RULES AND REGULATIONS

OF

HILL COUNTY WATER DISTRICT

Codified and adopted by the Board of Directors of the Hill County Water District, June 1, 1988.

1.0 DISTRICT SERVICES.

Due to the District nearing capacity for its system, any proposed construction or expansion that will require a new water service connection or an increase to usage on an existing water service connection, including but not limited to stick built homes, shops, manufactured home parks, recreational vehicle parks, private or public parks, private or public ponds, underground sprinkler systems, plant or flower nursery and private or public garden plots, whether on a branch line or in a town, said person or water user/consumer shall contact the District prior to construction for approval to obtain a water service connection or increase their usage. Any proposed construction approved for a new water service connection shall receive a completed connection permit upon completion of the connection permit request. (Amended by Ordinance No. 2026-2 dated July 3, 2026)

1.1 CONNECTION PERMIT.

No person shall connect to a water service line to receive water from the Hill County Water District without a permit in the following form:

PERMIT

_____ is hereby granted this permit to connect to a water service line carrying Hill County Water District water. This permit is granted with the understanding that the installation will conform to the "Permit Request" heretofore filed. Any deviation from the information contained in said Request without written consent of the Hill County Water District will void this permit and connection will be disallowed.

This permit is not transferrable.

FEE: $_____

DATED: _____

HILL COUNTY WATER DISTRICT

By:_____

(Amended by Ordinance No. 2026-2 dated July 3, 2026)

1.2 CONNECTION PERMIT REQUEST.

Any person requesting delivery of water from the Hill County Water District shall complete the following:

WATER CONNECTION PERMIT REQUEST

To: Hill County Water District

Applicant: _____
Address: _____
_____
Phone No.: _____

(I), (We), hereby request a permit to allow (me), (us) a connection to the Hill County Water District System. (I), (We) submit the following information:

Location of Line: * _____
_____
Length of Line: _____
Construction Materials: (Type of pipe, valves, etc.)
_____
_____
Contractor making installation: _____
Address: _____
Phone No.: _____
Date installation to commence: _____
Date installation to be completed: _____

Dated this ____ day of _____, 20__.

_____
Property Owner

*Attach copy of map, plat or drawing showing location of line in relation to buildings, septic system, roads, fences or other improvements to show location and place of connection.

By execution of this permit request property owner acknowledges examination of the Rules and Regulations of the Hill County Water District and agrees to comply with them while receiving water from the Hill County Water District.
(Amended by Ordinance No. 2026-2 dated July 3, 2026)

1.3 CONNECTION CHARGES FOR NEW USERS.

Each new water user, whether a household or business, who wishes to receive water from the District shall pay a fee prior to connection.
The District shall supply the following with the connection fee:

1. A saddle;
2. A corp stop;

3. A curb stop;
4. A curb box;
5. 5/8” meter with bronze connectors
6. A double check valve; and
7. A PRV.

If a larger meter (1” meter) is requested the water user must pay the difference in price. This charge shall be applicable to any new connection.

For new water services, the water user shall pay all expenses incurred in connection with the tapping of the main. The water user shall be responsible for all expenses related to laying and maintaining the service pipes from the main to the premises of the water user. All supplies used to receive water from the District shall comply with the Montana Section of the American Water Works Association (MSAWWA) standards.

In instances where there is a change in ownership to a household or business with an established connection, Hill County Water District must be notified of the change. A $50 change of ownership fee shall be assessed for the transfer in service. (Amended by Ordinance No. 2026-2 dated July 3, 2026)

1.4 WATER CHARGES.

Effective July 3, 2026, water rates for Hill County Water District users shall be as follows:

¾” & 1” residential - $54 monthly plus $4.00/1,000 gallon.

1½” residential & commercial - $94 monthly plus $4.00/1,000 gallon.

2” residential & commercial - $174 monthly plus $4.00/1,000 gallon.

¾” & 1” seasonal use taps - $54 monthly plus $4.00/1,000 gallon, charged and payable only in months when actually used.

A user shall be defined as a household or business establishment which is connected to a Hill County Water District service line, whether or not water is used in the month of the charge, unless an exception within these rules relieves the user from a fee.

A Seasonal Use Tap user shall be defined as a hydrant/tap used for servicing livestock, gardens, trees and lawns and shall never be connected to any buildings. Seasonal Use Taps may be used for Nonprofit Organizations upon Board approval.

1.5 BULK STATION CHARGES.

Water being metered through bulk stations shall be charged at a rate of $4.80/1,000 gallons. Any fees paid for the use of bulk keys are nonrefundable if they

are returned or no longer used. (Amended by Ordinance No. 2026-1 dated July 3, 2026.)

1.6 FIRE HYDRANT CHARGES.

Water used to fight fires will be provided free of charge. All hand/yard hydrants will be sealed. Any failure to report a broken seal to the Hill County Water District shall be considered a violation subject to a penalty of up to $250. (Amended February 7, 1989)

1.7 CHARGES TO CHURCHES & SCHOOLS.

A Church and Parsonage shall be considered as one user, paying the rates of a single household.

Schools that operate more than one building unit shall be charged for each unit separately for the entire year.

1.8 CHARGES TO TRAILER PARKS & CAMPGROUNDS.

Any Campground or Trailer Park Owner, shall be responsible for any and all fees, as set forth in Rule 1.4, for any Campground or Trailer Park Tenant's water use, regardless of the length of stay. (Amended by Ordinance No. 2026-2 dated July 3, 2026)

1.9 MINIMUM PAYMENT – FREEZE-UPS.

Frozen pipes beyond the curb stop meter are the responsibility of the user. Water users must pay the minimum monthly rate regardless of water use. The right to connection to the Hill County Water District lines is the basis for the charge. No exceptions will be made for frozen pipes. (Amended by Ordinance No. 2010-5 dated April 7, 2010.)

1.10 ADJUSTMENT FOR BREAKS.

Water line breaks beyond the meter are the responsibility of the user. The water lost must still be paid for by the user according to the meter reading.

The district reserves the right to disconnect or to shut off the service of water to any service line or connection when it is determined that there is a water leak or break which stands unrepaired or unresolved by the consumers or consumer on the extension line or service connection.

1.11 TEMPORARY DISCONNECTS.

The water user may have the water service temporarily disconnected at any time by notifying the District in writing and upon payment of $15 for discontinuation of service. Within five business days after the District has received such notice and payment, the District shall shut the water off at the curb. The water user shall continue to be charged the current monthly base rate plus operation and maintenance (O & M) fees. These costs are incurred regardless of water use. The water user may have the water service restored at any time by notifying the District in writing and upon payment of $15 for restoration of service. Within five business days after the District has received such notice and payment, the District shall turn the water on at the curb.

Turn on and off liability disclaimer: The District shall not be liable for any damage to a person's property that may result from the turning on or turning off of the water to a user's premises as provided for in these Rules and Regulations or from the water being left on when the premises may be unoccupied. (Amended by Ordinance No. 2010-7 dated May 5, 2010 and Ordinance No. 2012-3 dated May 2, 2012.)

1.12 DISTRICT TO PROVIDE METERS.

a. All services shall be metered.

b. The District shall provide and shall continue to own, maintain and operate all equipment necessary for the measurement of water. Where additional meters are requested by the user and are furnished by the District for the convenience of the water user, a charge for such meters shall be made to the user.

c. For all new water services, the District shall not furnish water from one meter to two (2) or more houses, regardless of whether they are owned by the same person, unless otherwise approved by the District prior to a new service connection. The District shall also provide and shall continue to own and maintain the curb boxes and curb risers for all new water services.

d. The District may install or replace any meter, at such time as it may see fit, and shall determine the size of any meter installed. (Amended by Ordinance No. 2026-2 dated July 3, 2026)

1.13 LOCATION OF METERS.

In all cases where a meter is installed, the user must furnish proper protection from frost or other damage, placed in an area free of health or safety hazards. The

meter must be located where it is easily accessible for reading purposes and repairs. If meters are not placed as directed, and where meters are broken or damaged by negligence of owners or occupants of premises, any and all damages due to such negligence shall be paid by the owner of the premises. Damages shall be determined by the Board. (Amended by Ordinance No. 2026-2 dated July 3, 2026)

1.14 METER POLICIES.

All towns and branch line connections to the District shall be equipped with a master meter.

In the event a town or branch line refuses to allow the installation of a master meter, the town or branch line shall be given a thirty (30) day notice of disconnection for failure to comply with the terms of the written Agreement between the District and town or branch line and for failure to comply with the District's Rules and Regulations. (Amended by Ordinance No. 2013-1 dated February 6, 2013.)

1.15 RESPONSIBILITY OF DISTRICT.

The District shall be responsible for providing its users with water which is safe for human consumption.

The District provides its water users /consumers with water from sources approved through the Montana Department of Environmental Quality.

The District shall also be responsible for all costs associated with maintenance, repairs and upgrades to its main line.

(Established by Ordinance No. 2010-6 dated April 7, 2010; Amended by Ordinance No. 2018-1 dated May 2, 2018)

1.16 MAINTENANCE AND REPAIRS OF CURB BOXES AND CURB RISERS.

Maintenance and repairs of curb boxes and curb risers shall consist of the following:

All curb risers shall be the standard adjustable riser with tar coating or a manufactured on site riser. All on site risers shall be made out of schedule 80 pipe in either 1½ inch or 2 inch pipe. The top of the riser shall have a glued 1½ inch female pipe thread fitting. The cap shall be a 1½ inch star cap. (Established by Ordinance No. 2010-6 dated April 7, 2010.)

1.17 ACCESS BY DISTRICT.

A. Right to Entry: The District and its employees shall have access at all reasonable hours to the premises of the water user for the purpose of reading or

testing of meters, installing, removing, or replacing the District's property and for other purposes incident to the supplying of service.

B. Access to Easements: The District and its employees shall be permitted to enter all private properties through which the District holds a duly negotiated easement for the purposes of, but not limited to, inspection, observation, measurement, sampling, repair and maintenance of any portion of the water facilities lying within said agreement. All entry and subsequent work, if any, on said easement shall be done in full accordance with the terms of the easement pertaining to the private property involved.

(Established by Ordinance No. 2010-8 dated May 5, 2010.)

1.18 COMBINED DISTRIBUTION SYSTEMS.

A combined distribution system is the interconnected distribution system consisting of the distribution systems of wholesale systems and of the consecutive systems that receive finished water, pursuant to 40 CFR §141.2.

The Montana Department of Environmental Quality (DEQ) has defined the District as a combined distribution system. The District shall be described as the wholesale system and every water user/consumer (whether a town, branch line or individual user) shall be described as the consecutive system that receives finished water. The District shall be listed as the responsible party for the combined distribution system in the Montana Department of Environmental Quality's system.

A water user/consumer shall be responsible for maintenance, repairs and upgrades to their distribution system and all costs associated with maintenance, repairs and upgrades to their distribution system.

A water user/consumer shall advise the District of any changes in operation, including personnel and/or consumer information. If a water user/consumer intends to make any repairs to their distribution system, the District must oversee that all repairs are completed within the Montana Department of Environmental Quality standards since the District is listed as the responsible party with the Montana Department of Environmental Quality.

All repairs must be completed within 10 calendar days from the date the leak is discovered or brought to the attention of the system.

The District shall advise a water user/consumer of any leaks they find.

If a water user/consumer neglects completing leak repairs on its distribution system within the time allowed, the District shall have the repairs completed and said water user/consumer shall be responsible for all fees incurred by the District.

If a water user/consumer does not comply with the Districts Rules and Regulations, the District shall contact the Montana Department of Environmental Quality and have the water user/consumer removed as the District's responsibility and set up as its own public water supply system. Said water user/consumer will then become an active public water supply and solely responsible for completing all requirements set forth by the Montana Department of Environmental Quality.

Any water user/consumer that does not want the District listed as the responsible party shall contact the Montana Department of Environmental Quality and have the water user/consumer activated as a public water supply system. Said water user/consumer will then be solely responsible for completing all requirements set forth by the Montana Department of Environmental Quality.

A water user/consumer shall be defined as any town, branch line or individual user receiving and/or purchasing water from the District. (Amended by Ordinance No. 2026-2 dated July 3, 2026)

2.1 BACK FLOW PREVENTORS.

All persons who obtain water from the Hill County Water District by connecting to any existing system distributing water shall be required to have placed upon their service line a back flow preventor to prevent any contaminated waters which arise in the place of use from flowing into the water district distribution lines and other systems.

2.2 BACK FLOW PREVENTION – SPRAY TANKS, LIVESTOCK WATERING SYSTEMS, FERTILIZER PLANTS AND BOILER SYSTEMS.

All persons who obtain water from the Hill County Water District by connecting to any existing system distributing water shall be required to have placed upon their service line a back flow preventor to prevent any contaminated waters which arise in the place of use from flowing into the water district distribution lines and other systems.

3.1 DELIVERY FROM WATER HYDRANTS.

Any water taken from fire hydrants shall be taken only by fire departments or individuals given permission to do so by the district's manager. Any board member requested to allow such removal of water shall contact the manager for approval.

4.1 NON-USERS RECEIPT OF WATER FROM USERS.

Non-users may under no circumstances receive water for their household from a user by garden hose or other means. No users shall permit the connection of any piping that will permit water service to be made available to non-user

households without the permission of the District. (Amended by Ordinance No. 2010-5 dated April 7, 2010.)

4.2 USERS RECEIPT OF WATER.

A user may connect a service line to an outbuilding(s) as long as the outbuilding(s) does not cross a street or alleyway. In the event the outbuilding(s) crosses a street or alleyway, the user shall be required to pay for two connections.

A user may under no circumstances connect by service line, garden hose, or other means, two households continuously without the permission of the District. A separate service line must be installed by the user to supply each residence or business premises and the user must not permit the connection of any piping which will permit water service to be made available to any other household without the permission of the District. (Established by Ordinance No. 2010-4 dated March 3, 2010.)

5.1 WATER RESTRICTIONS.

The board shall have the authority to impose water restrictions as the need may arise, giving preference to use for emergency purposes and those areas within the legal boundaries of the district.

6.1 PREPAYMENT POLICY.

Water meters must be read on a monthly basis and billings sent to the respective users. Water users may prepay their bill during any period of time they desire. The billings made monthly will reflect water used over the minimum and the charges. These charges will be accumulated on the client's bill month to month, and the user may pay them at such time as desired.

Charges over and above the minimum as accumulated and billed must be paid at least once a year.

7.1 SERVICE LINE CONNECTION.

Any additional lines to the water system must be approved by the State Board of Health prior to request for connection to the Hill County Water District. (Amended by Ordinance No. 2026-2 dated July 3, 2026).

8.1 SERVICE LINE DISCONNECTS.

Involuntary disconnects shall be left to the discretion of individual water Associations for those users who are not billed directly by the District. The District, however, reserves the right to involuntarily disconnect a user for violation of the District's Rules and Regulations upon thirty days' written notice demanding payment of any delinquent account or correction of any other violation of the District's rules.

The water user shall be required to pay all amounts due and owing, including the amounts past due and currently billed for water use. In the event of an involuntary disconnect, due to violation, the user shall also pay a reconnect fee of $325 to the Administrative Party (either the individual water Associations, or the District) which generates the user's bill. (Amended by Ordinance No. 2026-2 dated July 3, 2026)

9.1 BILLING PROCEDURES AND METER READINGS.

All users shall be billed monthly for water used in the previous month. All accounts are due and payable on the 15th of the proceeding month. Accounts not paid by the due date shall be considered grounds for disconnection.

A finance charge of 2% per month shall be added to all accounts past due.

Meters shall be read monthly by the District. Towns and branch lines shall be read monthly by the District at the master meter and billed accordingly.

The District will make billing services available to individual water Associations if they so choose to use that service. Associations will be charged $4 per water user/consumer per month to cover materials, software, and administrative costs. (Amended by Ordinance No. 2026-2 dated July 3, 2026)

9.2 SERVICES PROVIDED TO OTHERS BY DISTRICT EMPLOYEES.

When another water district, town, branch line, water user or any other group or individual requests District employees to provide services during a District employee's scheduled shift, said water district, town, branch line, water user or any other group or individual shall reimburse the District for its employee's time. Said reimbursement shall be based on the amount of time taken to perform the services and the District employee's hourly wage. The District shall bill said water district, town, branch line, water user or any other group or individual for services performed in a timely manner. District employees shall advise said water district, town, branch line, water user or any other group or individual of this policy at the time the request is made.

In the event another water district, town, branch line water user or any other group or individual has issues with its distribution system which leads to the District receiving a violation from the Montana Department of Environmental Quality, said water district, town, branch line water user or any other group or individual shall be responsible for all fees incurred, including all sampling costs, related to the violation. The District shall not be liable for any damages caused to a distribution system for another water district, town, branch line water user or any other group or individual. (Amended by Ordinance No. 2015-1 dated April 1, 2015)

10.1 WATER PURCHASE AGREEMENT.

Every consumer (whether an individual user, town or water group) shall execute a Water Purchase Agreement, in the form attached hereto prior to receipt of water from the Hill County Water District. (Amended by Ordinance No. 2015-4 dated May 6, 2015)

11.1 PENALTIES FOR VIOLATIONS.

Section 1. It shall be a violation of the rules and regulations of the Hill County Water District for any person to intentionally or willfully, directly or indirectly, tamper with or interfere with the meter which regulates and/or monitors the flow of water from the Hill County Water District water lines into and upon the premises of any person consuming said water. Should the metering device be found to be tampered with, the owner of said property purchasing water from the district shall be responsible for the same and subject themselves to a penalty on the first offense of a penalty of $100. For a second or subsequent offense, the penalty shall be $200 and/or the loss of future water services.

Section 2. It shall be against the rules and regulations of the Hill County Water District for any person to knowingly, willfully or otherwise utilize water in an amount in excess of and contrary to the directives of the Hill County Water District at such time as the board shall impose watering restrictions. The board is empowered to limit and regulate watering, irrigation and use of water in any manner and in so doing may post notices in public locations and may advertise through the news media regulating said use.

A violation of this section, by any person utilizing the services and water of the Hill County Water District, shall result in the imposition of a penalty for each day the violation occurs. The first violation will result in a penalty of up to $100.00, for the second, a penalty of up to $200.00, and for the third, immediate termination of water service. A reconnection fee of $325.00 will be required for resumption of service. Use of water shall allow access to the users' property for purposes of inspection of the connection, meter, or termination of service as allowed by these rules. (Adopted at the regular meeting of Hill County Water District on February 6, 2002.)

Section 3. Any person who knowingly violates any of the foregoing rules and regulations shall be subject to a penalty to $100 per violation.

AGREEMENT

THIS AGREEMENT, made and entered into by and between the HILL COUNTY WATER DISTRICT, of Hingham, Montana, hereafter referred to as "District" and _____ of _____ _____, Montana, hereafter referred to as "Consumer".

WITNESS:

WHEREAS, the District owns and operates a water supply and transmission system between Fresno Reservoir and Joplin, Montana, and

WHEREAS, the purpose of said District is to sell water to consumers, namely residential, commercial and industrial users, collect the monies from the sale of water and retire the District's indebtedness, and

WHEREAS, the Consumer has built a water distribution system or transmission line which connects with the District's system for the purchase and distribution of water, the parties hereto desire to enter into this agreement setting forth their rights, duties and obligations concerning the sale and purchase of water, potable or nonpotable, and the connection of the two systems.

NOW, THEREFORE, IT IS AGREED, that the District will sell and the Consumer will purchase water from the District during the term set forth herein, subject to the conditions, and the Rules and Regulations of the District as may be expressed hereafter by board policy and the covenants and promises herein contained.

IT IS AGREED, that the Consumer has designed and constructed a system and services lines. Further, that said plans have been submitted to the Department of Environmental Quality, for its approval and a letter from said agency or agencies has been submitted to the District approving the system.

IT IS FURTHER AGREED, that the Consumer shall agree to abide by all Rules and Regulations of the District as are now presently in force or which shall be adopted in the future by said District. Notice of any changes of the Rules and Regulations shall be provided to the consumer referred to above by mail at the time of their alteration. They shall also pay the water rates as assessed by the District and all connection charges.

IT IS AGREED, that the water service line which is connected to the District, is owned specifically by Consumer, serviced by it, financed and paid for by it and the District shall not be deemed an owner of that system.

IT IS FURTHER AGREED AND UNDERSTOOD, that the District has enacted an ordinance providing for the imposition of fines and penalties for tampering with meters and metering devices and for the violation of lawfully imposed water restrictions. The Consumer of this line agrees to be bound by these Rules, Regulations and Ordinances in consideration of the sale of water by the District to it. The Consumer agrees that District personnel shall be allowed on the Consumer's property for inspection of the Consumer's water system at any time to assure compliance with this Agreement and the Rules and Regulations of the District.

IT IS FURTHER AGREED AND UNDERSTOOD, that circumstances may exist which render the District incapable of supplying water to Consumer's system. In the event this Consumer agrees that they shall not hold the District responsible for failure to supply water and it is agreeing to connect to this system knowing that circumstances may exist in the future which require the District to discontinue service or supply water to it.

IT IS FURTHER AGREED, that each consumer within the proposed system or extension agrees to pay the established connection charge for the water. Any new user who desires to purchase water shall complete the District's connection request and shall not proceed further unless a permit is issued by the District. This is deemed a non-refundable charge that is uniformly applied throughout the District and any existing systems who acquire water from the District.

IT IS UNDERSTOOD, that should the Consumer herein have an existing source of water which may consist of shallow or deep wells, reservoirs or other type of water access which creates a cross connection, it agrees to install back flow preventors, air break, or such other equipment in its system to protect the District from any contaminated waters which may be present in its existing water source. They additionally agree to hold harmless the District from any liability from contamination. Any additional alternate systems of water which may be used or which have been used will be isolated from the District's water.

Any use of water under this Agreement should be in compliance with the Montana State Health Department regulations. The Montana Department of Environmental Quality requirements provide that any system in excess of ten or more users shall have a certified water operator for securing water samples for analysis. Consumer herein agrees to provide such or to utilize the services of the District's employees in performing this function.

IT IS AGREED AND UNDERSTOOD, that should the Rules and Regulations presently imposed by the District be changed, amended or otherwise altered this Agreement for all intents and purposes shall be impliedly amended to conform to those Rules and Regulations as may be lawfully imposed by the District.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the _____ day of _____, 20___.

HILL COUNTY WATER DISTRICT

By:_____
Its:_____

ATTEST:

_____
Secretary

_____
Consumer

(Amended by Ordinance No. 2026-2 dated July 3, 2026)