PWS 41-01502

Red Hills Estates Home Owners Association

Water System Governance Document

Oct 2, 2017

1. General

Cross Connection

Drinking Water Program

The HOA will maintain and operate a water distribution system to include the wells, pumps, associated electrical equipment and the main distribution line to the property line of each member of the association, at which point a meter shall be placed. Each homeowner will be responsible for the water line from the meter to his/her home and/or point of use.

2. Administration

The Board of Directors (BOD) will have responsibility for administering the system, establishing and collecting assessments and arranging for the operation, management, and maintenance of the water system, including negotiating and contracting with and supervising any person, persons, or business entities with respect to such matters. The BOD may have a water committee to assist it, or contract with a private water company.

3. The Water Committee

Service on the Water Committee is voluntary subject to approval by the BOD. Volunteers should possess an aptitude for mechanical and electrical concepts. Some physical work may be required. Good communication skills, including writing and the ability to interpret government regulations, are desirable. The water committee will be responsible for operating and maintaining the water system, troubleshooting problems, removal and replacement of system components, water quality testing, correction of water quality problems, communication with State agencies, required reports, and water issue correspondence preparation. At least one member must have a current small water system operator certification in order to perform duty as the Direct Responsible Charge (DRC).

4. Homeowner responsibilities and entitlement

Each homeowner will be entitled to and responsible for maintaining one service line from the water system. No new service lines or change in the existing service connection may be made which shall interfere with an existing line or the proper delivery of water. The homeowner will be charged for all usage or leakage from the service line on the homeowner's side of the meter. Backflow prevention devices must be installed by the individual homeowner on each irrigation system as required by law. Repairs to backflow prevention devices shall be at the expense of the homeowner. Backflow prevention devices that fail annual testing will be repaired within 14 days (see also paragraph 7D). Each homeowner is entitled to such water as may be necessary to supply their domestic needs. Each homeowner is entitled to water for irrigation needs as the water supply allows as determined by the BOD.

5. Water shortages and irrigation scheduling

In the event there is a shortage of water, the BOD may prorate the water available among the homeowners on such basis as is deemed equitable by the BOD. The BOD will

prescribe a schedule for water use for landscaping purposes and require adherence thereto, or they may restrict the use of water for landscaping purposes if there is insufficient water to meet household requirements.

6. Water meters

Meters shall be installed by the HOA on the property for which water is provided. The meter should preferably be located immediately adjacent to the public right of way or, if not, in an area acceptable to the BOD that will be safely and conveniently accessible for meter reading and service. Meters will display in gallons. The meters will be read bimonthly. These readings will be used to determine the variable portion, called Water Charges, of the bimonthly billed amount.

7. Cross connection program

The State of Oregon defines a cross connection as "any actual or potential physical connection between a potable water line and any pipe, vessel or machine containing a non-potable fluid, such that it is possible for the non-potable fluid to enter the potable water system by backflow." This rather broad-ranging definition is meant to cover all possibilities; for our water system, the most probable source of contamination is through our irrigation systems. Unless properly isolated from the water distribution system, an irrigation system could backflow or siphon back into the water distribution pipes during a period of very low water pressure. Thus, the State requires, through building codes, that equipment designed to prevent backflows be installed when a potential for contamination exists. The State also gives water systems the authority to discontinue water service to any premises on which a cross connection exists without proper protection.

To ensure that our water system is properly protected against contamination from backflow or siphoning, the following procedures will apply:

- A. Homeowners will ensure that only backflow prevention devices that are approved by the Oregon Health Division are installed.
- B. The Water Committee will schedule annual testing of backflow prevention devices. Such inspections will be performed only by certified testers.
- C. Costs to repair malfunctioning backflow prevention devices will be paid by the homeowner owning the equipment.
- D. The water committee will have the authority to inspect suspected cross-connections.
- E. Building/modification plans submitted to the BOD for approval will be reviewed for possible cross-connections.
- F. If malfunctioning equipment is not repaired within 14 days, the HOA may take action up to and including discontinuing water service to the affected lot.

8. Testing and reporting

Water quality testing will be accomplished at the State required intervals. This program will be administered by the water committee. Water quality testing costs will be apportioned equally among the homeowners and included in the annual HOA assessment. Backflow prevention device testing will be done annually at the expense of the homeowners. State mandated reporting requirements will be the responsibility of the BOD with assistance of the water committee.

9. The water permit

In Oregon, all groundwater is a public resource, controlled by the State, and used only with its permission. This is done through a permitting process. The supply of water used by and available to the HOA is described by such a permit. Our permit (G-13671) provides for water to be used for both household and irrigation requirements. Up to one thousand gallons per day per home is allowed for household requirements year round. Additionally, 2.5 acre feet of water (814,628 gallons) are allowed per acre during the irrigating season (March 1-Oct 31). The permit caps the flow rate at 74 gallons per minute. There are also limitations that take effect if the water table is adversely affected from one season to the next.

10. Water Conservation

The water system, while adequate for our development, does have limitations. When water is pumped from the wells, it lowers the water table- the more we pump, the greater the effect. As the water table drops, the pumps must work harder to lift the water to the surface, the amount of water that can be pumped to the surface decreases, wear and tear on the pumps increases, and your water bill will be higher. These effects can be mitigated through responsible use of the water, particularly for irrigation. One inch of water per week for irrigated areas is recommended for the Willamette Valley, an amount that has proven to be adequate in our development. Drip irrigation for shrubs and trees is highly effective as it delivers water only to where it is needed, greatly reducing the amount of water that would be required by conventional irrigation. Moisture sensors that monitor the moisture content of the soil and allow the irrigation system to come on only when needed are also highly effective in maintaining water usage at reasonable levels.

11. Water entitlement

Because the amount of water allowed by our permit is determined by the acreage under irrigation, each lot, by virtue of its size, "earns" some amount of water. Larger lots earn more water than small lots and are entitled to more water for irrigation. There are several variables to be considered when determining reasonable water use. These include:

- a. Lot size (less the non-irrigable areas of each lot),
- b. Limitations imposed by the water permit,
- c. Household use allotment of 1000 gallons per day,
- d. "Summer" irrigation rate of 1 inch per week.

12. Expenses

The cost to supply water is driven by three factors. First is the cost of equipment to pump and provide the water. Much of the equipment in the water system is subject to wear and has a limited life. The expected lives of the various pieces of equipment are variable and extend over several years so that failure and repairs or replacement can occur over time, not all at once. This allows the BOD to anticipate and amortize these costs in the annual budget. The second factor is the electricity needed to pump the water. This is a variable cost-the more water we pump the more electricity we use. The third factor is basically the cost to test water quality.

13. Fees and billing

Water bills will be sent out to homeowners bimonthly. They will reflect fixed costs and variable costs. At the beginning of each calendar year, the BOD will determine the fixed cost (amortized component replacement costs, water testing costs and system improvement costs). These will be borne equally by each homeowner. Variable cost is the price of electricity to pump the water. This will be billed to reflect the percentage of water used by that homeowner over the billing period. For example, if a homeowner used 5% of the total water pumped during the billing period, he/she would pay 5% of the electric bill.

Water meters at each lot will be read bimonthly on or near the 23rd (to coincide with the PGE meter readings) of November, January, March, May, July, and September. Water bills will be sent out no later than one week after the meters are read. Payment will be due by the 15th of each month following the end of a billable period. A late charge of \$5.00 shall be applied to all unpaid amounts carried forward to the next billing period's statement.

14. Non-payment

If payment is not made within 45 days of its due date, the delinquent homeowner will be given no less than 10 days notice of the HOA intent to cut off water service. Said notice will include an opportunity for the delinquent homeowner to appear before the BOD to contest the proposed cut-off prior to the effective date of such action. If payment is not made within 60 days of its due date, the HOA may cut off water to the lot of the delinquent homeowner.