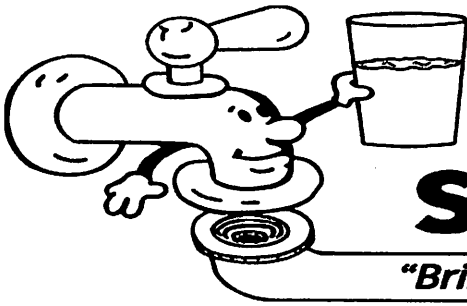




Scioto Water, Inc.

"Bringing Good Water & Good People Together"

MEMBER POLICY AND PROCEDURE

ALL POLICIES AND PROCEDURES SHALL BE APPLIED TO ALL MEMBERS IN A FAIR AND EQUITABLE MANNER. THE BOARD OF DIRECTORS MUST APPROVE ANY AND ALL CHANGES OR MODIFICATIONS OF THESE POLICIES.

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I. Service Application

Application for service shall be on the Scioto Water, Inc. (hereinafter "SWI") standard forms and made at the company's office with payment of the current tap fee and transfer fee.

When accepted by the water company, the application shall constitute a binding contract between the applicant and SWI, in conformance with this policy statement, the By-laws of the company and the applicable rate schedules.

A new application on behalf of another individual will not be accepted unless the determination can be made that the party making the application has the legal authority to do so.

The applicants' signature shall be obtained on the User's Agreement to establish responsibility for payment of bills at the service address of the application. The new member shall be given a copy of the User's Agreement. A picture ID and Social Security or Driver's License number is required at the time of application.

SWI may reject any application when the applicant is delinquent in payment of water bills incurred for service previously supplied at any location. No person shall be permitted to subscribe for service if the capacity of the water system is exhausted by the needs of its existing members.

SWI may discontinue service or remove the meter for violation of any of the provisions of these rules, by-laws or any other regulation of SWI. Where the meter is there after reinstalled, the member shall first pay the arrears of the water charges and the current reconnection fee. Reconnection shall be done in accordance with fee paid as per fee schedule.

The owner of the property described on the water user's agreement will be responsible for payment of water delivered to the service address regardless of party or parties using or consuming the water supplied.

II. Initial or Minimum Charges

The current tap fee shall be charged for each new meter installation within the limits set forth. The monthly water charges shall start upon the tap being set. The current minimum charge will be in place for two years even if not connected and \$12.50 will be charged indefinitely even if tap not in use. Each meter requires a separate water tap account number and each account number will cover a separate and individual account. SWI only allows one residence per meter. Bulk meters may be purchased to accommodate apartments. Water furnished for a given lot or farmstead shall be used on the lot only. Each service must be separately metered at a single delivery and metering points. SWI shall shut off water to a

member who allows a connection to be made to his or her service line for the purpose of supplying water to another user. The flat minimum monthly water rate, as set up in the water rate schedule, will be payable each month irrespective of whether any water is used by the Member during the month provided there is a tap on the property. If there is no meter the rate of \$12.50 (subject to change) will still be charged to the owner.

III. Company Responsibility

SWI will install, maintain and operate a water distribution system including main lines, hydrants, pumping stations, towers, service lines, sources of supply and treatment. The corporation also may purchase and install a cutoff valve and meter in each service line from its main distribution line or lines, such cutoff valve and meter to be owned and maintained by the corporation. The corporation shall have the sole and exclusive right to use of such cutoff valve. (SWI Bylaws, Article XI, Section 1) Every member is allowed access to the meter pit for the purpose of turning off and on the water, and to take their own meter reading. However, all equipment contained in the meter pit is the property of SWI, and it is illegal to tamper with the meter or any part thereof.

Each member shall be entitled to one (1) service line from the company's water system unless otherwise approved by the Board of Directors. No new service line or change in any existing service line may be made which will interfere with an existing service line or with the delivery of water therein. Each service line shall connect with the Company's water system at the nearest available place to the place of desired use by the member if the Company's water system shall be of sufficient capacity to permit the delivery of water through a service line at that place without interfering with the delivery of water through a prior service line. If the Company's water system shall be 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, the new service line shall be installed at such place as may be designated by the Company. Each member will be required to purchase and install at their expense, and to maintain such portion of the service line or lines from the meter of the member to their dwelling; or other place of use on members premises at their expense. A tap fee established by the Board of Directors will be charged for each new meter installation and must be deposited with SWI in advance.

P.O. Box 1001
4707 Gallia Pike
Franklin Furnace OH

Phone: 740-354-9140
Fax: 740-354-9432
Phone: 1-800-354-0118
TTY/V: 1-800-750-0750

IV. Company's Liability

SWI does not assume the responsibility of inspecting the member's piping or apparatus, save and except the required Ohio Environmental Protection Agency cross connection and backflow inspection and will not be responsible therefore.

SWI reserves the right to refuse service unless the member's lines or piping are installed in such manner as to prevent cross connection or backflow.

SWI 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 SWI. SWI shall not be responsible for any damage done or by resulting from any defects in piping, fixtures, or appliances on the member's premises. SWI shall not be responsible for negligence of the third persons, or forces beyond the control of SWI resulting in any interruption of service.

If possible under normal conditions, the member will be notified of any anticipated interruptions of service.

V. Member's Responsibility

Each residential member is required to have the following items: a service line capable of handling a minimum of 200 psi, a pressure reducing regulator, a shut off valve, and check valve.

Each commercial member and farmstead that uses water for non-domestic purposes are required to have a service line capable of handling a minimum of 200 psi, a pressure regulator, a shut off valve, and a backflow prevention device that has been approved by the Ohio Environmental Protection Agency. They must have their backflow prevention device tested annually and must send a copy of the test results to SWI.

The member is required to provide their own pressure reducing regulator regardless of the pressure of the water system. However, as a service to our members, in areas where operating pressures are greater than 100 psi, and at the member's request, SWI will install pressure reducing regulators in the meter pit. Installation of a pressure reducing regulator in the meter pit by SWI does not relieve the member from their responsibility to have their own operational pressure reducing regulator. Failure of SWI's regulator does not constitute negligence on behalf of SWI, and any damage resulting in such failure to any lines, appliances, or personal property of the member are the sole responsibility of the member. The pressure reducing regulators used by SWI are adjustable, and come preset from the manufacturer at 55 psi. Member's are allowed to adjust the regulator in the meter pit to the desired pressure.

The member shall provide a place of metering which is unobstructed and accessible at all times. If the meter reader cannot read the meter due to debris, vehicle parked on meter, animals too close to meter, or the meter is blocked in some manner, a service charge may be applied to the account. Should an additional trip be required to obtain an actual read, a trip charge will also be charged. To avoid a trip charge and an estimated bill, the member may call in their reading to the business office before closing the following business day after the first reading attempt was made. If the obstruction is not removed to allow SWI access to the meter area, the monthly service charge and trip charge will be added to each successive monthly billing. If a vehicle must be towed by SWI in order to have access to the meter, the member will be responsible for the towing charge. Willful disregard for this rule may result in suspension of water service and may necessitate the purchase of a new water tap.

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 SWI's rules and regulations and in full compliance with sanitary regulations, the State Board of Health, and the Ohio Environmental Protection Agency. All members that have an alternative source of water (cistern, well, pond, etc.) must be completely disconnected and separated from that source when using water supplied by SWI. The backflow prevention device must be accessible for inspection and must be tested on an annual basis by a certified backflow prevention officer or agent. These test results must be reported to SWI. The member is responsible for all costs associated with the test.

The member shall furnish and maintain a private cut-off valve at the end of the dwelling side of the service line. Should the cut-off valve

fail to work, SWI will respond to the property to shut off water for an emergency inside the dwelling, the first time at no charge to the member. While the water is off for emergency repairs the member should also replace the cut-off valve. A service fee will be charged and added to the members water billing for subsequent service calls to the property for such an emergency.

Water furnished by SWI may be used for domestic consumption by the member, members of their household and or employees only. The member shall not sell or give the water to any other person without approval of SWI. The owner/member shall, in all circumstances remain responsible for all billings, water usage, and losses of any nature incurred. Any and all charges for a water service account are the responsibility of the owner. A written statement is required to have the water bill sent to any address different from the address of the owner. Anyone who purchases property must provide proof of ownership to have the account changed to their name. Water shall not be used for irrigation, fire protection or other purposes, except when water is available in sufficient quantity without interfering with the regular domestic consumption, then the water may be used for any other purpose.

VI. Extension to Mains and Service

If service is requested in an area not currently served by SWI, a study must be done to determine if service can be provided. The cost of the study is the sole responsibility of the person/s making the request for service. A \$1500 deposit will be required before commencement of the study begins. Once determined that service can be provided, the cost of the extension will be billed and must be paid in full before any work will be performed. These fees will be set by the Board of Directors who will also determine if the extension is feasible. Any main line extension over 500 feet must be engineered, must be approved by Ohio Environmental Protection Agency and must follow the guidelines established by the separate system expansion policy. No water supplies for public use shall be constructed or operated within the limits of SWI except as approved by the Board of Directors.

VII. Access to Premises

Duly authorized agents of SWI shall have access at all reasonable hours to the premises of the member, for the purpose of installing or removing SWI property, inspecting pipes, reading or testing meters or for other purpose in connection with SWI service and facilities. Any fencing that is installed on the property by the owner or occupant that would prohibit or hinder access to the meter shall be constructed with a gate that would allow access to the meter area. All equipment contained in the meter pit is the property of SWI.

Each member shall grant or convey, or shall cause to be granted or conveyed to SWI 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 SWI's water facilities and lines, so as to be able to furnish service to the member.

No person or persons shall deposit, or cause to be deposited any matter or material into any reservoir, tank or water pipe, or employ the water services of SWI in such manner as to permit the entry of polluting matter into the water supply thereof, as per Federal Law of the Safe Drinking Water Act Section 1432 which states; any person who tampers with a public water system shall be imprisoned for not more than 5 years, or fined in accordance with Title 18 of the United States Code, or both.

VII. Change of Ownership

Notice must be given in person or in writing to the Company if there is a change in ownership of any property where water service is provided. The prior owner(s) shall be responsible for all water consumed up to the time transfer of ownership, and the prior owner(s) must pay any and all outstanding balance(s) owed before the Company will transfer ownership of the SWI account(s). A final reading will be taken whenever a final reading is requested by the member receiving the bill. The service will be disconnected if not transferred into another name.

IX. Meter Reading— Billing—Collections

Meters will be read monthly. Bills will be rendered monthly, but SWI reserves the right to vary the dates or length of period covered, temporarily or permanently if necessary or desirable. Bills are generated and mailed out on a schedule to be determined by SWI. Bills are due within 15 days of the billing date as specified on the bill. A ten percent (10%) late charge will be assessed on the current unpaid balance of the account if not paid within five (5) days of the due date.

Bills for water will be figured in accordance with the company's published rate schedule and will be based on the amount consumed for the period covered by the meter readings.

Bills are mailed to the billing address listed on the computer. It is the members responsibility to make sure SWI has the correct billing and service address on file. SWI is not responsible for late or misdirected mail. Failure to receive bills or notices shall not prevent such bills from becoming delinquent nor relieve the member from payment. The water company is not responsible for postal mail delivery. There will be a processing fee for those members receiving a disconnect notice. This fee will be added to the current water bill. Bills for new services will be generated within forty-five (45) days after the meter has been set.

Member accounts that are estimated will be indicated on the water bill. Meters may be estimated for the following reasons: inclement weather conditions, hand-held or main computer malfunction, the meter is inaccessible. All members have the option of reading their own meter if they desire and notify the billing office of such read. Charge for service commences when meter is installed, whether used or not.

All accounts past due are subject to disconnection. A notice of delinquency is on your monthly bill. A payment agreement may be signed prior to disconnection to avoid service interruption with approval from the owner. The day of disconnection, the entire bill plus trip charge must be paid to avoid the disconnect. A disconnection trip charge will be charged to the account on the day of disconnection even if the bill is paid prior to disconnection. Once a service has been disconnected, the total account balance plus the reconnection fee, trip charge must be paid before service is restored.

Any account past due may be sent to a collection agency at the discretion of SWI. If the past due account is not paid within 6 months, the tap where the past due account was incurred may, in the sole discretion of SWI, be pulled at the corp. Any accounts sent to collections will incur a 20% fee to defray the collection costs incurred by SWI.

If payment is made by check and that check is returned to SWI, a letter will be sent if the check is for the current bill only. If the check is written to prevent a disconnection of service, the service may be disconnected with no further notice. To have service reconnected, the entire bill, check fee, reconnect and trip charge may be charged.

X. Suspension of Service

Service discontinued for nonpayment of bills will be restored only after bills are paid in full and service charges paid for each meter reconnected. SWI reserves the right to discontinue its service without notice for the following additional reasons: to prevent fraud or abuse, consumers willful disregard of SWI's rules, emergency repairs, insufficiency of supply due to circumstances beyond SWI's control, legal process, direction of public authorities, strike, riot, flood, accident or any unavoidable causes. The Company may in addition to prosecution by law, permanently refuse service to any member who tampers with a meter or other measuring device. If a bill is left owed on an account in excess of six months the tap may be pulled at the corp.

XI. Meter Tampering

Tampering with a meter in anyway shall result in the pulling of the meter from service and any water used must be paid before service is restored. In addition to a service fee and reconnection fee, it is the Company's policy to charge additional fees for any damages due to the setter, valve top, removal of the lock, or jumper being placed in the

meter pit.

Violators may be prosecuted under Ohio Law from the Ohio Revised Code Section 4933.18, which prevents tampering with a water company's equipment and can carry a fine up to \$1,000 and possible imprisonment. A reconnection to the water service without the consent of the water company is evidence that the person in possession or control of the meter has reconnected the meter with intent to commit a theft offense.

XII. Fire Department Service Taps

Fire Departments Service Taps located on SWI's distribution system will be billed the current minimum rate for a 3/4" tap regardless of the size tap serving the said Department. **Water use is restricted to "Fire Department Use Only"**. Personal car washes, filling of swimming pools, purging of wells, etc., is not permitted from any sources of water provided by SWI. Any Fire Department found guilty of, or proven to be in violation of this policy will be billed at normal rates according to the size meter serving that department. Fire Departments that fill their trucks from water passing through their meter or any hydrant must monitor and report these amounts to SWI so these amounts can be included in SWI's Water Loss Reports.

Fire Department Use of Flush Hydrants

All "Hydrants" located throughout any of SWI's distribution systems are classified by SWI as FLUSH hydrants only. However, any Fire Department may use any of the flush hydrants in our systems to "Bucket Fill" their pumper trucks, tanker trucks, and/or a dump tank at any time without charge. All flush hydrants must be operated in a manner that will not cause oscillation or "Water Hammer" in the system. Only authorized persons, trained in the proper opening and closing of hydrants using a hydrant wrench are permitted to access the flush hydrants. Gate valves or "watch valves" may or may not be in the open position due to the type or condition of the flush hydrant. In any case, wrenches to fit these valves are the responsibility of the Fire Department. When any Fire Department uses a flush hydrant, SWI must be notified as soon as possible by calling 1-800-354-0118. Any department that operates a flush hydrant and does not report the usage to SWI may be invoiced for the cost of overtime in response to calls of low pressure, costs associated with placing the system under a boil advisory because of depressurization, and for the volume of water flushed from the lines.

While or when connected to any flush hydrant, UNDER NO CIRCUMSTANCES IS A SUCTION PUMP TO BE USED. This could cause depressurization of the system and could collapse the distribution lines, therefore contaminating the system. Any direct connection from a flush hydrant to a truck must include an Ohio EPA approved Backflow Prevention Device. Without the Backflow Prevention Device, direct connection is prohibited, and all trucks must be "Bucket Filled" with at least a 12" minimum air gap maintained at all times. All water used to fill trucks from any flush hydrant must be recorded and reported to SWI on a monthly basis so these amounts can be included in SWI's Water Loss Reports.

Flush hydrants owned and maintained by SWI can be taken out of service by SWI for any reason and without notice. Flush hydrants are spaced in and throughout the various distribution systems according to engineering drawings approved by SWI and/or other regulatory agencies. Flush hydrants may be installed at other locations at the request of the local Fire Department or Township Trustees at their expense with prior approval from SWI. After installation, all flush hydrants will be maintained by SWI. If a department finds a flush hydrant that is not working and not marked as out of service, they should notify SWI. immediately so repair or replacement can be made.

As of September 2020, the SWI Board adopted a fire suppression sprinkler fee which will be charged at a set fee per inch based upon the size of the main line.

XIII. Complaints/Adjustments

If a member believes the bill to be in error, he or she shall present his or her claim, in person or in writing to the office of SWI 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 hereto provided. The member may pay such bill under a protest and said payment shall not prejudice his or her claim. Should the member request a special reading once the billing has been mailed, a trip charge may be added to the member's account if the meter reading has already been verified by the meter reader or through a work order.

If a seal of a meter is broken by other than an SWI representative, a penalty will be added if the meter fails to register correctly or is stopped by any cause, the member shall pay an amount estimated from the record of his or her previous bill and/or other proper data.

As of March 31, 2021 Scioto Water Inc. will no longer be making leak adjustments to customer accounts. We have contracted with Servline to offer insurance to our customers that will cover leaks that affect their water bills. They will offer an adjustment one time per year that will cover a two-month billing cycle. To contact Servline please call 1-740-370-4084 to get the leak adjustment done or to opt out of the insurance. There is a monthly charge that will be added to your bill if you take the insurance. There is also an outside line repair that Servline can offer but that will have to be purchased through them.

XIV. Water Service Taps

Purchasing: Water taps can be purchased at the main office in Franklin Furnace. Water taps can be purchased by installments with a minimum down payment of 50% with the remaining balance due within six (6) months. A water tap must be paid in full, all easement forms must be signed, and a water users agreement must be signed before the tap will be put on the schedule to be set. At the members request, after a tap has been purchased, it may be placed on hold until called for, for a period not to exceed two (2) years providing water is accessible in that area at that time. An easement must be signed by all parties that have ownership rights or controlling interests for any property where a water service tap is to be located. In areas where it is necessary to cross property owned by others, it will be the responsibility of the party requesting water service to obtain all easements required and provide a copy of the properly recorded easement/s to SWI before a water service meter and/or service lines can be installed. It is the members responsibility to read and understand the easement form before signing.

Tap Relocation: Existing taps can be relocated if the property owner relinquishes the rights to said tap providing water is available and all fees are paid in advance and the tap is on Scioto Water, Inc. system.

Placement: Piping on the premises of the member must be installed so that the connections are conveniently located with respect to Company lines and mains. Members will be supplied with a separate set of instructions regarding the placement of water service taps. The Water Company shall have the final decision for the location of the water meter.

Connection: It is the member's responsibility to make the final connection. When the tap is set, a short piece of pipe will be supplied and left exposed on the outlet side of the meter. The member is responsible for any and all leaks that occur on the discharge side of the meter outside of the meter pit.

Additional taps: Current SWI members who desire to purchase additional taps may do so providing proof of ownership for the property to be furnished, and providing the additional tap meets the terms specified elsewhere herein these policies.

Upgrading: If an existing member wishes to upgrade their current tap to the next size or larger, they can do so at a reduced charge of 50% of the requested tap fee.

XV. Abridgement or Modification of Rules

No promise, agreement or representation of any employee of SWI shall be binding upon SWI except as it shall have been agreed upon in writing, signed and accepted by the officers of SWI.

No modification of rates or any of the Rules and Regulations shall be

made by any agent of SWI. These Rules and Regulations may be modified or amended at any time by SWI and thereupon be binding upon all members.

The word "Company" and "SWI" used herein applies to SWI. The word "Member" and "User" used herein applies to the members of said Company. The word "Owner" used herein applies to the owner who purchased the water tap onto the SWI system.

Board meetings are held the third Thursday of each month at 5:00 p.m. at the main office. The annual meeting is held the third Thursday in March at 7:30 p.m. at the main office.

Board Members

John Barkhurst—President
Troy Huff—Secretary
Jim Miller —Treasurer
Dave Otworth—Vice-President
Paul Dingus—Director

XVI. Fee Schedule

Water Rates and Tap Fees

Tap Size	Minimum Bill (first 1,000 gal.)	Per 1,000 gallons (thereafter)	Cost Per Service Tap New Member / Current Member	
3/4"	\$51.50	\$11.83/ 1,000 gal	\$1,200.00	\$1,200.00
1"	\$66.92	\$11.83 / 1,000 gal	\$2,250.00	\$2,000.00
1 1/2"	\$104.40	\$11.83 / 1,000 gal	\$2,750.00	\$2,500.00
2"	\$141.90	\$11.83 / 1,000 gal	\$3,250.00	\$3,000.00

OTHER FEES APPLIED AS APPLICABLE

Transfer of Ownership	\$20.00
Returned Check Fee	\$50.00
Reconnect Fee—Next Business Day (any size meter)	\$75.00
Reconnect Fee—Same Business Day (any size meter)	\$90.00
Reconnect Fee—Same Day-After Hours (after 2:00 pm) (any size meter)	\$125.00
After hours call out (any size meter)	\$80.00
Trip Fee (if locked non-pay)	\$25.00
Tampering Fee: Tampering with Scioto Water Inc. Property in any way	Minimum of \$200.00 Plus time and material
Unauthorized Reconnection/Theft of Service Fee: (no damage)	Minimum of \$500.00
Unauthorized Reconnection/Theft of Service Fee: (with damages)	\$650.00 plus time and material
Illegal Connection / Theft of Service Fee / Attempt to Defraud Scioto Water, Inc.: (More than 1 residential dwelling per service connection, unmetered or other unauthorized connection to the water system by installation of a separate water line, jumper or other device)	Equivalent to current tap price plus Tap Removed From Water System & Criminal Prosecution Under Ohio Revised Code (ORC: 4933.18)
Credit/Debit Card Convenience Fee:	\$2.95

Road Bore Fee:

Members will be required to pay \$150.00 for any road bore. Additional fees may be applied if road bore is

Tap Relocation Fee:

A fee equal to one-half of current tap fee must be paid in advance by any member that requests a tap be relocated to another area. If giving the tap to someone, the current owner must relinquish his rights to said tap in writing as long as the property is within the service area of Scioto Water, Inc.

Copies Requested

A fee of 25 cents per page will be charged for any copies requested of Scioto Water, Inc records.

XVII. Servline Protection Program Fees

Type	Fee	Code
Residential (single home) fees	\$2.00 monthly fee	SR
Residential Multi-habitational (apts that have multi-units but One meter	\$2.50 monthly fee per unit	SH
Commercial Single Occupancy (Single Business)	\$7.25 monthly fee	SC
Multiple Occupancy Building (nursing home, school, hotels)	\$14.50 monthly fee	SM
Campgrounds/Trailer Parks	not eligible for insurance	
Contact Servline	Customer Service	1-740-370-4084

If a customer opts out there is a 30 day waiting period to re-enroll

XVIII. Fire Suppression Sprinkler Fees

Fee is charged a set fee per inch based on size of main line being used for the Fire Suppression.
This is a monthly charge that will be added to the bill. Current fee is \$3.00 per inch.

