

SIRE BS No.
20071054

Lee County Board Of County Commissioners
Agenda Item Summary

Blue Sheet No. 20070460-UTL

1. ACTION REQUESTED/PURPOSE: Authorize Chair, on behalf of BOCC, to execute an Agreement between Greater Pine Island Water Association, Inc. (GPIWA) and Lee County, Florida. Agreement authorizes GPIWA to disconnect water service to mutual Lee County Utilities (LCU) customers who are delinquent in paying Lee County sewer service utility bills.

2. FUNDING SOURCE: No funds required.

3. WHAT ACTION ACCOMPLISHES: Provides collection assistance for LCU when sewer only customers are delinquent.

4. MANAGEMENT RECOMMENDATION: Approval.

5. Departmental Category: 10 - Utilities **CIOB** **6. Meeting Date:** **05-15-07**

7. Agenda: <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Administrative <input type="checkbox"/> Appeals <input type="checkbox"/> Public <input type="checkbox"/> Walk-On	8. Requirement/Purpose: (specify)		9. Request Initiated: Commissioner Department <u>Public Works</u> Division <u>Utilities</u> By: <u>Douglas L. Meurer</u> 5-1-2007 Douglas L. Meurer, P.E., Director
	<input type="checkbox"/> Statute	<input type="checkbox"/>	
	<input type="checkbox"/> Ordinance	<input type="checkbox"/>	
	<input type="checkbox"/> Admin. Code	<input type="checkbox"/>	
	<input checked="" type="checkbox"/> Other	<input checked="" type="checkbox"/> Approval	

10. Background:

As of March 2007, GPIWA serves water service to 1,472 properties where sewer service is provided by LCU.

Lee County Utilities occasionally is unable to collect delinquent sewer service accounts where water service is provided by GPIWA. LCU has 17 delinquent accounts which are several months past due, over \$6,800 collectively. The Agreement will permit GPIWA to disconnect water service to mutual delinquent LCU customers after proper notification of the new disconnection agreement. The Agreement will allow LCU to more efficiently collect and manage these sewer only accounts.

Attachments: 1. Proposed Agreement between GPIWA and Lee County
2. GPIWA Rules & Regulations

11. Review for Scheduling:

Department Director	Purchasing or Contracts	Human Res.	Other	County Attorney	Budget Services				County Manager/P.W. Director
					Analyst	Risk	Grants	Mgr.	
<u>J. Lavender</u> Date: <u>5-2-07</u>	N/A Date:	N/A Date:	Date:	<u>S. Coovert</u> Date: <u>5/2/07</u>	<u>RK</u> 5/3	<u>MR</u> 5/3/07	<u>JS</u> 5/2/07	<u>ML</u> 5-3-07	<u>J. Lavender</u> Date: <u>5-2-07</u>

12. Commission Action:

- Approved
- Deferred
- Denied
- Other

RECEIVED BY COUNTY ADMIN: <u>ML</u>
<u>5/3/07</u>
<u>9:25</u>
COUNTY ADMIN FORWARDED TO: <u>ML</u>
<u>5/3/07</u>
<u>4pm</u>

Rec. by CoAtty
Date: <u>5/2/07</u>
Time: <u>2:00pm</u>
Forwarded To: <u>Admin.</u>
<u>5/2/07 5pm</u>

AGREEMENT

THIS AGREEMENT is made and entered into by and between GREATER PINE ISLAND WATER ASSOCIATION, Inc. a Florida non profit corporation (hereinafter "Water Company") and LEE COUNTY, FLORIDA, a political sub-division of the State of Florida (hereinafter "County").

W I T N E S S E T H:

WHEREAS, Water Company is the holder of a water franchise in Lee County, Florida, granted by Resolution of the Lee County Board of County Commissioners on the 10th day of February, 1965 as amended (hereinafter, the "Water Franchise Resolution"); and

WHEREAS, Water Company owns and operates a water utility pursuant to the Water Franchise Resolution within the boundaries of Lee County, Florida, and County operates a sewer system within the same boundaries and provides sewer to certain customers of Water Company; and

WHEREAS, cost-effective sewer service to members of the Water Company and residents of the County necessarily requires procedures for dealing with the nonpayment of sewer service bills; and

WHEREAS, it is now the desire of the County that the Water Company establish procedures for the nonpayment of County sewer service bills by members of the Water Company; and

WHEREAS, both the County and the Water Company find that it is to the public benefit that such procedures be established; and

WHEREAS, Water Company has submitted an amendment to its Rules and Regulations to implement this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the County and the Water Company agree to the following provisions:

1. The foregoing recitations are true and correct.

2. In the event a utility customer receives water service from the Water Company and sewer service from the County, the Water Company shall disconnect and otherwise cause the water service to that customer to be discontinued within ten (10) business days after receiving written, official notification from the County that the County sewer service bill is unpaid, and requires such action on the part of the Water Company to secure such payment. The County shall reimburse the Water Company for the cost of discontinuing and reconnecting water service and shall assume the responsibility for such action. The cost of reconnecting service shall be 120% of the reconnection fee set forth in the Water Company's rate schedule. The Water Company shall send an invoice to the County on a monthly basis for all costs incurred in discontinuing and reconnecting service.

3. The Water Company shall address the matters of their own water customer delinquencies pursuant to the Water Company's rules, regulations, and policies.

4. The County and the Water Company shall cooperate and develop any additional notification or administrative procedures for the effective implementation of this Agreement as may be deemed necessary, appropriate or expedient.

5. The County agrees to save, hold harmless, indemnify, and defend Water Company against any and all claims and demands arising out of Water Company's participation in this Agreement to the extent permitted by law.

6. This Agreement shall be controlled and interpreted according to the laws of the State of Florida, and the rules, regulations, and policies of the County and the Water Company.

7. This Agreement shall take effect immediately upon the latter of the following: approval of this Agreement by Water Company and by County and approval of the amendment to the Water Company's Rules and Regulations to implement this Agreement.

8. This Agreement may be terminated by either party, terminating requires sum of 60 days written notice prior to the termination date. Issuance of a notice of termination is authorization for Water Company to amend it Rules and Regulations to eliminate any reference to procedures for nonpayment of sewer service bills.

Signed and dated this _____ day of _____, 2007, by the GREATER PINE ISLAND WATER ASSOCIATION, Inc. and _____ day of _____, 2007, by the Board of County Commissioners of Lee County, for LEE COUNTY, FLORIDA.

ATTEST:

CHARLIE GREEN,
CLERK OF THE COURTS

BOARD OF COUNTY COMMISSIONERS
OF LEE COUNTY, FLORIDA

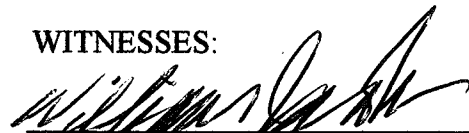
BY: _____
DEPUTY CLERK

BY: _____
CHAIR


APPROVED AS TO FORM

BY: _____
COUNTY ATTORNEY'S OFFICE

WITNESSES:



WILLIAM G. JACOBS



WILLIAM J. THACHER

BY: 

GREATER PINE ISLAND WATER
ASSOCIATION INC., PRESIDENT
DENNIS WARD



Greater
Pine Island
Water Association, Inc.

RULES AND REGULATIONS

FEBRUARY 27, 2007

GLOSSARY OF TERMS

UNIT - A unit is the basis on which charges and fees are determined.

MEMBER - The property owner, either individual or organizational, who is signatory to the Water User's Agreement. All memberships are issued to the Corporation, Association, or members as appropriate. Each Corporation, Association, or member will only be entitled to one (1) vote at Annual or Special Meetings regardless of the membership certificates held.

ACTIVE MEMBER - A member who has a water meter installed on his property and is charged the minimum monthly water bill.

INACTIVE MEMBER - A member who no longer has a water meter installed on his property and who no longer is charged the minimum monthly water bill.

MEMBERSHIP FEE - As a cooperative type Association, GPIWA is required to charge a \$108.00 membership fee on each active account. The membership is issued in the name of the original owner (s) of the property as indicated on the recorded deed. Any change from the original member (s) requires payment of another membership fee. Upon cancellation of the account, under Internal Revenue Code 501 (c) (12), the membership fee must remain as part of the member's equity until dissolution of the Association and therefore the membership cannot be returned to the member. The membership fee then becomes a "floating membership".

FLOATING MEMBERSHIP - A floating membership results from the account becoming inactive as described above. This floating membership must be held indefinitely within the Association records so that any time in the future should the member request water service in the Association's franchise area, this floating membership may be used. A member must advise the Business Office when applying for membership that a floating membership exists so that the floating membership can be used. Use of a floating membership cannot be accomplished once the application has been processed. In the event the original membership fee was issued to more than one person (i.e. husband & wife; brother & sister, etc.) the floating membership will remain in the names as originally issued and can only be used by these former members on a first come basis. The membership cannot be split between multiple members.

METER FEE - A meter fee is charged on each active account and is a one time fee as long as the member retains ownership of the property. Any change in membership status as described above, will result in another meter fee being charged. This fee acts as a "rental fee" and covers maintenance of the meter. Meter fees are based on the size of the meter as detailed on the Current Schedule of Fees and Water Rates. Meter fees are not refundable.

CAPITAL CHARGE - This fee began in 1973 and is specifically designated for debt repayment and expansion of the system. One capital charge is due for each unit as defined herein. Capital charges are not refundable even though a unit on which a capital charge was paid is no longer in existence. Any change in membership status will require the payment of any unpaid capital charges.

ANGLE STOP - A valve which is on the street side of the meter and is specifically for the use of the Association. The breaking of an angle stop due to use by anyone other than the Association will result in an invoice for labor and material being issued to the owner of the property for replacement of the angle stop.

CURB STOP - A valve on the member's side of the meter for the member's use to turn water on and off. Replacement of the curb stop, when necessary, is the member's cost.

VESTED INTEREST - A member's equity in the net assets of the Association.

AID IN CONSTRUCTION - Charges made to the member towards the cost of extending the distribution line to service that member's property.

GREATER PINE ISLAND WATER ASSOCIATION, INC. A non-profit corporation incorporated under the laws of the State of Florida.

USER - The person who makes payment of the water bill.

BASE RATE – The monthly customer charge for each account billed.

READY TO SERVE CHARGE (RSC) – The monthly charge per equivalent single-family dwelling unit (ERU) based on meter size. Base rate and ready to serve charge represent the minimum monthly billing on each account.

I. DEFINITION OF A LOT

A lot is defined as:

- A. A parcel of land, bounded by legal description on three or more sides as shown on a recorded plat in the Office of the Clerk of the Circuit Court, Lee County Courthouse, Ft. Myers, Florida.
- B. A parcel of land, platted or unplatted, consisting of two or more contiguous lots not separated by any public or private road may be considered as one lot if they are all owned by one person, partnership, corporation or other entity. This provision will not preclude additional capital charges when more than one living unit exists on the property.

II. APPLICATION FOR SERVICE

- A. The prospective member or his agent shall make application for service at the office of the Association. If the application for service is approved, the required initial fees as specified in Section III – Prepayment of Fees shall be paid, a Water User's Agreement signed by the property owner and water service provided. Should the property owner fail to sign a Water User's Agreement within thirty (30) days from the date of initiation of service, the Association will implement procedures for service interruption as stated in Section X, Section C - Collecting.

III. PREPAYMENT OF FEES

Initial Fees - Residential or Commercial - to be paid at the time of application.

- A. Membership Fee - A current membership fee for each meter installed will be charged and is non-refundable and non-transferable to another party. Regardless of who pays the fees, the membership must be placed in the name of the current property owner as recorded on the property deed. A membership fee will not be charged if the member has a "floating membership" recorded on the books of the Association. The member must advise the Business Office when applying for membership that a floating membership exists so that the floating membership can be used. Use of a floating membership cannot be accomplished once the application has been processed.
- B. Meter Charge for installation, maintenance, inspection, meter cost, final reading and/or removal. Meter and installation fees above 5/8" will be quoted on current costs at time of application. Meter charges are not refundable.
- C. Capital Charges based upon the number of units as defined in Section IV and Section V. Capital charges are not refundable and are not transferable from one property to another.
- D. Department of Transportation Permit Fee in effect at the time of application.

IV. DEFINITION OF A UNIT

- A. One unit for the purpose of determining the number of Capital Charges and meter size is defined as any one of the following:
1. A lot or parcel of land as defined herein.
 2. Single family dwelling.
 3. Each living unit of a multiple family dwelling or any separate appurtenance that is self contained, i.e. having sanitary, cooking and sleeping facilities.
 4. Each self-contained unit of multi-unit residential developments or conversions.
 5. Motel or hotel rentals - each two sleeping rooms with no cooking facilities.
 6. Efficiencies - each self contained unit with sanitary, cooking and sleeping facilities.
 7. Mobile home rental park - each mobile home space.
 8. Travel Trailer Rental Park - each four spaces.
 9. Laundromat - each four washing machines.
 10. Each religious organization facility.
 11. Each non-profit organization facility.
 12. Each business enterprise within a complex of other business enterprises shall be treated as one unit regardless of ownership structure.
 13. A commercial-industrial account (other than above) shall be defined as any enterprise engaged in manufacturing products, selling goods, selling services, exchanging goods for goods, exchanging services for services, or any and all types of commerce, whether intrastate, interstate or international and whether it exists for profit or not for profit.
 14. Car washes - whether independent or part of a service station.
 15. Sewer Plant.
 16. Swimming pool - other than on a residential home.

V. CAPITAL CHARGES - RESIDENTIAL

- A. For residential capital charges, the following criteria will be used to determine a "self-contained unit" for the purpose of assessing capital charges:
1. A "self-contained unit" must have sanitary, cooking and sleeping facilities and must be supplied by GPIWA water, whether by pipes, hose or any other means of conveyance.
 2. The actual rental of a self-contained unit for a fee shall not be a determining factor in the assessment of capital charges. The mere existence of a "self-contained unit", whether attached to, included within, or detached from an existing residence and equipped for GPIWA water use by any means of conveyance will be the determining factor.
 3. Residential meters larger than 5/8" x 3/4" will be assessed a capital charge equivalent to the charges shown in the commercial-industrial schedule and will carry the increased monthly ready to serve charge from that schedule.
 4. Each mobile home, recreational vehicles, moored boats, or other type vehicle or other facility qualifying as a "self-contained unit", using GPIWA water whether by common or individual meter, whether supplied by pipes, hoses or other conveyance, shall be classified as a unit. However, in areas zoned single family residence, such short term use as may be allowed by Lee County Zoning Regulations will not be so classified.
 5. Internal remodeling of an existing residence to achieve an additional "self contained unit" will be assessed the current capital charge.
 6. New construction of a "self-contained residential unit", or a newly created "self-contained residential unit" attached or detached from an existing residence will be assessed the current capital charge.
 7. Where lots are owned by a single entity, whether individual, partnership, corporation, etc. each unit will require payment of a capital charge and may be individually or common metered.
 8. Change of ownership of property, whether by deed or title, of "self-contained residential units" will require the payment of the capital charge fee per unit unless the capital charge has been previously paid. The requirement for payment of the capital charge shall not be applicable to transfers between spouses and/or joint owners under the following conditions:
 - A. Death of a spouse or joint owner.
 - B. Divorce or dissolution of marriage.
 - C. Transfer to a Living Trust where the beneficial interest is retained by one or both spouses.
 - D. Transfer of the deed or title where the transferor retains a life estate, provided that the capital charge shall be due upon termination of the life interest.

VI. CAPITAL CHARGE - MULTI-UNIT RESIDENTIAL/COMMERCIAL DEVELOPMENTS WITH COMMON OWNERSHIP

A. Multi-Unit Residential/Commercial Developments shall be defined as any development that contains more than one self-contained unit that features common ownership of property or amenities. Common ownership of property or amenities is defined as common facilities owned by or the beneficial use of which is enjoyed by the owners of the self-contained units whether by undivided interests, condominium association, cooperative, homeowners association, etc.

These shall include, but not be limited by virtue of enumeration, to the following:

- (1) Condominium, including those condominiums featuring interval ownership.
- (2) Cooperative apartments or developments.
- (3) Mobile home parks.
- (4) Motels or hotels.
- (5) Apartments or duplexes
- (6) Travel trailer parks.
- (7) Town-house developments.

B. All Multi-Unit Residential/Commercial Developments shall have the option of having individual meters per unit or common meters, provided that in such developments that contain separate buildings with more than one self-contained unit, there shall be a minimum of one common meter per building.

C. Conversion of single family residential units to multi-family units shall be assessed the current capital charge in accordance with the criteria as stated for new construction or newly created self-contained units.

D. Owners, Developers, Contractors, etc. that request execution the required Florida Department of Environmental Protection (FDEP) form 62-555.900(7), "Notice of Intent to Use The General Permit For Construction of Water Main Extensions for PWS's" or its successor form(s) (Permit), shall pay to the Association fifty percent (50%) of the total of all Capital Charges that are normal and customarily generated by the unit(s) defined within the Permit. Such charges shall be paid to the Association prior to the execution of the Permit by Association staff. Capital Charges shall be calculated based on the Current Schedule of Fees and Water Rates in existence at the time of application. The balance of the Capital Charges (the remaining fifty percent), shall become due and payable on a per unit basis along with all other customary fees and charges due when formal application for water service is made to the Association.

- E. If the developer/owner elects common meters at the time of application for the multi-unit residential/commercial development, there shall be assessed and paid a capital charge in effect at the time of application for each self-contained unit plus a membership fee for each unit as shown below.

INITIAL CONNECTION FEES

- 1 Membership times number of units
- 1 Capital Charge times number of units
- 1 common meter per building - lump sum

Monthly base rate **plus**

Monthly ready to serve charge times number of units.

All water used will be charged as per the Current Schedule of Fees and Water Rates.

- F. Separate membership, meter and capital charge of a minimum size of one inch for each pool and/or grounds with the appropriate initial connection fees and minimum monthly charges as described in the Current Schedule of Fees and Water Rates.
- G. Sales, conveyance or transfer of self-contained units within Multi-Unit Residential/Commercial Developments with common meters shall be subject to the Administrative Fee and capital charge, if not previously paid, as stated in the Current Schedule of Fees and Water Rates. A Condominium Association, shall be responsible for payment of the Administrative Fee and capital charge as defined in Section V, 8 of these Rules and Regulations, to the Greater Pine Island Water Association, Inc. Payment of all Administrative Fees and capital charges are due within five (5) working days after closing. Note that memberships are issued in the name of the Condominium Association and therefore the Condominium Association will be responsible for implementation of arrangements for collecting the Administrative Fee.
- H. These rules shall apply to the conversion of existing facilities to Multi-Unit Residential/Commercial Developments and membership, meter fees and capital charges shall be assessed and payable upon filing of the application for conversion.
- I. Where Multi-Unit Residential/Commercial Developments with common meters are changed to individual lot ownerships that have no common ownership of property or amenities as defined herein, the option of retaining common meters shall not be available and each self-contained unit shall be individually metered.
- J. Each multi-unit residential development or conversion may be supplemented by separate memorandum of agreement with the developer to facilitate the implementation of these rules.

VII. COMMERCIAL-INDUSTRIAL ACCOUNTS

- A. A commercial-industrial unit will consist of a single business entity, irrespective of ownership structures, such as, but not limited to, proprietorships, partnerships, corporations, syndications, etc. Multiple business entities consisting of separate ownerships, will each be treated as one unit and will require separate meters for each unit that requires water service.
1. A membership, meter and capital charge will be assessed based upon meter size required.
 2. Expansion requiring a larger meter or an additional meter will be handled as follows:
 - a. A larger meter will require the current meter fee as determined by size with a credit for the original meter fee paid and the current capital charge as determined by size with a credit for the original capital charge paid.
 - b. An additional meter will require payment of a membership fee, meter fee and the current capital charge based upon the size of the meter.
 3. Each separate business enterprise will be assessed a membership, meter fee and capital charge based on meter size plus the corresponding monthly base rate and ready to serve charge from the commercial-industrial schedule.
 4. Capital charges are non-refundable and non-transferable.

VIII. CHANGE OF OWNERSHIP

- A. Change of ownership of property, whether by deed or title, of "self-contained units" will require the payment of the a membership fee, a meter fee, and a capital charge fee per unit unless the capital charge has previously been paid. The requirement for payment of these fees shall not be applicable to transfers between spouses and/or joint owners under the following conditions:
1. Death of a spouse or joint owner.
 2. Divorce or dissolution of marriage.
 3. Transfer to a Living Trust where the beneficial interest is retained by one or both spouses.
 4. Transfer of the deed or title where the transferor retains a life estate, provided that the capital charge shall be due upon termination of the life interest.
- B. Membership, meter and capital charges due from the new owner must be paid within five working days after the closing date to prevent any interruption of service. Failure to pay charges due within sixty (60) days after the closing date will result in a \$100.00 penalty being assessed upon the new owner which must be paid before service can be restored.

IX. WATER RATES

- A. There is a minimum base rate and ready to serve charge each month whether water is used or not.
- B. There are NO vacation rates.
- C. The base rate, ready to serve charge, and the rate per thousand gallons for all water passing through the meter are specified in the Current Schedule of Fees and Water Rates. (A copy of which is attached.)

X. METER READING - BILLING - COLLECTING

A. Meter Reading:

- 1. Meters will be read monthly. All bills will be rendered monthly.
- 2. Readings from different meters will not be combined for billing.
- 3. Circumstances preventing meters from being read will result in an estimated reading.

B. Billing:

1. Water Service

- a. Bills for water will be figured in accordance with the Association's rate schedule and will be based on the amount consumed for the period covered by the meter readings, except where a member orders cancellation less than one month after installation, the minimum bill to such member for such period shall be at least equal to the minimum charge for one full month's service.
- b. Bills shall be paid at the place specified by the Association.
- c. Failure to receive bills or notices shall not prevent such bills from becoming delinquent or relieve the property owner from payment.
- d. The member will be charged for all water going through the meter.

2. Sewer Service

- a. **Members who receive sewer services from Lee County shall remain current with their billing.**
- b. **Bills shall be paid in the place specified and in accordance with Lee County rules.**
- c. **Non-payment of sewer bills from Lee County shall subject the member to termination of water service as specified in subsection D below.**

C. Collecting – Water Service:

1. Bills are due when rendered. Collection of delinquent accounts will be subject to the following procedure and all time periods run from the due date of the original bill.
 - a. Non-payment after twenty five (25) days from the due date will result in a 10% late charge penalty being added to the bill. A final notice will be mailed to the member within ten (10) days stating that service will be terminated in the next ten (10) days.
 - b. Non-payment within said ten (10) days (40 days from the due date) will result in the member's water meter being removed. While the member is in an active status, he is still obligated to pay the minimum monthly bill.
 - c. The member is entitled to service re-instatement upon payment of all charges and a re-connection fee if paid prior to change of status from active to inactive as herein provided. The re-connection fee will be \$25.00 for re-connection during normal business hours. A \$50.00 re-connection fee will be charged for re-connection during other than normal business hours and payment in full must be made by 10:00 A.M. on the next business day at the Association's Business Office to prevent the meter from being disconnected.
 - d. If payment of all charges and re-connection fee is not made within sixty (60) days of the original due date, a notice shall be mailed to the member stating that if payment is not made in full within thirty (30) days, the member's active membership will become inactive. The notice shall include an itemization of total charges that must be paid for re-instatement in the event the member's status is changed to inactive.
 - e. If payment is not made within the thirty (30) day notice prescribed in the preceding paragraph (90 days from the original due date) the membership shall become inactive and not be re-instated until full payment of all water charges, a meter fee and, if not previously paid, a capital charge of \$258.50 per unit.
2. In the event a member's active membership becomes inactive, said member's vested interest in the net assets of this Association shall still exist.

D. Collecting – Sewer Service:

The Association has established an interlocal agreement with Lee County Utilities to assist with sewer bill delinquencies. Members of the Association who are also sewer customers of Lee County Utilities are subject to service interruption for non-payment of delinquent sewer bills:

1. Lee County Utilities sewer bills are due when rendered. Association Members delinquent in payment of their Lee County Utilities sewer bill are subject to disconnection of the Member's water service for non-payment of the sewer bill in accordance with the following procedure:
 - a. Within ten (10) business days after receiving written, official notification from Lee County that the Lee County sewer bill is delinquent, the Association shall disconnect or otherwise cause the water service to the Member to be discontinued. While the Member is in an active status, he is still obligated to pay the minimum monthly sewer bill.
 - b. The Member is entitled to service re-connection by GPIWA once the Association is notified by Lee County that the Member has paid all applicable Lee County charges owed (sewer and a re-connection fee). GPIWA will charge a re-connection fee to Lee County (billed monthly) for this service at a rate 120% of the standard re-connection fee as set forth in the Current Schedule of Fees and Water Rates.

XI. ASSOCIATION'S RESPONSIBILITY AND LIABILITY

A. Installation of Meters:

1. Meters shall be installed at the Association's option inside the property line, in an easement, or at the edge of public right-of-way.
2. In recorded and platted subdivisions, meters and stub-outs will be installed on the appropriate property lines so that two lots may be serviced from one location.
3. If the applicant for membership desires a meter location on a property line closest to the distribution system different than those specified above, a charge for special meter location may be made as specified in the Current Schedule of Fees and Water Rates.

B. The Association will not authorize the execution of regulatory agency permits for developers of subdivisions, mobile home parks, condominium complexes, etc. unless the developer provides a set of blueprints sealed by a Professional Engineer detailing the installation of distribution lines in accordance with terms and specifications established by the Association and pays all related permit fees. All requests must be approved by the General Manager. All lines will be inspected during construction by GPIWA personnel and when completed will become the property of the Association after one (1) year following construction completion and acceptance by the Association. The owner will be responsible for all repairs and/or maintenance during this one (1) year period. See the Association's Developer Specifications for more specific requirements.

C. Because of limited resources, the Association may, before approving an application for service, require applicant to pay for the necessary extension of distribution lines. All line extensions will be approved by the General Manager.

- D. The Association shall not be responsible for the member's piping or equipment. Further, it will require the member's line or piping to be installed in such a manner as to be in compliance with the Association's Cross-Connection/Backflow Prevention Program.
- E. The Association will be glad to advise the member on the type of material needed for the particular service requested.
- F. The Association shall not be liable for damage of any kind whatsoever resulting from water or the use of water on the member's premises. The Association shall not be responsible for any damage done by or resulting from any defect in the piping, fixtures, or appliances on the member's premises. The Association shall not be responsible for negligence of third persons, or forces beyond the control of the Association resulting in any interruption of service.
- G. The Association reserves the right to discontinue or limit service without notice for the following additional reasons:
 - 1. To prevent fraud or abuse.
 - 2. Member's willful disregard of the Association's rules.
 - 3. Emergency repairs.
 - 4. Insufficiency of supply due to circumstances beyond the Association's control.
 - 5. Legal process.
 - 6. Direction of public authorities.
 - 7. Strike, riot, fire, flood, accident, natural disaster or unforeseen or unavoidable cause.
 - 8. Tampering with a meter or any other measuring device.

XII. MEMBER'S RESPONSIBILITY

- A. The member's piping and apparatus between meter and unit shall be installed and maintained by the member at the member's expense.
- B. Member's water lines may be installed so as to provide water service to the unit originally approved by the Association as specified on the Water User's Agreement. The Association may discontinue service to a member who allows a connection or extension to be made to his service line or other piping for the purpose of supplying service to another user and/or unit.
- C. When a meter is placed on the premises of the member, a suitable place shall be provided by the member for placing such meter, unobstructed and accessible at all times to the meter reader.

- D. Each member shall grant or convey, or shall cause to be granted or conveyed, to the Association, 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 Association to furnish service to the member.
- E. The member shall be responsible for proper protection of the Association's property placed on the member's premises and shall permit access to it only by authorized representatives of the Association.
- F. In the event that any loss or damage to the property of the Association or any accident or injury to persons or property is caused by or results from the actions of the member, his agents or employees, the cost of the necessary repairs or replacements shall be paid by the member to the Association and any liability otherwise resulting shall be assumed by the member.
- G. The amount of such loss or damage or the cost of repairs shall be added to the member's bill. If not paid, in accordance with Section X, C. 1. of these Rules and Regulations, service may be discontinued by the Association.
- H. The property owner who signs the Water User's Agreement is responsible for the payment of all water bills.
- I. Should the member vacate his property permanently for any cause, including sale of property, it will be the responsibility of the member (property owner) to contact the Association in order to settle any outstanding bills.
- J. Condominium Associations are required to notify the Greater Pine Island Water Association, Inc. of any change in ownership of individual condominium units.

XIII. VESTED INTEREST

- A. Once a person becomes a member of the Greater Pine Island Water Association, Inc., said person will always be a member in either an active or inactive status. Even though said member becomes inactive, said member's vested interest in the net assets of the Association shall still exist. However, from the date that a membership becomes inactive, the member's equity in the net assets of this Association shall not increase.
- B. Each year a STATEMENT OF CAPITAL CREDITS will be issued to each active member.
 - 1. Essentially, this statement will read as follows: "The amount of capital credit you have earned during the past year (amount due member in dollars and cents as a positive or negative amount). This is not a cash credit to your account, but is your share of the dividend which you will receive when the Association is financially able to make such a distribution." This statement is a requirement of Federal Law even though the amount may be a negative figure for many years.
 - 2. Inactive members will be contacted as practicable on a one-time basis to notify them of their equity in the Association. Since their equity does not increase after becoming inactive, contact would not be necessary until dissolution of the Association.

XIV. OTHER SERVICE CHARGES (as listed on the Current Schedule of Fees & Water Rates)

- A. Turn-On and Turn-Off Charge: Members who are going to be away for a period of time may wish to have the water turned off by the Association during their absence to prevent the use of water by others or a high bill resulting from leaks. The monthly base rate and ready to serve charge is due and payable even though the water has been turned off.
- B. Special Meter Reading: Members frequently think that the meter is not registering properly if the number of gallons used exceeds their expectations. Experience has shown that meters tend to register less water than is used rather than more. The Association will be glad to tell the member how to check the meter. If the Association is requested by the member, to re-read the meter, the fee specified in the Current Schedule of Fees and Water Rates shall apply.
- C. Re-Connection Fee: When a meter is locked out at the angle stop for non-payment of a bill as provided in X, C, a re-connection fee must be paid.
- D. Special Meter Test Fee: Meters will be tested at the request of the member upon payment to the Association of the fee, however, if the meter is found to over-register beyond three percent of the correct volume, no charge will be made.

XV. COMPLAINTS - ADJUSTMENTS

- A. If the member believes his bill to be in error, he shall present his claim in writing at the Association's office before the bill becomes delinquent. Such claim, if made after the bill becomes delinquent, shall not be effective in preventing discontinuance of service, as provided in Section IX, C. The member may pay such bill under protest and said payment shall not prejudice his claim.
- B. All users alleging high water usage due to "leakage" and requesting relief from payment of the water bill in full must notify the Business Office in writing outlining how usage occurred and what actions have been taken to correct the problem which caused the high usage. Office personnel have the authority to arrange a payment schedule for full payment. At the General Manager's discretion, relief may be granted due to hardship, circumstances beyond the control of the user, or for humanitarian reasons. The following criteria will be used in adjusting bills:

No adjustments will be considered on bills less than \$50.00. Each billing period will be considered separately. Requests for accumulated bills will be broken down into billing periods and criteria applied to each billing period. User will pay the average monthly bill (averaged over preceding (12) month period or the period the user was a member of the Association, whichever is less) plus a \$10.00 Administrative Fee. All usage over the average monthly bill will be charged to user at the Association's cost of production.

XVI. ABRIDGEMENT OR MODIFICATION OF RULES

- A. No promise, agreement or representation of any employee or agent of the Association shall be binding upon the Association except when it shall have been agreed upon in writing, signed and accepted by the acknowledged officers of the Association.
- B. No modification of rates or any of the Rules and Regulations shall be made by any employee or agent of the Association.
- C. Units in existence and stipulated on the Water User's Agreement prior to the effective date of these Rules and Regulations are "grandfathered in", however, upon sale of property, or any other change in membership, the new owner must comply with these Rules and Regulations and pay any capital charges and other fees, if any, due under these Rules and Regulations. Further, any unit whose value is comprised of more than one segment such as machines, rooms, spaces etc. may be subsequently modified, if deemed appropriate, to establish an equitable basis for charges and fees without regard to any expressed or implied limitation or restriction contained in this paragraph.

XVII. ADOPTION OF RULES

All Rules and Regulations set forth herein were adopted and approved by the Board of Directors of the Greater Pine Island Water Association, Inc. on February 27, 2007 and are effective with the date of such approval. These Rules and Regulations will remain in full force and effect until otherwise changed or modified by the Board in accordance with its authority under Article IX, Section 1, Paragraph D of the By-Laws of the Association.

Dennis Ward, President

Dan Sanders, Vice President

Tom Grabowski, Secretary