CEDARVIEW-MONTWELL SPECIAL SERVICE DISTRICT

Policy – Relief from Leak resulting in Extraordinary Usage Billing Resolution adopted the 4th day of June, 2015

The following policy for relief from water line leaks resulting in extraordinary billings ("Leak Policy") is hereby adopted by resolution of the Board of Directors ("Board") of the Cedarview-Montwell Special Service District (the "District").

- 1. It is the general policy that relief from monthly billings will not be granted to lot owners.
- 2. Monthly billings shall be paid on time and any late payments shall bear interest and penalties as adopted by the Board pursuant to Utah Law.
- 3. It is the duty and obligation of each lot owner to maintain and properly protect the lot owner's water lines located after the District's flow meter. These owner water lines include those that may be internally installed in appliances and bathroom fixtures. Accordingly, the lot owner has responsibility for the water usage resulting from leaks in owner's water lines, which usage will be charged in the monthly billing.
- 4. Upon discovering a leak or water line break, the lot owner has the duty to immediately contact the District personnel so that the outside water line can be shut off as soon as practicable. The leaks may also be discovered by District personnel or neighbors, in which event the District will make reasonable efforts to shut off the outside water line as quickly as practicable, but the District cannot take responsibility to protect or prevent further damage to the residence or its contents and appliances. The District will make reasonable attempts to notify the lot owner based on information in the District's offices. It is the responsibility of the lot owner to make sure that the District offices have current owner contact information.
- 5. Upon receiving written notice from a lot owner for financial relief from an extraordinary increase in the monthly billing due to a leak, the District Manager will notify the Board of the circumstances and the Board may hear the matter and consider financial relief as the circumstances warrant in the Board's sole discretion. Matters that may be considered by the Board include such items as (1) whether or not the lot owner has requested relief previously, (2) what remedial action was taken by the lot owner, (3) the nature and extent of the owner's actions and/or disregard for taking preventive measures and (4) other factors which impacted the leak or increased the amount of water loss, which were beyond the control of the lot owner.