- D. If the seal of a meter is broken by anyone other than the Corporation's representative or if the meter fails to register correctly or is stopped for any cause, the member shall pay any amount estimated from the record of the locations previous 12 months bills and/or from other proper data.

E. In the case of a water leak, a residential (non-irrigation, non-multi-family) or an institutional, non-profit customer may request in writing an adjustment based on previous average usage once the leak has been repaired. Upon providing any requested plumbing/hardware receipt(s) for repair and a written request, the Corporation will calculate the overage and absorb fifty percent (50%) of the excess above the average water bill. If the adjustment calculation is less than \$25.00 no option will be extended to member for adjustment. (The minimum adjustment will be \$25.00) Only one adjustment per customer per 12-month period will be allowed. Where a second leak occurs within the 12-month period, no other adjustment will be granted. However, payment extensions of up to 3 months may be allowed at the discretion of the General Manager if leak is \$300 in excess of the average monthly bill.

Water leaks are defined as excessive usage as a result of faulty material, such as fittings, toilet hang-ups, valves, water line breaks or similar problems and where a repair has been made to prevent leaks in the future. Adjustments may not be considered where it is determined that the leak could have been prevented or resulted from the negligence of the account holder, such as:

- 1. Failure to properly winterize vacant dwellings or other structures.
- 2. Failure to shut-off water supply to lines extended to sprinklers, hoses, outdoor showers, and such during periods of vacancy, non-use or inclement weather.
- 3. Improper installation of water supply and failure to adhere to plumbing codes, whether by the owner, plumbing company, or other contractor.

When a customer is concerned about usage of their water by other parties, actions should be taken to install lockout devices for hose bibs or other outdoor sources, as well as pursing this concern with the proper authorities.

Water leaks or excessive usage that is not repaired in a timely manner will not be considered for the entire length of the leak period. Only one month will be considered for an adjustment. After becoming aware that a possible leak exists, the customer should make immediate plans to locate and repair the leak, The Corporation reserves the right to deny leak adjustments to members who have been notified of leak via door hanger, email, or phone call, and refuse to fix leak for a period of longer than one billing period after notification.

Requirements for Leak Adjustment

- 1. Leak adjustments shall only be provided to customers that have proof of a leak repair.
- Only residential, non-irrigation, non-multifamily accounts or institutional non-profits accounts
 that are metered individually can receive an adjustment. Meters connected to irrigation system
 cannot receive any leak adjustment for any reason. Multi-family users receive no adjustments.
 This includes duplex homes, Apartments, Motels, Hospitals, Trailer Parks, Commercial,
 Industrial users, etc.
- 3. Request for leak adjustment must be in writing and include:
 - i. Name
 - ii. Address
 - iii. Account number
 - iv. Bill amount
 - v. Leak repair date
 - vi. What was repaired and by whom.
 - vii. The request shall also include any original receipts from plumber or store from which supplies for leak repair were bought if repaired by customer. Receipts for materials bought from store shall be retained by Iredell Water Corporation. Copies shall be made of plumber's receipts and verified with said plumbing company.

- 4. Adjustments will only be provided once within a twelve-month period. 12-month period begins on day adjustment is made not when leak occurred.
- 5. Adjustment will only be made to one monthly bill.
- 6. For any adjustments over \$100.00, the customer must arrange meeting with field staff to verify repairs have been performed and that there are no other leaks before adjustment can be made.
- 7. The Corporation has option to request meeting with customer to verify repairs have been completed before adjustments are made. IWC Manager has final judgment on all adjustments.
- 8. No adjustments for any reason when account has been disconnected for non-payment.
- 9. No adjustments for leaks older than 60 days.
- 10. Adjustment amount must be \$25.00 or greater. There will be no adjustments made that are less than \$25.00.

Adjustments will be calculated as follows: Customers average usage shall be subtracted from the usage on the billing which includes the leak. Then the remaining amount will be divided in half and multiplied by the current water rate. That amount will be subtracted from the bill. Example: Normal Customer usage is 5,000 gallons. Usage on bill with leak is 55,000 gallons. 55,000 minus 5,000 = 50,000. 50,000 divided by 2 = 25,000. 25,000 divided by 1,000 = 25 multiplied by current water rate equals adjustment amount. The customer's average usage is calculated by taking the past 12 months' usages, then taking out the highest & lowest usage months, then adding the other 10 together and dividing by 10.

If data logging proves that customer had no leak, customers account shall be flagged to never receive leak adjustment as long as they hold an account with the Corporation. (Example no constant usage of water such as found to be filling pool or irrigating)

XV. ABRIDGMENT OR MODIFICATION OF RULES

- A. No promise, agreement, or representation of any employee of the Corporation shall be binding upon the Corporation except as it shall have been agreed upon in writing, signed and accepted by the acknowledged officers of the Corporation.
- B. No modification of rates or any of the Rules and Regulations shall be made by any agent of the Corporation except as it shall have been agreed upon in writing, signed and accepted by the acknowledged officers of the Corporation.

XVI. NONDISCRIMINATION

This institution is an equal opportunity provider. To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

1. mail: U.S. Department of Agriculture

Office of the Assistant Secretary for Civil Rights

1400 Independence Avenue, SW, Washington, D.C. 20250-9410.

2. fax: (202) 690-7442; or

3. email: <u>program.intake@usda.gov</u>.

XVII. ADOPTION OF RULES

Until further order of the Board of Directors of this Corporation, the Rules and Regulations as the same are herein set out and are hereby adopted as of the date hereof to become originally effective on and after June 30^{th} , 1966 and as last amended June 16^{th} , 2020.

Certified As Correct Copy By:

Keith A. Snoddy

June 16th, 2020

Officer or General Manager - Date Certified

ORIGINAL ADOPTION: June 30^{th} , 1966

AMENDED:

March 2017

June 2020