

Holliday Water Company Customer Service Policy and Procedures

Thank you for being part of Holliday Water Company. We are proud to produce and deliver safe, clean and affordable drinking water for our Holladay and Millcreek customers. Our abundant water supply comes from local springs and aquifers and is pumped through a reliable pipeline system to about 4,000 homes and businesses. Here are policies and procedures for providing this precious resource to shareholders and their tenants:

1. Each premises in Holliday Water Company's service area must be assigned at least one company share to qualify for a service line, meter and water. Each share includes 60,000 gallons of free water per year (divided into four quarters); additional water is billed at a tiered rate (see "Rates" under "Customer Service" tab).
2. When a property with a water meter is sold, the stock assigned to that property and water meter must remain with it. If a property within the company's service area is subdivided, the owner must purchase another share before a meter can be installed at the new property. One stock share costs \$10,000. Additional shares can only be purchased from a shareholder who has additional shares to sell.
3. Hook-up fees start at about \$2,500 for a ¾-inch line and meter (contact the company for exact pricing for service lines and meters). The hook-up fee covers the cost of tapping the main line and installing a corporation valve, a meter, meter box, yoke and valves (builder is responsible for excavation to the main and type-K copper piping). The customer can choose their own piping material beyond the meter. A \$5,000 refundable deposit is also collected when a home is being built or remodeled; the deposit is refunded once landscaping is completed to grade and no damages occurred to the meter, meter box or service line. The deposit is forfeited after 2 years from the application date if applicant does not complete a final inspection with Holliday Water Company.
4. All water delivered by the company to its customers must be metered. The company will check, inspect, change, or adjust the meter at its own discretion. Customers must not open meter boxes to turn the water off or on without company permission except in the event of emergency. Tampering with the water meter operation is prohibited. The company assumes the responsibility and expense of the meter's operation and maintenance.
5. If a meter fails, the company will produce an estimated bill based on historic usage from a comparable period and repair or replace the meter.
6. Customers are responsible for protecting the water meter and ensuring clear and safe access to meter boxes. Please secure all animals, and remove debris and overgrowth so meter lids are visible. Do not plant trees next to or near meter boxes; the roots can damage

the meter facility. Make sure meter lids are properly secured to prevent the meter from freezing, or injury to person stepping on lid.

7. The company is responsible for the distribution lines to, and including, the meter. Customers are responsible for the water lines from the meter outflow to buildings and landscaping systems.
8. The company shall not be held liable for damages caused by a service interruption.
9. Each quarterly bill includes a minimum charge. It's a charge that helps cover fixed costs associated with providing water service. It is billed to everyone, even if no water is used.
10. Four bills are sent out yearly (January, April, July and September). Bills must be paid by the payment due date (see statement) to avoid a late fee of \$7. If a bill becomes 30-days past due, a shut-off notice will be issued. If the water is shut off for nonpayment, a shut-off fee of \$25 will be assessed. Full payment, plus late fee, shut-off fee and a \$25 initiation fee must be paid before service is restored. An additional after-hours fee may also apply.
11. Customers must permit access to property for company personnel and equipment.
12. To discontinue service, customers must contact the company at least three (3) working days before shut off. The company will read the meter and provide a final bill within one week. Failure to contact the company will result in the customer being responsible for continued water use until the company is notified of the discontinuation of service.
13. Rental properties will be set up under the property owner's name, with billing statements being sent to the attention of the renter. Contact information (including an address and phone number) for the property owner is required in order to set up a rental customer account. Should an account go unpaid following a renter's departure, the property owner remains responsible for any unpaid account balance.
14. A \$20 service charge will occur on any returned check. If a consumer has had two returned checks, the company reserves the right to make an account "cash only." The company accepts electronic credit or debit card, e-checks and online payments at www.xpressbillpay.com or by phone.
15. Customers are responsible for protecting their water system from contamination. It is illegal to install or connect piping or fixtures that could allow any harmful fluid or substance to backflow into the company's water system. Properly working backflow prevention devices or assembly designs protect against such contamination. Holliday Water Company customers are responsible for all costs of installing and testing of backflow prevention devices or assemblies on their side of the water meter. Backflow prevention devices or

assemblies required by the state shall be tested not less than once each year by a State of Utah Certified Backflow Technician. Test results shall be furnished to the company 10 days of initial installation or any system modification. Water service may be discontinued to any user who is found to be in violation of the rule and who fails to take corrective action within ten (10) days after violation notification, except that water service may be discontinued immediately if an immediate threat to the water supply exists. Any person who violates the provisions of this section shall be civilly liable to the company, and to third persons negatively affected, for all damage proximately caused by said violation. If legal action is necessary to enforce the rights of the company, the person violating the provisions will be liable for reasonable attorney fees and costs. If the company incurs costs as a result of a person's backflow noncompliance, the company shall have the right to place a lien on the person's property under state law.

16. Transferring a Holliday Water Company share occurs when property is sold or when a property-owner acquires additional shares. Share owners are required to notify the company of the transaction. Title companies can also handle the transaction. Original stock certificates are retained by the company; copies can be provided to the owner.
17. Fire lines are required for certain developments to help ensure adequate water pressure and flow for fighting fires. These lines are owned and maintained by the property owners, who are also responsible for maintaining these lines and any fire hydrants on these lines. Because meters are not installed on fire lines, a fire-line charge – based on the size of the fire-line – is itemized and included on the billing statement. Visit our website for current rates.
18. Residents who have Holliday Water Company irrigation ditches running through their property are responsible for maintaining the ditches on their properties to ensure free-flowing water. These ditches are necessary for Spring Creek runoff, irrigation for those who have Holliday Water Company irrigation shares, and for community storm-water drainage.