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ORDINANCE NO. 24-1

AN ORDINANCE OF THE BAYVIEW WATER AND SEWER DISTRICT, A POLITICAL SUBDIVISION OF THE STATE OF IDAHO, PROVIDING FOR REPEAL AND REPLACEMENT OF RESOLUTION 1982-014, RESOLUTION 2003-002, RESOLUTION 2007-001, RESOLUTION 2020-006, RESOLUTION 2021-007; PROVIDING FOR THE RULES AND CONDUCT FOR THE CONSTRUCTION, OWNERSHIP, OPERATION, USE AND MAINTENANCE OF THE WATER SYSTEM OF THE BAYVIEW WATER AND SEWER DISTRICT; PRESCRIBING RIGHT OF ACCESS, REIMBURSEMENT OF COSTS, JOINT CONNECTIONS, BILLING AND PAYMENT, PENALTIES FOR NON-PAYMENT OF WATER SERVICE AND FOR VIOLATION OF THIS ORDINANCE; PROVIDING FOR THE PUBLICATION AND EFFECTIVE DATE OF THIS ORDINANCE; DECLARING AN EMERGENCY; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO;

BAYVIEW WATER AND SEWER DISTRICT
KOOTENAI COUNTY, IDAHO

BE IT ORDAINED by the Board of Directors of the Bayview Water and Sewer District of Kootenai County, Idaho, as follows:

WHEREAS, the Bayview Water and Sewer District of Kootenai County, Idaho (the “District”), is a water and sewer district organized and existing under and pursuant to the laws of the State of Idaho; and

WHEREAS, the District desires to provide a comprehensive regulatory framework relating to water use and services to be provided to users within the boundaries of the District; and

WHEREAS, the Board finds that repealing and replacing Resolution 03-2, and Resolution 07-1 is in the best interest of the Users of the District; and

WHEREAS, the District desires to provide a comprehensive regulatory scheme relating to water services to be provided to Owners or otherwise utilizing the services of the Bayview Sewer System.

NOW, THEREFORE, BE IT FURTHER ORDAINED by the Board of Directors of Bayview Water and Sewer District as follows:

Section 1: That Resolution 1982-014, Resolution 2003-002, Resolution 2007-001, Resolution 2020-006 and Resolution 2021-007, of the Bayview Water Sewer District is hereby repealed and replaced by the following Sections.

Section 2: PURPOSE AND APPLICABILITY

The District hereby determines and declares that a fair regulatory scheme should be implemented to deal with water services through regulation of water use; and to provide procedures for complying with the requirements contained herein be provided by the District to those Owners and Parcels in or near the District who shall be benefited by the construction and operation of the Bayview Water System, as defined herein. This Ordinance provides for the use of the System, operation and maintenance charges, assurance that existing customers' capacity will not be preempted, minimum connection standards and conditions, right of access, and penalties, and other remedies, actions, and procedures for violation of this Ordinance, and other matters properly relating thereto. This Ordinance shall apply to the Bayview Water and Sewer District and to persons outside the District who are, by contract or agreement with the District, users of the Bayview Water System.

Section 3: DEFINITIONS

Unless the context specifically indicates otherwise, the meaning of the terms used in this Ordinance shall be as follows:

ASTM: shall mean the American Society for Testing and Materials.

Bayview Water System (or "System"): The entire water system as expanded and/or modified from time to time. The system includes all real and personal property and equipment and related rights necessary to the provision of water to properties within the District.

Board or Board of Directors: The Board of Directors of the District, as it may be constituted from time to time.

Capacity: The ability to convey and adequately treat and provide the quantity of water legally committed to serve existing connections and those vacant or reserved and in accordance with the current IDEQ requirements.

Capitalization Fee: The fee calculated and collected according to this Ordinance, with respect to Parcels created or otherwise brought under this Ordinance, representing a fair share of the net replacement value of the Bayview Sewer System, as expanded and modified from time to time, as allocated to an individual Parcel of land.

Connection: The connection of a service line to the District's Water Main System.

Connection Fee: A charge to be paid to the District to connect a Parcel or Improved Parcel to the Water System.

Day: The 24-hour period beginning at 12:01 a.m.

District: The Bayview Water and Sewer District, as its boundaries may be modified from time to time.

District Rate Schedule: The current schedule of rates, fees, charges, and costs, including fines, fees, costs, and penalties, that are payable in accordance with District Ordinance(s) and/or determined by resolution, or action, of the Board, and made available on the District website and by request to the District office.

Dwelling: A building or place of shelter to live in such as a house, float home, mobile home, or a recreational Vehicle (RV), which has sleeping, bath and kitchen facilities, and is occupied as a residence for an individual or single-family unit. For purposes of this definition, an RV will be deemed to be occupied substantially full-time if it is occupied for thirty (30) or more days out of any forty-five (45) day period. This does not apply to a commercial mobile home or RV Parks. Furthermore, a dwelling shall mean; a building containing a combination of units with

individual sleeping, bath, and kitchen facilities, each unit being designated and intended for individual or single-family occupancy. This definition includes apartments, town houses, duplexes, triplexes, and the like.

Easement: The acquired legal right for the specific use of land owned by others.

Engineer: The Engineer(s) or engineering firm(s) (or the duly authorized employee or representative thereof) contracted or otherwise designated by the District from time to time to advise the Board with respect to water and waste water services provided through the Bayview Water and Sewer System.

EPA: The United States Environmental Protection Agency.

Float House: A floating residential dwelling which is designed or intended to accommodate overnight human occupancy, at a substantially fixed location, and which, in exchange for rent or other consideration, receives Water Service and/or Sewer Service(s) from or is otherwise connected with or appurtenant to a Marina. The term “float house” shall include, without limitation, all floating dwellings classified as float houses for purposes of registration, licensing or relocation, according to Idaho state law or any regulatory scheme administered by any state agency having jurisdiction; however, the term is not intended to cover those unplumbed, permanent storage structures commonly known as boat sheds or boat houses, or those motorized and easily movable watercraft commonly known as house boats.

Groundwater: The water within the earth.

Guest House: A secondary improvement (including a mobile home or trailer) which is designed or intended to accommodate overnight human occupancy, and which is located on a residential Parcel which is also improved with a primary Single-Family Residence or a multi-family dwelling. A recreational vehicle (“RV”) may also be classified as a guest house in cases where it is fully plumbed, requiring sewage or waste water disposal, and otherwise independently

habitable, and where either: (i) the RV is occupied substantially full-time; or (ii) the RV is rented out to a third party.

For purposes of this definition, an RV will be deemed to be occupied substantially full-time, if it is occupied for thirty (30) or more days out of any forty-five (45) day period.

Idaho Administrative Procedures Act: (IDAPA) Containing Rules and Regulations governing Wastewater Treatment and Collection Systems in the State of Idaho.

Improved Parcel: (i) any Parcel on which a building or other improvement exists, which is designated to accommodate human occupancy and receiving water services; and (ii) any Parcel providing water, power, or other utilities or services to a float house or to which a float house may otherwise be appurtenant.

Interference: Inhibition, disruption, extension, or modification of any water system, or their operation, which contributes to a violation of this Ordinance, any applicable discharge permits, or other applicable law.

Living Units: A dwelling intended for use by one household.

Marina: A commercial establishment located on any Parcel or Parcels that provides boat moorage, fueling and/or other services to watercraft, and which is designed to accommodate watercraft.

Mobile Home-Trailer Park: A Parcel on which two (2) or more mobile homes or trailers are situated, where services are provided to the residents thereof in exchange for rent or other consideration, paid to the owner of the Parcel.

Motel and Hotel: A building or group of buildings on the same premises, either detached or connected, containing sleeping or dwelling units.

Multi-Unit Dwelling: A building containing a combination of units with individual sleeping, bath, and kitchen facilities, each unit being designated and intended for individual or single-family occupancy. This definition includes apartments, town houses, duplexes, triplexes, condominiums, and the like. This may or may not include a parcel serving more than one dwelling from one or more meters, such as float homes, mobile homes, or RVs.

Natural Outlet: Any outlet into a watercourse, pond, ditch, lake, or any other body of surface or groundwater.

Operation and Maintenance (O&M) Charge: The share of operation and maintenance expense for the Bayview Water and Sewer System which is attributable to, and charged to, a particular Parcel in accordance with Section 8 of this Ordinance.

Owner: The person or persons vested with record title of any Parcel, Legal Parcel, or improved Parcel, or real property which is connected to or is required to be connected to, or otherwise using the services of the Bayview Water System.

Parcel or Legal Parcel: Any legal lot now existing or here-after created through a division or subdivision process, and any other parcel of real property recognized by the appropriate governmental Planning and Zoning Department or other agency or department as a separate legal parcel, having dimensions which would legally allow such Parcel to be improved with a residence or other dwelling for human use and/or occupancy, or which otherwise could reasonably be deemed benefited by the availability of water service provided by the District. (However, the Board shall have the right to allow consolidation of two or more adjoining Parcels into a single Parcel for purposes of this Ordinance, pursuant to a recorded instrument or other legal process restricting the resulting Parcel to a use consistent with a single Parcel.)

Additionally, the term “Parcel” shall include a unit in a condominium project for which a condominium plan shall have been recorded, and any unit having final approval as part of a planned unit development, but only where no further platting or other governmental approvals are required as a prerequisite to the issuance of a building permit.

An “improved: Parcel shall include: (i) any Parcel on which a building or other improvement exists, which is designed to accommodate human occupancy and receives water services; and (ii) any Parcel providing sewer, power, or other utilities or services to a float house or to which a float house may otherwise be appurtenant.

However, for purposes of this Ordinance, the term “Parcel” shall only include property which is now or hereafter physically located within the boundaries of the District (or which is outside the District but which is provided with water services by connection to the Bayview Water System) and which has frontage to the Water System, or legal access thereto by fee or easement.

Permit: The written agreement for water and/or sewer hookup and inspection provided by the District, to be signed and submitted to the District prior to connection to the Water and/or Sewer System by

- (1) an Owner which is required to be connected to the Bayview Water and/or Sewer System;
- (2) an Owner seeking to expand or increase an existing use; or (3) an Owner previously receiving Service from the District, desiring reconnection to the System.

Person: Any individual, firm, company, association, partnership, society, corporation, group, or other legal entity.

Recreational Vehicles (RV’s): A vehicular-type unit primarily designed as a temporary living quarters, with a bathroom, for recreational, camping, vacationing, or travel use, which either has its own motive power or is mounted on or drawn by another vehicle.

Service: Any Improved Parcel which is connected to or is required to be connected to the Bayview Water and Sewer District and receives water service from the District Water System.

Single-Family Residence: A building or condominium unit designed and used exclusively for residential purposes by one family. This definition shall also include mobile homes and trailers used for residential purposes. A recreational vehicle (“RV”) may also be classified as a single-family residence, in cases where it is fully plumbed, receiving water or requiring sewage or wastewater disposal, and otherwise independently habitable, and where either (i) the RV is

occupied substantially full-time; or (ii) the RV is rented out to a third party. For purposes of this definition, an RV will be deemed to be occupied substantially full-time, if it is occupied for thirty (30) or more days out of any forty-five (45) day period.

Standard Methods: The latest edition of Standard Methods for the Examination of Water and Wastewater, published by the American Public Health Association, Water Pollution Control Federation and American Water Works Association.

State: The State of Idaho.

Toxics: Any of the pollutants designated by Federal regulations pursuant to Section 307(a) (1) of the Federal Clean Water Act, as amended.

Treatment Facility: The land and all improvements, equipment and other personal property located thereon, which is owned, operated and maintained by the District for purposes of receiving and/or purifying water.

Water System: The water collection and distribution system of the Bayview Water and Sewer District, as it now exists and as it may later be added to, extended and improved. Any other term not herein defined, unless the context of usage indicates otherwise, shall be given its ordinary meaning or defined according to the “Glossary WATER AND SEWAGE CONTROL ENGINEERING,” A.P.H.A., A.S.C.E., A.W.W.A., AND W.P.C.F., latest Edition.

Section 4: **DETERMINATION OF SERVICE FOR MULTI-UNIT
RESIDENCE**

The number of services for each multi-unit dwelling account, including Marinas, shall be determined by the number of living units served by the one meter on each property, or the number of living units served by more than one meter on each property. At all times, the quantity of service assigned shall equal the number of living units on the property. The quantity of service for a multi-unit dwelling shall be charged the relevant monthly charge per service and any Water Usage Over

Minimum monthly charge included in the District's Rate Schedule. At no time shall the quantity of service for a residential multiple family dwelling account be less than the number of living units on that property, whether or not all units are sold or occupied.

Section 5: **CONSTRUCTION, OWNERSHIP, OPERATION, AND
MAINTENANCE RESPONSIBILITIES**

Subject to the terms of this Ordinance, the entire Bayview Water System (Water System, and Treatment Facility) shall be constructed, acquired, owned, operated and maintained by the District, even though the element of the water system may be located on private property.

Construction of a water connection to service a new Parcel (or new improvements on a pre-existing Parcel) and extensions of the Water System to reach a new Parcel, shall be the responsibility of the Owner, including the cost of any necessary road repair, landscaping, or the like. Once installed and accepted by the District, the new water facilities and the extension of the Water System shall be owned, operated, and maintained by the District, in accordance with the provisions contained in Section 5 above and this Ordinance.

To the extent located on private property, water facilities shall be installed and operated according to Easement rights granted to the District. Any Parcel for which an appropriate Easement for the Water System is not granted prior to the date scheduled for construction of such water facilities, shall be treated in all respects as a new Parcel, and shall be subject to all requirements applicable to new Parcels, including without limitation, the Capitalization Fee requirements of Section 6 of this Ordinance.

Section 6: **COSTS OF CONSTRUCTION AND/OR ACQUISITION; LID
ASSESSMENTS AND CAPITALIZATION FEES**

Section 6.1 Creation of Obligation: The District hereby determines and declares that all Parcels (and all float houses), by definition under this Ordinance, are benefited by the existence and availability of the Bayview Water System hereby imposes upon all Parcels (both pre-existing and new), the obligation to pay to the District a fair share of the cost of the Bayview Water System, to be paid in such amounts and at such times are required in this Section 6.

Section 6.2 Capitalization Fees (New Parcels): The District recognizes and declares that new Parcels created or otherwise brought under this Ordinance will similarly be benefited by the availability of the Bayview Water System, and that expanded use of pre-existing Parcels will realize increased benefits from the availability of such System. Accordingly, a Capitalization Fee is hereby established and shall be charged against such new Parcels and expanded uses as follow:

(a) Calculation of Capitalization Fee: The Capitalization Fee for a single connection(s) and associated dwellings, as defined in this Ordinance, shall be the sum of the following amounts:

(i). An amount equal to the Gross present day replacement value of the Bayview Water System (without deduction for governmental grants):

less: bond principal

less: unfunded depreciation = Net present day replacement value

divided by number of connection(s) and associated dwellings the current system can support =

Total capitalization fee per connection(s) and associated dwellings

(ii). Any credit to which the Parcel may be entitled under this Ordinance, as amended from time to time, or as may be negotiated by the Board under separate agreement.

(b) Time of Payment; Reservation of Capacity: The Capitalization Fee determined according to this Subparagraph shall become due prior to hookup and connection into the District's systems and at the time of creation of the new Parcel to which it pertains, whether by: (i) recordation of an approved subdivision plat; (ii) final approval of a planned unit development creating multiple Parcels, where no further platting or governmental approval is required as a prerequisite to the issuance of a building permit; (iii) recordation of a record of survey establishing the new Parcel, where no formal subdivision compliance is required; (iv) division of ownership by conveyance of fee or equitable title to a portion of a pre-existing Parcel; (v) agreement by the District to allow property outside the District to connect to the Bayview Water and Sewer System; or (vi) other process resulting in the creation of a new legal Parcel or Parcels recognized by the appropriate governmental Planning and Zoning Department or other agency or department. The amount paid at that time shall be based upon a single connection(s) and associated dwellings for each unimproved new Parcel, or upon the appropriate total number of connection(s) and associated dwellings for each new Parcel which may be improved at the time of its creation. Any adjustment

required for multiple connection(s) and associated dwellings shall be paid in connection with the application for, and issuance of, a building permit for the appropriate Parcel(s). At the time a building permit is issued, indicating construction of improvements requiring multiple connection(s) and associated dwellings, the full Capitalization Fee shall be calculated and paid, and credit applied for any amount actually paid when the new Parcel was created. Payment at the time of creation of a new Parcel or at the time of issuance of the building permit shall entitle the landowner to reserve capacity for the number of connection(s) and associated dwellings actually paid for in the Bayview Water and Sewer System.

Section 6.3 Change in Use: The District hereby reserves the right to assess additional Capitalization Fees on any Parcel (whether pre-existing or new), in the case of a substantial change in use of the Parcel (including, for example, expansion of the number of float houses attributable or otherwise appurtenant to a Marina or other Parcel). In such case, Capitalization Fees shall be calculated in the manner described for new Parcels, but with credit given for Capitalization Fees previously charged and paid based on prior use.

Section 6.4 Existing Community Systems: Certain portions of the Water System shall be constructed by the District, and certain other portions consisting of existing community systems may be acquired by the District by negotiated purchase, condemnation, or other acquisition. The Board shall negotiate the price and terms of any such acquisition, and any agreed consideration may be paid in cash to the owner(s) thereof, or provided in the form of credits against Capitalization Fees, or Operation and Maintenance charges, according to agreement of the parties.

Section 6.5 New Construction Extending System: Owners of land within the District which will not have frontage or legal access to the Water System, may nevertheless be permitted or required to connect to the system, subject to the following terms and conditions:

(a) The right to connect to the System shall be granted only by written agreement with the Board, which shall have the discretion to accept or deny applications based upon the existing and anticipated availability of capacity;

(b) All costs of extending the System to the subject property shall be borne by the applicant, with no right to reimbursement or credit for costs except as provided herein.

(c) All construction shall be completed according to detailed plans and specifications submitted to and approved by the Board or the District Engineer, with the terms of construction specifically contemplating periodic inspection and final certification by the Engineer at the applicant's expense;

(d) The applicant shall, prior to commencement of construction, pay the full Capitalization Fee calculated according to this Ordinance, based upon the total number of Parcels and connection(s) and associated dwellings to be serviced by the extension of the System.

(e) Following completion and certification of construction, the extension of the System and the water facilities shall be conveyed to the District according to Section 5 and this Ordinance, along with any necessary Easements, and shall thereafter be considered part of the Bayview Water System for all purposes. In addition to the necessary Easement documents, full size as-built drawings in both hard copy and electronic copy shall be submitted to the District.

Section 6.6 Special Circumstances: Upon a showing of special circumstances respecting a particular Parcel or Parcels, the Board shall have the power to negotiate a special arrangement for calculation and payment of Capitalization Fees; provided that the special arrangement shall result in a Capitalization Fee calculation and payment structure which is substantially equivalent to the calculation and payment structure required of other similar Parcels.

Section 6.7 Advance Reservations: An owner of any Parcel may purchase additional hookups, attributable to such Parcel, by agreeing to have the Parcel assessed for the desired number or connection(s) and associated dwellings and payment of the applicable Capitalization Fees. Additionally, the Board may impose reasonable conditions and restrictions on the purchase of advance reservations, taking into consideration the availability of capacity within the System, the demand for reservations of capacity, the undesirability of speculation with respect to capacity, and the requirements of financing expansion of the System. (Excess capacity so purchased may not be transferred for the benefit of other property.)

Section 6.8 Use of Capitalization Fees: Capitalization Fees shall be retained by the District, in a reserve account, to cover operation and maintenance expenses of the District, to reduce O&M charges otherwise assessed to all Owner(s) to the extent allowed by law.

Section 7: **USE OF WATER SYSTEM**

The use of the Bayview Water System shall be in accordance with the ordinances, rules, regulations, and policies promulgated by the District from time to time;

Section 7.1 Interruption of Service: In case of emergency or for unavoidable cause, the District may interrupt Service to make necessary repairs, connections, or in the performance of its duties and responsibilities. The District shall not be responsible or liable for any inconvenience caused by the interruption of Service, by circumstances beyond its control, or in the normal performance of its duties and responsibilities. Bayview Water and Sewer District shall not be responsible for any consequential damages.

Section 7.2 Connection to Water System Required: The Owner of any property within the jurisdiction of this Ordinance shall be required to connect to the Water System according to the terms of this Ordinance at the time of development, or as otherwise directed by the Board for the District according to authority granted by Idaho Code.

Section 7.3 Right of Access: The District shall be afforded all access necessary to carry out inspection, surveillance and monitoring required to determine compliance with all applicable ordinances, resolutions, rules and regulations, and applicable laws; for inspection, repair and maintenance of all equipment that is part of the System and control panels essential to pumps, meters or other System equipment; for emergency events; and to ensure that the System remains in accordance with this Ordinance. While performing the necessary work on private property, District representatives shall observe all security and safety rules applicable to the premises, as established by the Owner.

(a) Authority: Persons or occupants of premises that receive water from the District shall allow District personnel, or their designated representative(s) bearing proper identification, ready access to the premises for the purposes set forth in this Ordinance. This includes monitoring, sampling, observation, measurement, records examination and copying, response to emergency events, and performance of other duties. The District shall have the right to set upon the owner's property such devices as are necessary to conduct sampling, inspection, compliance monitoring

and/or metering operations of the water use to ensure that the System is in accordance with the provisions of this Ordinance.

(b) Obstruction to Right of Access: No person shall construct or place upon or about any structure, appurtenance, equipment, piping, pumps, control panels essential to pumps, meters or other System equipment; and other equipment being a part of the System as described in Section 3 of this Ordinance; or any other District facility:

Any barrier, building, vehicle, planting, fencing or other objects so as to conceal, obscure or cover, or in any other manner prevent free access, or in any way to hinder, delay or obstruct, District personnel or their representative(s), from servicing said facilities, including failure to provide a key or access code.

Where an Owner has security measures in force which would require proper identification and clearance before entry into its premises, the Owner shall make the necessary arrangements with the security so that, upon presentation of suitable identification, department personnel will be permitted to enter without delay for the purposes of performing their specific responsibilities. In the event a key or access code is required to gain access, it is the responsibility of the Owner to make the key or access code available to District representatives.

(c) Failure to Remove Obstruction: Failure of the Owner to remove any such obstruction after time specified in District written notice, constitutes authorization for the District to enter upon the private property to remove such obstruction and to charge the cost of that removal to the Owner of the property, to be paid along with other water fees and charges due. In the event the obstruction prevents District authorized representatives from access to a District determined Emergency Event, it will be subject to all provisions of Section 7.9 and this Ordinance. The District shall enact any cure available to them by the law, including termination of service to the premises including Water Service, and may levy fines and fees at the sole discretion of the District.

(d) Refusal to Admit: If a duly authorized representative of the District is refused admission to an Owner's premises, the District shall enact any cure available to them by law, including discontinuing Water Service to the premises and may levy fines and penalties until the department has been afforded reasonable access to the premises, so as to accomplish the performance of their duties in accordance with this Ordinance. In the instance of an Emergency Event, all requirements of Section 7.9 and this Ordinance will apply.

Section 7.4 Injury to Water System Unlawful: The following Injury to Water System is Unlawful:

No person shall maliciously, willfully or negligently break, damage, destroy, uncover, deface, tamper with, commit an act of Interference, or prevent access to any structure, appurtenance or equipment, or other part of the Water System as defined in Section 3 of this Ordinance.

The willful damage will be reported to the appropriate governmental agency for prosecution and restitution in accordance with Idaho Code Section 18-7001 and 18-2403. The Owner shall be liable for any damage to equipment owned by the District that is caused by an act of the Owner, his tenants, agents, employees, contractors, licensees, or permit holders. The District shall collect any and all costs and damages sustained to repair and restore the damage to the System from the Owner. The District may enact any cure available to them by law, including termination of Water Service until all amounts due are paid in full. In the event it is determined that an Emergency Event exists, all requirements of Section 7.9 and this Ordinance will apply. The District, at their sole discretion, may levy fines and penalties, in addition to those fines punishable under violation(s) of Idaho Law, if convicted, either of a misdemeanor or a felony; such fine(s) and/or penalties to be without prejudice to the right of the District to recover actual damages, costs, and attorney's fees incurred on account of the violation.

Section 7.5 Entry and Inspection: All Owners shall allow the District representatives, bearing proper credentials, and identification, to all parts of the premises during reasonable business hours, for the purpose of inspection, observations, and sampling in accordance with the provisions of this Ordinance. The Owner shall pay all fees and charges for inspections determined by resolution of the District Board of Directors and set forth in the District Rate Schedule. The District may levy fines and fees and terminate service, for non-compliance. All such charges will be billed to the Owner.

Section 7.6 Special Agreements: Nothing in this article shall be construed as preventing any special agreement or arrangement between the District and any Owner using the System,

whereby the owner receives unusual water services, subject to any payments or Owner charges as may be applicable.

Section 7.7 Water and Energy Conservation: The conservation of water and energy shall be encouraged by the District. In establishing use restrictions upon particular Owners, the District shall take into account already implemented or planned conservation steps revealed by the Owner. Upon request of the District, each such Owner will provide the District with pertinent information showing that the quantities use and timing of use of water. Upon such a showing to the satisfaction of the Board, the Board may make adjustments to discharge restrictions, which have been based on concentrations, to reflect the conservation steps. In times of water scarcity, the district is permitted to limit or otherwise regulate water usage.

Section 7.8 Unauthorized Use Unlawful: No person shall create a connection, make any connections with or opening into, increase usage, alter, uncover, disturb, modify, construct, repair or extend any part of the Bayview Water System as defined in Section 3 of this Ordinance, without a Permit issued by the District or expressed written approval of the District.

(a) Unauthorized Use Violations: Pursuant to Idaho Code Section 18-2403, unauthorized use of the District's Water System is a criminal violation punishable under Idaho Code Section 18-2408. The District will report all violations to the appropriate governmental agency for prosecution and restitution and may levy fines and penalties for such unauthorized use violations. The District may enact any cure available to them by law, including termination of Water Service. The fines and penalties levied by the District shall be in addition to those fines punishable under violations of Idaho Law, if convicted; such fines and/or penalties to be without prejudice to the right of the District to recover actual damages, costs, and attorney's fees. Every day an unauthorized use violation exists, shall be a separate violation.

(i) Adopted Fine Schedule for Unauthorized Use and Related Violations:

Upon written notice of a violation, the District shall assess an immediate fine of \$1,000. The property owner will have ten (10) business days to correct the violation and must submit relevant documentation demonstrating corrective action within that timeframe. If the violation is self-reported and later confirmed upon inspection, the fine shall be reduced to \$500. If the violation remains uncorrected after ten (10)

business days, additional fines of \$200 per week shall be assessed for each full seven-day period during which compliance is not achieved. Unauthorized water connections shall result in a \$5,000 fine per violation. Failure to obtain a Water Service Agreement prior to construction or significant groundbreaking activity shall result in a \$100 fine. Failure to comply with a District-issued Stop Work Order shall result in a \$1,000 fine. Continued noncompliance may result in criminal and civil charges, additional penalties, and termination of water and/or sewer service.

(ii) In the event that any unpermitted connection is determined to be a public health or safety concern, or damaging to the operation or physical condition of the District Water System, the District shall immediately notify the Idaho Department of Environmental Quality and seek to cause immediate disconnection of the unpermitted connection; the District shall declare all provisions of Section 7.9, District Determined Emergency Events, to be immediately in effect and proceed with all remedies provided the District therein, and this Ordinance, and in the Source Water Protection Plan (SWPP) and the Emergency Management provisions provided therein; and all remedies available under law, including termination of Water Service.

(iii) An unauthorized use connection, seeking to permit the connection, shall apply for a permit according to Section 10 of this Ordinance and pay a Capitalization Fee and all other applicable fees and charges, including a connection fee, costs and penalties, and all monthly fees and charges as set forth in the District Rate Schedule in effect at the time the application for permit is approved by the District in writing; not the fees and charges applicable when the unpermitted connection was made. When any application is made for a permit for an unpermitted connection, all costs, fees, charges and any applicable penalties for the service received, shall be paid in full prior to the approval of such connection. Any unpaid amounts shall become delinquent and shall be subject to penalty and interest charges and other remedies as may be provided for by ordinance or resolution of the Board or by law, including termination of service, including Water Service, until unpaid amounts are paid in full.

(iv) In addition to any other remedy, including those in this Section 7.8, Section 10, Section 12.1(a) of this Ordinance, the District may cause the disconnection of any unpermitted connections, and may repair facilities, treat contaminants, conduct environmental remediation, or any other damage caused by or related to the unpermitted connection, at the cost of the Owner and recover from the Owner all costs incurred by the District in relation thereto. Such costs shall also become subject to all remedies provided by ordinance or resolution of the Board or by law, including termination of service, including Water Service, until unpaid amounts are paid in full.

(b) Performing Public Works Construction without a License: Any instance of Unauthorized Use as described in Section 7.8 above, that is found to have taken place without the District's authorization, shall be deemed as performance of public works construction without a license.

(c) Public Works Construction without a License Violations: Pursuant to Idaho Code Section 54-1920(1) it is a civil and criminal law violation to act as a public works contractor without a public works license. The District will report all instances of performance of public works construction without a license to the appropriate governmental agency for prosecution and restitution.

(d) Use of service by motor homes or RV's from an existing connection: Additional use of water service by motor homes or RV's from an existing connection—for a period of time, in excess of one (1) 30 day billing cycle, shall be prohibited and upon notice, the Owner shall discontinue such Service or, if authorized by the District, shall apply for a permit according to Section 10 of this Ordinance and pay all applicable fees and charges, and all monthly service fees and charges. Moving the motor home or RV and returning, in an attempt to circumvent the (1) 30 day billing cycle limit, will be deemed a violation of this section and this Ordinance. Continued violations will be subject to the Unauthorized Use Violations set forth in item Section 7.8(a) above and all provisions for violations of this Ordinance.

Section 7.9 District Determined Emergency Events: If a failure or damage occurs to any part of the System as defined in Section 3 of this Ordinance, the cause being any of those set forth in Section 7.4 of this ordinance, or any other cause that is found to require immediate attention due

to an imminent risk to the health and safety of the public, risk to property, risk to the lake or tributaries, the environment, or risk to the District's System, the Owner of the particular Parcel where the damage occurred is required to take immediate action to mitigate the problem and to notify the District of such failure and/or damage. No extension of time to complete the work is allowed under an emergency situation, as determined by the District. If the Owner does not take immediate action, the District has authority to enter the Owner's property to repair and restore any failure and/or damage to the System at the Owner's expense, to be paid along with other water fees and charges. The Owner is responsible for any loss/damage caused to the District or third parties. The District has the authority to hire a Public Works Licensed Contractor to complete the repairs at the Owner's expense, such costs, to be paid to the District along with other water fees and charges, and to levy fines and penalties.

Section 7.10 Voluntary Service Suspension and Restoration: Upon written request by the Owner of an Improved Parcel, the District may suspend and later restore water service for non-enforcement purposes, including but not limited to safety-related concerns, seasonal vacancy, or property protection, subject to the terms of this Section.

(a) Continuation of Monthly Charges: Suspension of service shall not relieve the Owner of the obligation to pay the base monthly Operation and Maintenance charges, fees, or any other charges imposed pursuant to Section 9 of this Ordinance. Base monthly billing shall continue during any period of voluntary service suspension, regardless of water usage or flow.

(b) Fees for Suspension and Restoration: Except as provided in subsection (c) below, the Owner shall be responsible for all fees associated with the suspension and restoration of service, as established by resolution of the Board and set forth in the District Rate Schedule.

(c) Annual Complimentary Water Suspension: Each Improved Parcel in good standing shall be entitled to one (1) complimentary voluntary suspension and restoration of service per calendar year, provided that:

- (i) The request is made for safety-related purposes;
- (ii) The request is submitted not less than thirty (30) days in advance of the requested suspension date;
- (iii) The suspension and restoration are scheduled to occur in coordination with the District's regular meter-reading cycle; and

(iv) The account is not delinquent at the time of request or at any time prior to restoration of service.

(d) Delinquent Accounts Excluded: Complimentary voluntary suspension and restoration of service shall not apply to any Parcel with delinquent fees, charges, penalties, or assessments owed to the District. All applicable amounts shall be paid in full prior to restoration of service.

(e) No Limitation on District Authority: Nothing in this Section shall limit the District's authority to interrupt, suspend, or terminate service pursuant to Section 9, Section 14(f)(g), Section 15(a)(b), or any other provision of this Ordinance or applicable law.

Section 8: OPERATION AND MAINTENANCE CHARGES

Charges for operation, maintenance, repair, replacement, insurance, and administration of the Bayview Water System, and a reasonable reserve therefor (O&M charges), shall be estimated by the Board, and a budget shall be adopted on a yearly basis, at the same time and in the same manner as adoption of the General District Budget. The total O&M charges shall be assessed on an equal basis and shall be billed on a monthly basis as a base monthly Service rate to all Parcels within the District which are connected to, or which are required to be connected to, the Bayview Water System. The base monthly Service rate shall be billed, as determined by the Board, and payments shall be due within thirty (30) days of billing. If payments are not timely made, the District shall assess penalties in the maximum amount allowed by law, or if no such maximum amount is specified by law, then at the rate set by resolution of the Board and set forth in the District Rate Schedule.

The Board shall have the right to delegate administration and collection procedures for O&M charges to a management company or to such other third party as may be deemed appropriate in the discretion of the Board.

The first billings for O&M charges attributable to a particular Parcel shall be delivered as follows:

(a) With respect to all improved pre-existing Parcels, immediately following certification by the Board that the Bayview Water System is in operations; and

(b) With respect to all other Parcels, the date the actual connection is made to the District System, or the date connection is required, whichever is earlier; unless otherwise agreed upon written conditions exist between the Owner and the District.

(c) The obligation to pay O&M charges shall be enforced by the District according to the relevant provisions of Idaho Code, as amended or modified from time to time, or as may otherwise be allowed by law.

(d) An account created and the first monthly bill no later than 30 days after the meter installation is made at the property.

Section 9:

FEES AND CHARGES

The District shall set all rates, fees, charges and assessments to recover all or a portion of its administrative and operational expenses related to the services set forth herein, or by resolution or action of the Board and they shall be set forth in the District Rate Schedule.

(a) A per trip fee for service calls to the owner's premises shall be charged, as required by this Ordinance, or pursuant to resolution or action of the Board, and shall be set forth in the District Rate Schedule.

(b) All fees, charges, costs, fines and penalties payable under the provisions of this Ordinance shall be paid to the District. Such fees, charges, costs, fines and penalties shall be set forth herein, or pursuant to resolution or action of the Board or by law and set forth in the District Rate Schedule.

(c) All fees, charges, costs, fines, and penalties, collected by the District under this Ordinance, or otherwise by resolution or action of the Board, shall be used for the purpose of recovering all or a portion of its administrative and operational expenses related to certain services, operating and maintaining the Bayview Water and Sewer System, the retirement of debt incurred for construction of the facilities, or for such other purpose as may be contemplated by law as a legal use of District funds.

(d) All fees, charges, costs, fines, and penalties, payable under the provisions of this Ordinance, or pursuant to resolution or action of the Board or by law, are due and payable upon the receipt of notice thereof. This includes all charges and costs reimbursable to the District under the provisions of this Ordinance or pursuant to resolution or action by the Board or by law. Owners having both sewer service and water service, the District shall apply payments first to amounts owing for sewer services and then to water services. Unpaid amounts shall become delinquent and shall be subject to penalty and interest charges and other remedies as may be

(b) Where any part of a water service is to be taken over by the District, the Permit shall be issued only when the District shall have received a recordable Easement, on a form provided by the District, describing the right of District personnel to enter onto any private property involved, for purposes of monitoring the use, maintaining, repairing, or replacing the District's facilities.

(c) Changes to Existing Service: No connection shall be made to an existing Service, such as the addition of a guest house, an RV requiring water services in excess of the 30 day period provided for in Section 7.8(d) and this Ordinance, or any change or addition whatsoever to an existing service that results in increased usage of the System, unless a permit is issued by the District or written approval has first been obtained from the District. Any such connection or increased usage, not permitted or approved in writing, shall be deemed a violation of Section 7.8 and this Ordinance and is subject to all provisions contained herein for violation of this Ordinance, including termination of service, including water service.

Section 10.2 Conformance to Applicable Codes: Any Connections shall conform to the requirements of the building and plumbing code, or other applicable requirements and procedures set forth in the appropriate specifications of the District.

Section 10.3 Connection Fees: Connection Fees shall be paid to the District in connection with the issuance of a connection Permit. Such fees shall be set by resolution or action of the Board and set forth in the District Rate Schedule. All costs and expenses of the installation and the connection to the System shall be borne by the Owner. All costs and expenses incidental to the installation of and the Connection to System shall be borne by the Owner and shall be all inclusive, including but not limited to, road boring and street repairs, length of service line and any other expense whatsoever related to installation of and the Connection to the System. The Owner shall indemnify and hold harmless the District from any loss or damage that may directly or indirectly be occasioned by such installation and connection.

(a) Inspection Fees: An inspection fee, to compensate the District for the cost of inspecting the connection (with additional fees for each subsequent inspection required to assure compliance with the connection requirements) in the amount set by resolution or action of the Board and set forth in the District Rate Schedule plus;

(b) Any unpaid Capitalization Fee based upon the proposed use of the connection, including any applicable surcharge, credit being given for Capitalization Fees previously paid for such Parcel; plus

(c) In the case of a Permit which is not obtained or a connection which is not completed within the time required under this Ordinance for a particular Parcel, the District may levy fines, penalties and late charges in an amount set by resolution of the Board and set forth in the District Rate Schedule and other fines and penalties that may be applicable under Idaho Law.

Section 10.4 Inspection: The physical connection must be inspected by the State plumbing inspector, the Engineer, or by such other authorized representative as may be designated by the District, prior to backfill of the excavation. At least forty-eight (48) hours' notice of the time requested for the connection must be provided to the inspector. Deviation from the District's design standards must be corrected at the permittee's expense. Connection made without District inspection and approval shall be re-excavated at the permittee's expense to allow inspection by the District's authorized representative.

(a) Excavation Guards and Property Restoration. Excavations for the Installation and connection to the System shall be adequately guarded with barricades, lights, and flags, so as to protect the public from hazard. Streets, sidewalks, parkways, and other public property disturbed in the course of the work shall be restored in a manner satisfactory to the District at the Owner's expense. Any encroachment onto the public right-of-way shall also require a valid permit issued by the Lakes Highway District.

Section 11: **MAIN EXTENSIONS**

Water main extension to areas within the District not presently served with water shall be installed under procedures to be established by the Board. The developer for a newly partitioned properties shall assume all costs of main extensions with the approval of the Board and must be done consistent with the rules of the District. The District will make water main extensions only on rights-of-way, easements, or publicly owned property. Easements or permits secured for main extensions shall be obtained in the name of the District along with all right and title to the main at the time the service is provided to the customer paying for the extension.

Section 12:

SERVICES

(a) Ownership, Installation, and Maintenance: The District shall own, install, operate, and maintain all services. Authorized employees of the District shall only perform installation and maintenance. The customer shall own, install, and maintain the customer service line.

(b) Service Connection Charges: At the time the applicant files for service where no service previously existed, or if the applicant is filing for a change in service size or location, the applicant shall submit with the application the service connection charge. This charge is to cover the actual cost to the District to install the service from the main to the customer's property line, including the meter and the meter housing. Additionally, the District may also charge the cost to dig up and repair streets and rights-of-way to the standards of other municipalities and highway districts. The service connection charge shall be as determined by the District pursuant to the District's rate schedule.

(c) Size of Service: The District will furnish and install a service of such size and at such locations as the application requests, provided such requests are reasonable and the size requested is one that is listed by the District. The minimum size of service, as of August 2024, shall be one (1) inch or larger, as determined by the State plumbing code. The District may refuse to install a service line, which is undersized or oversized, as determined by a study and report of the system operator or engineer of the water system.

(d) Change in Service Size: Permanent changes in the size of the service line requested by the customer shall be paid by the customer on the basis of actual cost to the District for making the change.

(e) Length of Service: Where the main is in a public right-of-way, the meter will be placed at the right-of-way line nearest to the property to be served for the standard connection fee, provided the length of service line does not exceed the width of the right-of-way. Where the main is on an easement or publicly owned property other than designated rights-of-way, the services shall be installed to the boundary of the easement or public property of the District provided the length of service line does not exceed thirty (30) feet. If, in either case cited above, the length of service line to the meter location exceeds the maximum stated, the applicant shall pay the extra cost of the line on the basis of actual cost to the District for labor, materials, and equipment.

(f) Joint Service Connections: The District may, at its option, serve two or more premises with one connection, the inside diameter of such joint lines shall be sufficient to provide a carrying capacity of not less than the combined capacity of individual service lines of the same size and the meters installed. Service extensions from an existing service to occupancies or ownerships other than that for which the existing service was intended shall not be permitted nor shall separate residents be permitted to receive services through one meter except under special conditions approved by the Board.

(g) Number of Service Connections on Premises: The owner of a single parcel of property may apply for and receive as many services as the owner and/or tenants require, provided the application or applications meet the requirements of the policies and rules of the District.

(h) Fire Service Connections: A service having fire protection facilities on the premises and water for other purposes flowing through the same service connection shall be considered as an ordinary service and metered as such. All water used through that service, regardless of its use, will be charged at the regular rates.

(i) Customer's Plumbing:

(i) Plumbing Code. The customer's plumbing, which shall include customer's service line and all plumbing, piping, fixtures, and other appurtenances carrying or intended to carry water, sewer, or drainage, shall comply with the plumbing code for the State of Idaho and other rules which may be adopted from time to time by the Board.

(ii) Control Valves. All customers shall install a suitable control valve in the customer service line in an easily accessible location, the operation of which will control the entire water supply to the premises served. It shall be a violation of these rules and regulations for the customer to operate, cause or permit unauthorized operation of the meter stop or any appurtenance on the service connection.

(iii) Pressure Reducing Valves. The customer shall be solely responsible for the installation, operation, and maintenance of a pressure reducing valve (PRV) on the customer's side of the meter. Failure to install or maintain a required or recommended PRV shall not be grounds for any claim against the District for damage related to water pressure or pressure fluctuations.

(iii) Frost Free Yard Hydrant are required and must be on the customer's side of meter.

(j) Reimbursement to the District for Costs: If any repairs, change in service, or new service requires that any streets, rights-of-way, or sidewalks be disrupted or torn up, the District reserves the right to pass on to the applicant and customer the cost of taking up the asphalt, cement, or other coverings and the cost of repairing or replacing the same to the standards of the municipality or highway district owning or controlling the street, rights-of-way, or sidewalk.

Section 13:

METERS

(a) Ownership: The District shall own and maintain all water meters. The District will not pay rent or any other charges for a meter or other water facility, including housing and connections to the customer's premises.

(b) Installation: Installation of water meters shall only be performed by authorized employees of the District. Billing shall commence no later than 30 days following installation.

(c) Size and Type of Meter: Applicants may request any size meter regularly stocked or furnished by the District provided the request is reasonable and further provided the meter is not greatly oversized or undersized, as determined by the system operator of the District. The District reserves the right to determine the type of meter to be installed.

(d) Location of Meters: Meters shall normally be placed at the curb of property lines; the meter will be installed wherever the applicant desires within reason, but the location must be approved by the District. The meter shall not be located in driveways or other locations where damage to the meter or related components may occur.

(e) Joint Use of Meters: The joining of several customers to take advantage of the single minimum charges and large quantity rates is prohibited, except as approved by the Board in writing.

(f) Changes in Size or Location: If, for any reason, a change in the size of a meter and service is required, the installation will be accomplished on the basis of a new connection and the customer's application shall be amended. Meters or services moved for the convenience of the customer will be relocated only at customer's expense.

Section 14:

BILLING AND PAYMENTS

(a) Meter Readings: Meters will be read and customers billed on the basis of meter reading rounded down to the nearest 1,000 gallons, or cubic feet, whichever is applicable. The District will keep an accurate account on its books of all reading of meters and such accounts so kept shall be offered at all times, places, and courts as prima facie evidence of the use of water service by the customer.

(b) Rendering of Bills:

(i) Billing Period. All meters shall be read and bills rendered therefore once a month. Billing shall begin when water is available to the property.

(ii) Bills for More than One Meter. All meters supplying a customer's premises shall be billed separately, except where the District has installed, for operating purposes, two or more meters in place of one. The readings may be combined for billing.

(c) Disputed Bills: When a customer disputes the correctness of a bill, they shall deposit the amount of the disputed bill at the time the complaint is lodged, to preclude the discontinuance of service pending final settlement of the bill or bills. Subsequent bills shall be paid or placed on deposit in a similar manner until the dispute is settled. Failure of the customer to make such a deposit shall warrant discontinuance of service as provided under Subsection (F) of this Section. The District shall address billing disputes within thirty (30) days.

(d) Failure to Read Meters: In the event that it shall be impossible or impractical to read a meter on the regular reading date, the water consumption shall be prorated on the basis of thirty (30) days per month and the total of the water consumption for billing purposes for that period shall be estimated. (Winter month reading procedure: (Bills are not read during the winter months between September 30 and March 31. First reading of the year (weather permitting/meters visible) is March 31 and the last reading of the year is September 30. Each customer is billed in the spring for the monthly allotment times the number of months not read and billed for the overage).

(e) Payment of Bills:

(i) Each bill rendered shall contain the final date on which payment is due. If the bill is not paid by that date, the account shall be considered delinquent, unless other

arrangements in writing have been made with the District that specifies another due date.

(ii) The District will bill the property owner, according to the records for water use, and the property owner shall be the responsible party.

(f) Delinquent Account: Payment of all fees due the District including but not limited to monthly water and sewer availability and use charges for all single family, duplex, multiple family residences, as well as commercial and non-commercial properties receiving services shall be the responsibility of the property owner. Receiving services shall mean having water or wastewater disposal services available at the subject property whether or not any utilization of water or wastewater disposal from the property took place. The District water and sewer bills and other fees and charges are due and payable upon presentation and become delinquent if not paid within thirty (30) days thereafter. If the bills, fees, and/or charges are not paid within sixty, (60) days of presentation, water and/or sewer service to the delinquent property will be discontinued unless otherwise determined by the Board of Directors for good cause shown for an exception to the policy set forth herein.

(i) Delinquent Notice. Notice of delinquency will be provided by means of the regular billing method that shows an overdue balance. Full payment shall be required by the date indicated. A reminder of account delinquency may be sent, at the discretion of the District to each delinquent account on or about thirty (30) days after the account becomes delinquent.

(ii) Turn-Off Notice. One of two forms of notice may be used to alert customer(s) of pending turn off:

1.) At least seven (7) days prior to the service(s) being discontinued a written notice shall be sent certified mail return receipt. This fee will be passed off to customer and added to utility account.

2.) At least twenty-four (24) hours prior to the service(s) being discontinued a written notice shall be delivered to the delinquent property.

The District shall add to the delinquent balance a fee for this notification service in accordance with the District current Rate Schedule "Delinquency Posting Notice".

(iii) Service Turn-Off. Idaho Code Section 42-321(1) allows the District to disconnect service when accounts are delinquent if water service is discontinued

prohibited. The District will not permit any cross connection and will discontinue service to any persons or premises where a cross connection exists. Service will not be restored until the cross connection is eliminated. Customers using water from one or more sources in addition to receiving water from the District on the same premises shall maintain separate systems for each, and the District water supply facilities shall be separated from any and all other systems by an air gap of not less than one (1) foot, or if in the ground, by not less than five (5) feet. Additional rules for cross-connection shall be found in Resolution #03-3.

(d) Water Waste: Where water is wastefully or negligently used on a customer's premises, seriously affecting the general service, or to preserve the integrity of the structure, the District may discontinue service if such conditions are not corrected after due notice by the District.

(e) Service Detrimental to Others: The District may refuse to furnish water and may discontinue service to any premises where excessive demands by one customer will result in inadequate service to others.

(f) Fraud or Abuse: The District will refuse or discontinue service to any premises where it is deemed necessary to protect the District from fraud or abuse. Upon the District's receipt of knowledge of fraud or abuse, the District will discontinue service.

(g) Unauthorized Turn-On: Where water service has been discontinued for any reason and the water is turned on by the customer or other unauthorized person, the water may then be shut off at the main or the meter removed. The charges for shutting off the water at the main or removing the meter shall be computed at the actual cost to the District. These charges shall be billed to the offending customer and water shall not be furnished to the premises or customer until such charges are paid and the District has reasonable assurance that the violation will not recur. Should the offending customer refuse to pay for damages or violations, the property owner is then held responsible. The District reserved the right to apply these charges to the utility account and further to the property tax roll to recoup all costs incurred.

(h) Non-Compliance with Rules: The District may, upon ten (10) days' notice, discontinue service to a customer's premises for failure to comply with any of the provisions of the District's rules.

Section 16:

RESTORATION OF SERVICE

(a) Restoration of service after discontinuation for nonpayment of bills shall be made only after payment of current and past due charges, in addition to the District's restoration fee, as set forth in the Rate Schedule, is received.

(b) Restoration of service after discontinuance of service for unsafe facilities, water waste, fraud, abuse, or for noncompliance with any of the policies or rules will only be made after the irregularity has been corrected and the District has been assured the irregularity will not recur. The restoration fee, as set forth in the Rate Schedule, and any other past due charges that the District has incurred, shall be paid in full.

Section 17:

RESPONSIBILITY FOR EQUIPMENT

(a) Responsibility for Customer Equipment: The District shall not be liable for any loss or damage caused by any defect in the customer's line, plumbing, or equipment, nor shall the District be liable for loss or damage due to interruption of service or temporary changes in pressure. The property owner or customer shall be solely responsible for the installation, operation and maintenance of a pressure reducing valve (PRV) on the customer's side of the meter. Failure to install or maintain a required or recommended PRV shall not be grounds for any claim against the District for damage related to water pressure. The property owner or customer shall be responsible for valves on its premises being turned off when the water service is turned on.

(b) Responsibility for District Equipment: District equipment located on the customer's premises remains the property of the District and may be repaired, replaced, or removed as needed by the District employees at any time without consent of the customer. No payment will be made to the property owner or customer for the right to install, maintain, replace, or remove District equipment on the premises. The customer shall keep any animals secured or confined to avoid interference with the utility operation and maintenance.

(c) Damage to District Equipment: The customer and/or property owner shall be liable for any damage to equipment owned by the District that is caused by an act of the customer, its tenants, agents, employees, contractors, or licensees. Damage to equipment shall include, but is not limited

CERTIFICATE OF ADOPTION OF ORDINANCE

I, the undersigned, as the Administrative Treasurer of the Bayview Water and Sewer District of Kootenai County, Idaho, hereby certify that the foregoing Ordinance is a full, true, and correct copy on Ordinance duly adopted at a meeting of the Board of Directors of said District, duly and regularly held at the regular meeting place thereof on _____, 2026, of which meeting all members of said Board had due notice, and at which a majority thereof were present; and that at said meeting said Ordinance was adopted by the following vote:

AYES, and in favor thereof, Directors:

NOES, Directors:

ABSENT, Directors:

ABSTAINED, Directors:

I further certify that I have carefully compared the same with the original Ordinance on file and of record in my office; that said Ordinance is a full, true, and correct copy of the original Ordinance adopted at said meeting; and that said Ordinance has not been amended, modified, or rescinded since the date of its adoption, and is now in full force and effect.

IN WITNESS WHEREOF, I have set my hand and affixed the official seal of said District on _____, 2026.

Jessie Howard, District Administrative Treasurer