

**INLET BEACH WATER SYSTEM, INC.
RULES AND REGULATIONS
EFFECTIVE 12/05/2014**

CLASSIFICATION OF SERVICE:

Residential: This category applies strictly to a single family dwelling or to each residential unit in a, duplex or multiple dwelling building.

Commercial: This category applies to all services not classified as residential.

APPLICATION FOR SERVICE:

The consumer will make application for service in person at the office of the Inlet Beach Water System, Inc, hereinafter referred to as IBWS.

IBWS may reject any application for service not available under a standard rate, or which involves excessive service cost, or which may affect the supply of service to other customers or for other good and sufficient reasons.

IBWS may reject any application for service when the applicant is delinquent in payment of bills incurred for service previously supplied at any location, provided that when the owner of the premises has been served water and has not paid for the same, IBWS shall not be required to render service to anyone at said location where the water was used until said water bill has been paid.

FEE SCHEDULE:

For a current list of fees, see Inlet Beach Water System's "Fee Schedule".

INITIAL OR MINIMUM CHARGE:

The initial or minimum charge, as provided in the fee schedule, shall be made for each meter installed, regardless of location. There shall be only one meter for each separate and individual account.

The above minimum charges for additional residential units shall apply regardless of whether the residential unit is occupied or unoccupied.

If the consumer takes exception to this method of established minimum charges, the consumer may request that a meter be installed for each residential unit, upon paying IBWS the regular connection charge and deposit guarantee for each meter to be installed.

CORPORATIONS RESPONSIBILITY AND LIABILITY:

IBWS shall run a service line from its distribution line to the property line where the distribution line exists and runs immediately adjacent and parallel to the property to be served, and for which a service charge will be made for each such new service.

IBWS may install its meter at the property line or at IBWS's option, on the consumer's property or in a location mutually agreed upon.

When two or more meters are to be installed on the same premises, they shall be closely grouped and each clearly designated to which consumer it applies.

IBWS does not assume the responsibility of inspecting the consumer's piping or apparatus and will not be responsible for maintenance of those items.

IBWS reserves the right to refuse service unless the consumers' lines or piping are installed in such a manner as to prevent cross-connections or back flow.

IBWS shall not be liable for damage of any kind what-so-ever resulting from water or the use of water on the consumer's premises, unless such damage results directly from negligence on the part of IBWS. IBWS shall not be responsible for any damage done by or resulting from any defect in the piping, fixtures, or appliances of the consumer's premises. IBWS shall not be responsible for negligence of third persons, or forces beyond the control of IBWS, resulting in any interruption of service.

If at all possible, the consumer will be notified of any anticipated interruption of service.

CONSUMERS RESPONSIBILITY:

Piping on the consumer's premises must be so arranged that the connections are conveniently located with respect to IBWS's lines or mains.

If the consumer's piping is so arranged that IBWS is called upon to provide additional meters, each meter will be considered a separate and individual account.

Where a meter is placed on premises of a consumer, a suitable place shall be provided by consumer for placing such meter, unobstructed and accessible at all times to the meter reader.

The consumer shall furnish and maintain a private cut-off valve on the consumer's side of the meter; IBWS is to provide a like valve on IBWS's side of such meter.

The consumer's piping and apparatus shall be installed and maintained by the consumer at the consumer's expense in a safe and efficient manner and in accordance with the IBWS's rules and regulations and in full compliance with the sanitary regulations of all regulatory authorities having jurisdiction.

The consumer shall guarantee proper protection for the IBWS's property placed on the consumer's premises and shall permit access to it only by authorized representative of IBWS.

In the event that any loss or damage to the property of IBWS or any accident or injury to persons or property is caused by or results from the negligence or wrongful act of the consumer, his agents or employees, the cost of the necessary repairs or replacements shall be paid by the consumer to IBWS and any liability otherwise resulting shall be assumed by the consumer.

The amount of such loss or damage or the cost of repairs shall be applied to the consumers' bill and if not paid, service may be discontinued by IBWS.

ACCESS TO PREMISES:

Duly authorized agents of IBWS shall have access, during reasonable hours, to the premises of the consumer for the purpose of installing or removing IBWS property, inspecting piping, reading or testing meters or for any other purpose in connection with the IBWS's service and facilities.

Each consumer shall grant or convey, or shall cause to be granted or conveyed, to IBWS, a perpetual easement and right of way across any property owned or controlled by the consumer wherever said perpetual easement and right of way is necessary for IBWS water facilities and lines, so as to be able to furnish service to the consumer.

CHANGE OF OCCUPANCY:

Not less than three days' notice must be given in person or in writing, at IBWS's office, to discontinue service or to change occupancy.

The outgoing party shall be responsible for all water consumed up to the time of departure or the time specified for departure, whichever period is longest.

METER READING/BILLING/COLLECTING:

All meters will be read once a month. Charges for service commences when meter is installed and connection made, whether used or not.

Readings from different meters will not be combined for billing regardless of the fact that said meters may be for the same or different services.

Bills will go out by the 1st of the month and are due when rendered. Bills will be delinquent after 20 days. Bills not paid after 90 days will be subject to a claim of lien being filed with the appropriate court having jurisdiction.

Failure to receive bills or notices shall not prevent such bills from becoming delinquent nor relieve the consumer from payment.

PAYMENT POLICY:

It is the intent of IBWS to process all customer payments in a prompt and efficient manner.

All payments received in the drop box by 9:00 am and in the mail, will be posted to the customer's account that day.

Payments left in the drop box after 9:00 am, over the weekend or during holidays, will be posted to the customer's account the following business day.

Online "web" payments will be posted each Monday. All web payments made on Monday after 4:30 pm through Sunday at 4:30 pm, will be posted on the following Monday. Web payments will be checked on the 21st of the month, at 4:30 pm to insure no late fees are incurred by the customer.

Failure to receive a bill does not relieve the customer's responsibility to pay the bill, or any fees associated with late payment.

All payments must be received by the office at 9:00 am on the 22nd of the month to insure the customer's payment is current and not subject to late fees. Late fees will be posted on the 22nd of the month, on all accounts with an outstanding balance.

Accounts not paid in full by the 26th of the month are subject to disconnection. Disconnects will be conducted on the 27th of the month, beginning at 9:00 am. Once staff has the disconnect list, all accounts on that list will be turned off. The maintenance employee will not be allowed to take payments in the field. Reconnect work orders will be processed after noon and all paid

accounts reconnected at that time. Disconnected accounts will be reconnected only after the account has been paid in full, including any disconnect/reconnect fees. Total account fees must be received by 2:30 pm to be reconnected the same day.

SUSPENSION OF SERVICE:

Upon discontinuance of service for nonpayment of bills, IBWS may proceed to collect the balance in the usual way provided by law for the collection of debts by filing a claim of lien.

Service discontinued for nonpayment bills will be restored only after bills are paid in full and a service charge paid for each meter reconnected.

IBWS reserves the right to discontinue its service without notice for the following reasons:

1. To prevent fraud and abuse.
2. Consumers willful disregard of the IBWS's rules.
3. Emergency repairs.
4. Insufficiency of supply due to circumstances beyond IBWS's control.
5. Legal Processes.
6. Direction of public authorities.
7. Strike, riot, fire, flood, accident or any unavoidable cause.

IBWS may, in addition to prosecuting by law, permanently refuse service to any consumer who tampers with a meter or other measuring device.

COMPLAINTS/ADJUSTMENTS:

If the consumer believes his bill to be in error, he shall present his claim, in person, at IBWS's office before the bill becomes delinquent.

If such claim is made after the bill has become delinquent, it shall not be effective in preventing discontinuance of service, as here-to-fore provided. The consumer may pay such bill under protest and said payment shall not prejudice his claim.

IBWS will make special meter readings at the request of the consumer for a fee of \$15.00/or actual cost provided, however, that if such special reading discloses that the meter was over-read, no charge will be made.

Meters will be tested at the request of the consumer upon payment to IBWS of the actual cost to IBWS of making the test, provided, however, that if the meter is found to over-register beyond 10 per centum of the correct volume, no charge will be made.

If the seal of a meter is broken by other than IBWS's representative or if the meter fails to register correctly or is stopped for any cause, the consumer shall pay an amount estimated from the record of his previous bills and/or from the other proper data.

Adjustments may be requested by the customer for bills higher than normal due to leaks. Adjustments will not be considered for irrigation usage, filling of swimming pools (other than sewer charge adjustment) or items left on and running, such as hoses and outside faucets.

Inlet Beach Water System will consider a customer adjustment upon customer request. The customer's account will be reviewed and an average monthly bill determined .

Two methods of adjustment will be considered, after confirmation that the leak has been fixed:

- 1) The customer's highest bill will be adjusted back to their annual average bill.
- 2) In the case of an extreme leak (100,000 gallons or more above their annual average usage), the customer's average annual bill would be doubled, with the remaining amount adjusted from their account.

Only one leak adjustment allowed per year without specific approval by the Board.

VIOLATIONS:

For violation of any of the provisions of these rules and regulations, relating to application for service, IBWS may at the expiration of ten (10) days after mailing a written notice to the last known address of the consumer, remove the meter and discontinue service. Application to have the meter re-installed will incur a meter re-installation fee, as well as a new member account fee, as determined on the current fee schedule.

ABRIDGEMENT OR MODIFICATION OF RULES:

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

No modification of rates or any of the rules and regulations shall be made by any agent of the IBWS.

ADOPTON OF RULES:

Until further order of the Board of Directors of IBWS, the rules and regulations, as the same are here-in-above set out, are hereby adopted as of the date here-of to become effective on and after 22nd of August, 1967.