

**TOLLGATE
WATER COMPANY**

**15004 SADDLE
SISTERS, OREGON 97759
541-549-7962**

WATER POLICY

Adopted February 27,1997

THE TOLLGATE WATER COMPANY

WATER POLICY

CONTENTS

Section 1 - PURPOSE

Section 2 - DEFINITIONS

Section 3 - APPLICATION FOR SERVICE

Section 4 - SALE OF WATER

Section 5 - WATER FACILITY INSTALLATION

Section 6 - OWNERSHIP OF WATER FACILITIES

Section 7 - WATER FEES

Section 8 - TERMINATION OF WATER SERVICES

Section 9 - IRRIGATION

Section 10 - FIRE HYDRANTS

Section 11 - COMPLIANCE WITH THE LAWS

Section 12 - AMENDMENT OF WATER POLICY

Section 13 - ACCESS TO PREMISES

Section 14 - RECONNECTION FEE

Section 15 - CHANGE OF OWNERSHIP

FEE SCHEDULE

IRRIGATION RULES AND REGULATIONS

TOLLGATE WATER COMPANY

Adopted February 27,1997

WATER POLICY

SECTION 1. PURPOSE

1.A. The purpose of this Water Policy shall be to provide rules and regulations for the operation, maintenance, construction or reconstruction of the Tollgate domestic water supply system. Nothing contained in this policy shall be construed in any way as a guarantee from the Utility that the system will be increased or expanded to meet future flow needs.

1.B. By acceptance of the water service provided by the Utility, and the fact that each Water User has been duly notified of the water policy, each water user shall be deemed to have agreed to fully comply with and be bound by the rules, regulations, policies and procedures set forth in this Water Policy.

SECTION 2 DEFINITIONS

2.A. The "Utility" shall mean the Tollgate Water Company, a non-profit Oregon corporation.

2.B. The "Water Distribution Manager" shall mean the operating manager of the Tollgate domestic water distribution system owned by the Utility.

2.C. The "Water Facilities" shall mean the domestic water distribution system through which water is delivered to users at Tollgate, Sisters, Oregon, including, but not limited to, water mains, transmission lines, distribution lines, valves, hydrants and other devices used by the Utility to deliver water.

2.D. A "New User" or "Member" shall mean any new water user to whom initial service by the Utility commences after adoption of this Policy.

2.E. An "Old User" or "Member" shall mean any water user to whom service by the Utility was in effect prior to adoption of this Policy.

2.F. The "Property" shall mean Tollgate.

2.G. The "Standards and Specifications" for water facilities shall mean a schedule of standards and specifications adopted by the Utility and Utility Manager.

2.H. The "Fee Schedule" shall mean a fee schedule adopted by the Utility.

SECTION 3. APPLICATION FOR SERVICE

3.A. Every New User must make a written application for water service with the Utility on a form to be provided by the Utility. The application must be approved by the Utility.

3.B. Old Users requesting additional service must submit a written application and obtain the approval of the Utility.

3.C. Water supplied through a single service line to a single family building shall be used for that one residence only. Multiple services for a Lot are not allowed. At the option of the Utility, a User may be required to make a deposit to secure payment of installation cost or for water service. All Users will be bound by the terms and conditions of this Water Policy.

SECTION 4. SALE OF WATER

4.A. No User, person, firm or corporation shall sell water, or collect any money for the use of water provided by the Utility without the express written permission of the Utility.

SECTION 5. WATER FACILITY INSTALLATION

5.A. All water facilities installed by, or on behalf of any User, for the delivery of Utility water shall conform to the standards and specifications established by the Utility. The Utility is not required to furnish water where there are defective or leaking toilets, faucets, or other fixtures, or where there are toilets or urinals without self-closing flush valves, or where backflow preventors or meters are required but have not been installed. If someone other than the Utility is going to install water facilities, the prior written approval of the Utility shall be required and the following standards must be met:

5.A.1. Construction plans and specifications must be submitted. All submittals must be approved in writing by Utility or their designated engineers before any work is begun. The extension or construction of any distribution main or major facility will require plans and specifications prepared by an engineer registered in the State of Oregon.

5.A.2. The person installing the facilities shall be pre-qualified and insured to the limits established by Utility.

5.A.3. The facilities shall be constructed in conformance with Utility Standards and Specifications, and the requirements of applicable federal, state and local regulatory agencies.

5.A.4. Detailed record drawings of constructed facilities and documentation of all final regulatory agency approvals shall be submitted to the Utility prior to the delivery of water.

5.A.5. The facilities shall be inspected throughout the construction process and approved by the Utility at the installer's or developer's expense, and a written certificate of approval issued before water will be delivered.

SECTION 6. OWNERSHIP OF WATER FACILITIES

6.A. The Utility shall own all water distribution facilities on the upstream or inlet side of the main isolation valves at the User's property lines, together with easements for the property in which they are installed. Water distribution facilities on the upstream or inlet side of the main isolation valves at the User's property lines, which are paid for by someone other than the Utility, shall be conveyed to the Utility, together with the necessary easements before water is delivered. Unless otherwise provided, all water facilities owned by the Utility shall be maintained by the Utility. The Users may not tamper with the water facilities or service isolation valves.

6.B. All maintenance costs on service lines (domestic, fire protection, irrigation, etc.) on the downstream or outlet side of the isolation valves (curb-stop) are the responsibility of the User. The User shall be responsible for the installation, repair and replacement pursuant to the Standards and Specifications of the Utility.

6.C. The Utility shall make the connection from the User's service line to the "curb-stop" connected to the Utility main and provide the materials to make the installation. The Utility shall be reimbursed for the service connection as designated in the Fee Schedule.

SECTION 7. WATER FEES

7.A. All platted residential parcels on the property shall pay a monthly service flat rate fee as provided in the Fee Schedule. Charges for the water shall be due and payable monthly and shall be the responsibility of the User. The full monthly rate shall commence when construction of the User's service line is connected and the Utility can deliver water.

7.B. Charges for water shall be billed by the Utility. Payment is due on the first day of each month and will be in arrears on the tenth day of each month.

SECTION 8. TERMINATION OF WATER SERVICES

8.A. Water services may be terminated by the Utility for the reasons below. Prior to termination for the reasons stated in sub-sections 8.A., 8.A.2., 8.A.3, User will receive two notices. The first notice may be sent by regular mail thirty (30) days before termination of service. The second notice will be sent by certified mail fifteen (15) days before termination of service. The water service will be disconnected if full payment is not received within fifteen (15) days of the mailing of the certified letter.

8.A.1. If payment for water services is not received within sixty (60) days after they become due.

8.A.2. If the Utility determines that the User has defective or leaking toilets, faucets or other fixtures or where there are toilets or urinals without self-closing or flush valves, or where back-flow preventors or meters are required but not installed, or if the User knowingly wastes water and after written notice by Utility, continues to do so.

8.A.3. For repairs or other necessary purposes. The Utility shall use all reasonable and practicable measures to notify the customer in advance of such discontinuance of service except in the case of emergency repairs, and it shall not be liable for any inconvenience suffered by the User or damage to the User's property arising from this discontinuance of service.

8.A.4. If the Utility determines that the User does not comply with the terms and conditions of the Utility's Water Policy.

8.A.5. A fire on the property.

SECTION 9. IRRIGATION

9.A. Irrigation sprinkling should be closely monitored by User and over-watering or wasting water is discouraged. The Utility may establish permissible times for irrigating. Irrigating may be prohibited entirely in cases of emergency or water shortage, if necessary to maintain services for domestic services. Special restrictions on irrigating and other outside uses may be established by the Utility from time to time.

SECTION 10. FIRE HYDRANTS

10.A. No person shall place upon or about any hydrant or other water system appurtenances any building materials or other substance which prevents free-access. No person, except a Utility employee in discharge of his duty, or an authorized fire protection agency, shall open or in any way tamper with any Utility fire hydrant.

SECTION 11. COMPLIANCE WITH THE LAWS

11.A. All users of Utility water or developers of water systems for delivery of Utility water shall comply with all applicable federal, state, county, local and Utility laws regarding the use of development of the property served, including subdivision control laws and all rules and regulations promulgated by the Utility to govern the use of water. Violation subjects User to termination of water service, together with all other remedies allowed by law.

SECTION 12. AMENDMENT OF WATER POLICY

12.A. This water policy, including fee schedule and standards and specifications, may be amended at any time by the Directors of the Utility. Said amendment will go into effect 30 days after copies of the revision(s) have been mailed to each User.

SECTION 13. ACCESS TO PREMISES

13.A. The Utility or its agents or employees shall have access, at proper hours of the day and after written notification to the User, to all parts of the User's buildings and premises in which water may be delivered, for the purpose of inspecting the condition of the pipes and fixtures, except that notification may be verbal in cases of emergency.

SECTION 14. RECONNECTION FEE

14.A. If water service is terminated for nonpayment of charges as provided in 8.A.1. above, a reconnection fee shall be imposed and must be paid, together with all past-due bills before water Service is restored. Only the Utility shall be allowed to reconnect the water service. The User may not voluntarily disconnect his or her water Service without the express written approval of the Utility.

SECTION 15. CHANGE OF OWNERSHIP

15.A. The new application must be made and approved by the Utility if there is any change of ownership or identity of the User.

15.B. Any written notice required to be given under any provision of this Water Policy shall be provided as follows:

15.B.1. In the case of notice to User, by mailing such notice to the last known mailing address of such User or of any other person designated by such User as his or her representative.

15.B.2. In case of notice to Utility, by mailing such notice to: Tollgate Water Company, 15004 Saddle, Sisters, Oregon 97759

TOLLGATE WATER COMPANY 2010 FEE SCHEDULE

RESIDENTIAL RATES: All single family residences at Tollgate are billed for domestic water service under a flat rate system established by the Utility pursuant to Tollgate Water Company Water Policy, Section 7.A. Residential flat rates are established in the following table:

Application	No Charge
Hookup Fee	\$500.00
Monthly Service Charge	\$ 34.50
Service Reconnection Fee:	\$150.00

DISCOUNT FOR EARLY PAYMENT:

A 3% discount will be granted if the full annual fee is paid by January 15th of each year.

RECONNECTION FEE:

If water service is terminated for nonpayment of charges, a \$150.00 reconnection fee shall be collected in addition to all past due bills for service restored.

STANDBY FEE FOR UNDEVELOPED LOTS:

Monthly Charge	\$ 15.00
----------------	----------

This Fee Schedule is subject to change at the discretion of the Board of Directors.