

**WELLS FARGO WATER COMPANY, INC.**  
**WATER UTILITY OPERATION PROCEDURES AND**  
**PRACTICES**

**PART 1. AUTHORITY AND OWNERSHIP**

The Wells Fargo Water Company, Inc. hereinafter called WFWC. is a non-profit Homeowners Association formed in accordance with the laws of the State of Arizona, and it continues to operate as such. It is authorized to provide potable water service in the following Area. Section 12. Township 16 South Range 10. East Pima County. This area is bounded by Guy Street to the north, Wells Fargo Road to the west, Viking to the south and Cherokee Lane to the east.

WFWC owns and operates a domestic potable water utility which currently consists of the following physical facilities.

(1) One well, complete with a submersible pump and motor.

(1) One water storage tank with a capacity of 25,000 gallons

(2) Two booster pumps and electric motors.

(2) Two pressure storage tanks with a capacity of 2,500 gallons

Electric switchgear and control systems for well and booster pumps

Approximately( 6300) feet PVC water mains, gate valves, blow-off valves, and

(52 ) water services and meters.

**PART 2. WATER FACILITY LOCATION**

It is the intent of WFWC, that all water system improvements initiated and completed in 1999 and any future improvements will be constructed/located on property owned by WFWC. or in easements recorded in the name of WFWC. The wells, storage tanks, booster pumps, pressure tanks and electric control systems are located on a lot

provided for a water system by the original developer. Easements were existing or are to be acquired by WFWC. for construction and maintenance of all water mains and service meters.

If any meters and meter boxes currently are located outside of said easements, the Owner of the property on which the meter(s) and meter box(es) are installed shall provide safe access to WFWC. for the purposes of reading and /or maintaining meter(s) meter box(es) and maintaining and installing up-graded water mains. If access for these purposes is denied, the water service to the property and meter(s) shall be immediately discontinued by WFWC.

For all future services to be provided by WFWC. the meters and meter boxes shall be located in the easements recorded in WFWC. name or previously granted for utilities granted for utility lines. It is noted that easements acquired by TRICO ELECTRIC COOPERATIVE cannot be used for water lines unless specifically approved by TRICO.

Any structures, fences, trees or trailers located in or on any recorded WFWC . easement will be relocated by owner at no cost to WFWC.

### **PART3. RATES AND CHARGES**

Water rates will be established by the Board of Directors and shall be in the amounts necessary to operate and maintain all facilities of the water system in conformance with the requirements of the PIMA COUNTY DEPARTMENT OF ENVIRONMENTAL QUALITY and the statutes of the State of Arizona, and the financial obligations of WFWC.

The rates for water consist of a (\$15:00) Fifteen Dollar Assessment fee per month plus:-

- (a) (0- 10,000) gallons at a rate of \$1.50 per thousand gallons.
- (b) (10,000- 20,000) gallons at a rate of \$2 .25. per thousand gallons.
- (c) (20,000- 25,000) gallons at a rate of \$3.00. per thousand gallons.
- (d) ( 25,000) gallons and up at a rate of \$3.75. per thousand gallons.

## **RENTERS**

A renter moving into property to which there is an existing water service, shall make application for the water to be turned on and pay a SECURITY DEPOSIT in the amount of (\$100:00 ) One Hundred Dollars and a non-refundable hook in fee of ( \$50:00) The SECURITY DEPOSIT will be returned, without interest, at the end of (2) Two years or when the Renter moves out, whichever comes first, if there have been no delinquencies in payment of monthly water bills. If there are payment delinquencies, payment and penalties, as detailed below, funds will be withdrawn from the SECURITY DEPOSIT until the DEPOSIT is depleted. Water service will then be discontinued until another SECURITY DEPOSIT and a RE-CONNECTION CHARGE of (\$50:00) Fifty Dollars are paid to WFWC.

## **OWNERS**

For new members and property owners to have their water turned on a SECURITY DEPOSIT of One Hundred Dollars (\$100.00) plus a fifty dollar (\$50.00) non refundable connection fee is required. The SECURITY DEPOSIT will be refunded with interest at the end of two years (2) years if the owner has had no delinquencies or late payment penalties during this period, however; if they have had delinquencies or late payment charges during this two year period the SECURITY DEPOSIT will be held for as long as the owner lives on the property, without incurring interest. If there are delinquencies, late payments or penalties funds will be withdrawn from the SECURITY DEPOSIT until all debts are paid, if the account is depleted the water service will be shut-off until a new SECURITY DEPOSIT and a Fifty Dollar non-refundable connection fee are paid

## ALL MEMBERS.

Bills are due and payable upon receipt and must be received by WFWC. by 5 P.M. on the last day of the month or a late penalty of Fifteen Dollars or ten percent of the total bill, whichever is greater, will appear on the next billing.

If the bill and late penalties are not paid by 5 P.M. on the last day of the second following month, a second and equal penalty will be assessed, and water service discontinued until all water bills, penalties, a re-connect fee of Fifty Dollars (\$50.00) and a SECURITY DEPOSIT of One Hundred Dollars (\$100.00) are paid to WFWC. Failure by owner to make complete payment after discontinuation of service will result in WFWC. filing a lien on the owners property for the full amount plus any legal fees incurred.

Owner/ members who insist on paying their bills quarterly may do so by posting a SERVICE DEPOSIT equal to their three largest bills over the prior two year period. This SERVICE DEPOSIT will allow WFWC. to have these funds available each month to operate without said Owner incurring late fees over the three month period.

Should any member, whose connection fees have been paid in full, request a discontinuation of service, WFWC will turn off water and issue a final water bill. Such connections are shall then be deemed as Not In Service (NIS) and no monthly assessment fees will be charged while the said property remains vacant or until WFWC receives a written request for starting or re- starting service at that location, the user shall then pay a RE-CONNECTION charge in the amount of Fifty-Dollars (\$50.00) and WFWC. will commence service.

Water Meters will be read monthly and water bills mailed by the (5<sup>th</sup>) of the month, due and payable upon receipt. If payment is not received by

5 P.M. on the last day of the month , a late payment penalty of the greater of Fifteen Dollars (\$15:00) or ten percent (10%) of the bill will be assessed.

Any member who for reason of hardship cannot pay their monthly bills may privately and in confidence petition the board of directors, in writing, for relief from severance of water service. The board shall revue the matter with the subject member. The Board shall be empowered to establish a fair and equitable alternative method of payment ( barter, labor, etc.) That results in the Association receiving fair value received for said water service provided at the Associations expense. Hardship cases must be reviewed every month to adjust method or amount of repayment.

### **OTHER FEES AND CHARGES**

Any Member, wilfully and with malice destroys or damages any property or equipment belonging to WFWC. will be prosecuted to the fullest extent of the Laws of the State of Arizona and shall have service immediately discontinued. Service shall not be restored until all damages are repaired and paid for by the perpetrator, and a \$1000.00 Security Deposit posted. In the event that the subject party is a tenant of such property wherein the landlord is the responsible member of the Association, said landlord shall be pecuniarily liable for all cost of repair and the cash deposit

A fee of Thirty-Five dollars (\$35.00) will be charged for any checks returned by the bank for reason of insufficient funds. Should this occur twice, in any twelve month period, by the same member WFWC. will no longer accept personal checks from that member, but will require the member to pay all future bills by pre-paid Cashiers Check or Money Order.

All owners and/or renters must supply WFWC. with a correct and current mailing address, in writing, at the time they apply for service. Those failing to do so will be assessed a Fifteen Dollar (\$15.00) delivery and/or collection fee. Seven Dollars and Fifty-Cents (\$7.50) of this fee will be paid to the person delivering and /or collecting the bill payments. The remainder will go into the General Fund.

### **WATER EMERGENCY**

In the event of a water emergency, for example, the in ground pump going down, or severe water shortage due to drought, the Board of Directors can declare a water emergency and ration water. All members will be notified by telephone where possible and WFWC. will regulate water use to specific times for example (6 a.m. to 9 a.m. and 6p.m. to 9 p.m.)so as to insure residential water use for as long as possible, or until the well is back to full operating capacity. DURING AN EMERGENCY WATER USE WILL BE RESTRICTED TO HOUSEHOLD USE AND MINIMUM LIVESTOCK WATERING ONLY. ANYONE CAUGHT WATERING LANDSCAPES OR FILLING SWIMMING POOLS DURING A DECLARED WATER EMERGENCY WILL BE FINED ONE- HUNDRED-DOLLARS (\$100.00) AND HAVE THEIR SERVICE IMMEDIATELY SHUT OFF. In the event water must be hauled in further restrictions may apply

### **OTHER SERVICES**

All meters will be replaced by WFWC. after they record One Million (1,000,000) Gallons of water usage.

Should a member dispute the accuracy of their meter, WFWC will replace the meter and have it tested for accuracy. Should the meter be

found to read accurately the member will be responsible for all testing fees and labor fees incurred by WFWC. Should said meter be found to be inaccurate the members bill will be adjusted and WFWC. will pay for any testing and labor fees.

### NEW SERVICE CONNECTIONS

To obtain a new service connection, an Application must be submitted to the Board of Directors by the Owner of the property to be served, and the payment of the CONNECTION FEE in the amount of Twenty-five Hundred (\$2,500:00) is required before installation can be initiated. The applicant for water service installation shall be informed of, and shall agree to, the following WFWC. requirements:

(A) Complete the required Application Form which will then be retained in the files of WFWC.

(B) Seven- Hundred Dollars (\$750:00) of the CONNECTION FEE is a reimbursement to WFWC. for a portion of cost for facilities in place and available for providing service.

Twelve Hundred and Fifty Dollars (\$1250.00) toward purchase and installation of larger water storage tank. The remaining Five-Hundred Dollars (\$500.00) to be place in a fund for replacing, enlarging or repairing the in ground pump. Other up-grades forced on the well facilities in order to provide reasonable and efficient service to all of the members, whether on site or for main line enlargements, will be paid for by the applicant.

(C) The Applicant shall pay the cost for a Contractor to excavate to the water main, install a double strap brass saddle on the main, a 3/4-inch curb stop, meter box, a 3/4-inch meter reading in gallons, a brass back-flow valve, and backfill the excavation. All excavation to extent main

lines must be inspected by WFWC's. Certified Well Operator before such excavation is backfilled.

(D) All products and material used for service installation shall be approved by WFWC's. certified Well Operator.

(E) Upon completion of the installation and its acceptance by the WFWC ownership of the water service, up to and including the meter, shall be conveyed to WFWC. and WFWC. will assume responsibility for it's maintenance.

(F) The applicant is responsible for construction and maintenance of the water service line from meter to residence.

(G) Each water service connection in the WFWC. service area shall serve only one residence. Multiple dwellings on a property each shall be provided with a separate water service connection complete with meter.

### **FORCED UPGRADES**

(H) Until the proposed water system up-grade is completed, any new line extensions and forced up-grades of well equipment (in order to insure water and service to all members) shall be installed by the Applicant at their expense. The Applicant must also sign and comply with WFWC Application for Main Line Extension . All new lines and equipment then become the property of the WFWC.

### **WFWA PAYMENTS**

All bills incurred by WFWC. shall be paid promptly and in full where ever possible

Any Member will be paid at the going rate for their trade, while working



on the maintenance aspect of the well, provided the work performed is ordered by the Board of Directors.

The Meter Reader will receive compensation for their expenses by having their monthly assessment fee waived for up to thirty meter readings (not including the well head reading) and will be paid at the rate of Fifty-Cents (\$0.50) per meter for all meters in excess of thirty.