SOUTHEAST WATER SUPPLY CORPORATION WATER LEAK POLICY

In an effort to assist customers in resolving a catastrophic and unavoidable water leak issue, the following procedures are established:

- 1. The customer shall submit in writing to the Board of Directors clearly explaining WHY THE LEAK WAS UNAVOIDABLE.
- 2. Southeast Water Supply Corporation reserves the right to inspect the site to justify the break as a legitimate occurrence as defined by the policy.
- 3. All members are required to install a personal cut-off valve 2' from the meter. If a personal cut-off valve has not been installed; or if one has been installed and is not in use as a leak preventative when the customer is away from the property, the Board has voted to refuse any credit toward bill payment and the water bill must be paid in its entirety. However, an installment plan may be agreed upon in either case.
- 4. Situations considered catastrophic and unavoidable that are covered by the Water Leak Policy are leaks resulting from an unexpected event, which results in a water usage bill that exceeds twice as much as the customer's normal usage, caused by an unexplained incident such as ground changes, pipe failure due to weakening or defect or other events that the Member could not control.
- 5. The General Manager may authorize a 50% reduction of the water usage amount billed if he or she is satisfied that the charge is for a bona fide unavoidable leak and the amount of the water bill is more than \$500.00. This can only be used ONCE every 12 months.
- 6. The above incidents are considered by the Board of Directors as catastrophic. Charges resulting from faulty valves, hoses left running, unusual water consumption, leaking toilet, unaccountable water loss, malfunctioning appliances, filling swimming pools, freezing weather conditions, etc. are considered items to be maintained by the customer and not a catastrophic leak as defined by this policy.

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- 7. Members may make payments to Southeast Water Supply Corporation for the additional charge after an adjustment has been made. A payment of the water bill, divided over a period of three to six months depending on the amount of the remaining charges, must be made in addition to the current monthly water service fees and charges until the account is paid in full. Payments must be made before the 15th of each month. Failure to fulfill the terms of the payment agreement shall institute the Corporation's disconnection procedures as set forth in the Corporation's Tariff unless the Member makes other satisfactory arrangements approved by the General Manager.
- 8. Incidents not defined in this policy are to be discussed and handled by the Board of Directors.

ATTEST: I certify that I was present at the Board of Director on December 19, 2017 in Centerville, Texas, and the foregoing Water Leak Policy was adopted by a majority vote of the Board of Directors.

Royce Keeling, President David Karrer, Secretary/Treasurer

corporation seal

Adopted 12/19/2017