Indian Lake Club, Inc. Water Utility Policy Table of Contents

ARTICLE I – GENERAL

| Sec. 1 | Scope of Provisions | 3 |
|------------------|---|---|
| Sec. 2 | Liability for Damage | 3 |
| Sec. 3 | Right to Temporarily Interrupt Service | 3 |
| Sec. 4 | Waste of Water Prohibited | 3 |
| Sec. 5 | Maintenance of Pipes | 3 |
| Sec. 6 | Application for Service | 3 |
| Sec. 7 | Tampering with Water Pipes | 4 |
| Sec. 8 | Winterizing Homes | 4 |
| ARTICLE I | I – RATES AND CHARGES | |
| Sec. 1 | As Determined by ILC | 4 |
| Sec. 2 | Payment of Rates and Charges | 4 |
| Sec. 3 | Failure to Pay Annual Assessment | 4 |
| Sec. 4 | Tap-in Fees | 4 |
| ARTICLE I | II- CONNECTION TO WATER DISTRIBUTION SYSTEM | |
| Sec. 1 | Connections from Outside | 5 |
| Sec. 2 | Tap-in | 5 |
| Sec. 3 | Property Owner Connection | 5 |
| Sec. 4 | Connections to Remaining Property of ILC | 5 |
| ARTICLE I | V – WATER CONSERVATION | |
| Sec. 1 | Purpose | 5 |
| Sec. 2 | Stage I – Voluntary Guidelines | 6 |
| Sec. 3 | Stage II – Mandatory Rules | 6 |
| Sec. 4 | Lifting of Restrictions | 6 |

ARTICLE V - WATER DISTRIBUTION SYSTEM CONSTRUCTION STANDARDS

| Sec. 1 | Connection to Water Distribution Supply Main | 7 |
|--------|---|----|
| Sec. 2 | Property Line Shut Off Valve & Box | 8 |
| Sec. 3 | Required Tracer Wire Installation | 8 |
| Sec. 4 | Under Pressure Tapping of Water Distribution Main | 9 |
| Sec. 5 | Material Break Down List and Drawings | 10 |

Indian Lake Club, Inc.

Water Utility Policy

The following Water Utility Policy has been adopted by the Indian Lake Club, Inc. Board of Directors on August 16, 2001.

ARTICLE I – GENERAL

Sec. 1 Scope of Provisions

All pertinent provisions of this policy are hereby made a part of the terms and conditions whereby Indian Lake Club, Inc. (hereafter known as ILC) furnishes water service to any property within Indian Lake Estates. A Water Management Company may be selected by the Board of Directors to operate and manage the community water system on behalf of Indian Lake Estates (hereafter referred to as ILE) property owners.

Sec. 2 Liability for Damage

ILC shall not be liable for any damage to the property of any consumer of water service furnished by ILC except when such damage is due to the negligence of ILC.

Sec. 3 Right to Temporarily Interrupt Service

ILC reserves the right to cut off any utility service without notice in case of emergencies. When an interruption in service is necessary for maintenance and improvement to the utility system, affected water users will be notified as circumstances permit.

Sec. 4 Waste of Water Prohibited

No person receiving water from water distribution system of ILC shall allow the water to be wasted at any draft, spigot, standpipe, water closet, or otherwise.

Sec. 5 Maintenance of Pipes

Water service consumers shall keep their pipes and fixtures in good repair and shall be responsible for all costs associated with a leak occurring within their property lines.

ILC would be responsible for all costs associated with a leak within the community or public property. If there is an existing shut-off valve at the property line, the valve location will determine who is responsible. If there is not a shut-off valve, then the property owner will be responsible if the leak originates within the property lines.

Sec. 6 Application for Service

Application for water hook-up shall be made as part of the Architectural Control request for construction on the property. See ARTICLE III – Sec. 3 for details.

Sec. 7 Tampering with Water Lines

No main line water valves shall be shut off before contacting the HOA water committee chairman. Water users are responsible for knowing the location of their property shut-off valve.

Sec. 8 Winterizing Homes

Due to extreme cold weather or power failures, each service connected to the system which is not in active use through the winter shall have water turned off, both at the property line shut-off valve and the house shut-off valve. If no street shut-off valve exists, then the water should be turned off at the house shut-off valve. The home should be winterized, as well. The property owner shall be responsible for all damages that occur on their property.

ARTICLE II – RATES AND CHARGES

Sec. 1 As Determined by ILC

ILC Board of Directors shall determine the fees imposed for the water service furnished to consumers or users thereof.

Sec. 2 Payment of Rates and Charges

The cost of water service is part of the Annual Assessment, Operations.

Sec. 3 Failure to Pay Annual Assessment

Once an Annual Assessment becomes more than 90 days in arrears, the Board of Directors may, as per North Carolina Statutes 47F-3-107.1, schedule a hearing before the executive board to determine if the property owner shall have their water service terminated due to lack of Annual Assessment payment.

The property owner shall be given notice of the hearing, an opportunity to be heard and to present evidence. Following the hearing, the executive board will provide notice by certified mail of its decision and termination of service date, if applicable.

If it is decided that a suspension of water service is to be imposed, the suspension may be continued without further hearing until the violation has been cured (Annual Assessment Paid).

Sec. 4 Tap-in Fees

The cost to connect to the water main including a tap-in, stub to property line and property line shut-off will be the responsibility of ILC and covered under the impact fee assessed as part of the Architectural Control request approval.

ARTICLE III- CONNECTION TO WATER DISTRIBUTION SYSTEM

Sec. 1 Connections from Outside

No connection of any water line or system outside of ILC shall be made to any part of the ILC water distribution system. The ILC water distribution system exists exclusively for use within ILE by participating property owners. Any connection to properties outside of ILE is prohibited.

Sec. 2 Tap-In

The connection to the water main including a tap-in valve, stub to property line and property line shut-off valve will be the responsibility of ILC.

Sec. 3 Property Owner Connection

The property owner shall be responsible for the installation of all water piping (including tracer wire) from the ILC supplied property line shut-off valve to the structures within the property. The installation tie-in must comply with Article V - Sec. 3.

Sec. 4 Connections to Remaining Property of ILC

All pipe and other equipment furnished and used by ILC in installing any water connection shall be and remain the property of ILC.

ARTICLE IV – WATER CONSERVATION

Sec. 1 Purpose

A water shortage shall be deemed to exist when water demand by water users connected to the water distribution system reaches the point where continued or increased demand will equal or exceed the water distribution system supply and transmission capabilities.

When demand results in a condition where water users cannot be supplied with water to protect their health and safety, then the demand must be substantially curtailed to relieve the water shortage.

In the event it appears that water demand on ILC's water distribution system may exceed supply and transmission capabilities, the ILC Board of Directors may initiate voluntary water conservation guidelines (Stage 1) and communicate such to homeowners.

Sec. 2 Stage I – Voluntary Guidelines

Such guidelines will include but not be limited to:

- a. Limiting vehicle washing to a minimum.
- b. Limiting lawn and garden watering to that which is necessary for plants and lawn to survive.
- c. Eliminating unnecessary outside washing, such as decks, sidewalks, driveways, etc.
- d. Reducing any in-house water usage wherever possible.
- e. Temporarily delaying any new landscaping which will require water.
- f. Encouraging the use of disposable and biodegradable dishes to avoid unnecessary dishwashing.

If the water shortage becomes more severe and additional steps appear to be necessary, the ILC Board of Directors will then have the option of creating mandatory water conservation rules (Stage II) and communicating such rules to homeowners.

Sec. 3 Stage II – Mandatory Rules

Such rules may include, but not be limited to, the following:

- a. Prohibiting any vehicle washing.
- b. Prohibiting, or severely limiting, lawn and garden watering.
- c. Emphasizing the need to reduce all in-house water usage including toilets, dishwashers, clothes washers, showers and baths, etc.

Sec. 4 Lifting of Restrictions

Consumers shall be notified of the expiration, cancellation, or change of any of these guideline or restrictions.

ARTICLE V – WATER DISTRIBUTION SYSTEM CONSTRUCTION STANDARDS

Sec. 1 Connection to Water Distribution Supply Main

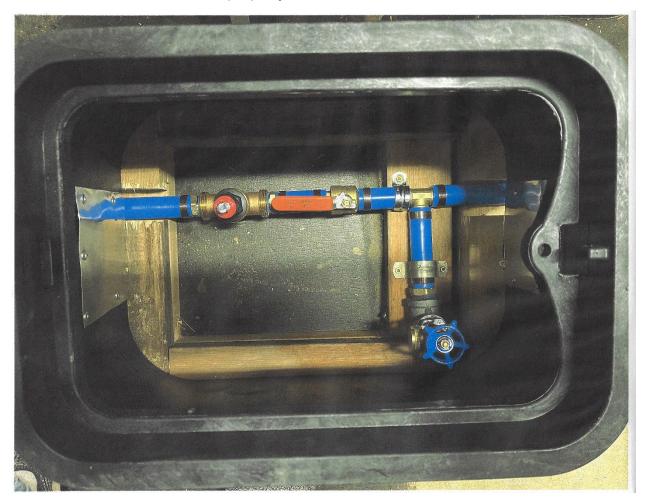
Pressurized tapping of existing water mains shall be accomplished using a 1" PVC ball valve for isolation and tapping through a Spears 867-SR Series PVC Clamp on Saddle with EPDM O-Ring or equivalent as shown below.



The above installation allows the tapping of the water distribution main under pressure. See Sec. 4 for complete construction details and materials.

Sec. 2 Property Line Shut Off Valve & Box

ILC shall extend a blue 1" PEX plastic water pipe from the main line isolation valve to the property line. ILC shall furnish and install a property line shut off valve complete with valve box and 1" PEX stub for property owner connection.



The above installation provides the property owner contractor a connection for temporary water service during construction. The hose bib connection can also be used for purging of the water distribution main and venting air during system maintenance.

Sec. 3 Required Tracer Wire Installation

The property owner plumber must install a blue #16 or greater copper wire within the same trench as the water supply line from the property line shut off valve to the house. Water service **will not be turned on** if the tracer wire is not installed.

Sec. 4 Under Pressure Tapping of Water Distribution Main

The tapping of the water distribution main while under pressure is accomplished by using a clamp on split saddle, ball valve and cutter assembly. The cutter assembly is made up of a $\frac{3}{4}$ " hole saw attached to a $\frac{1}{4}$ " drive extension.



The hole saw is retracted into the 1" galvanized pipe nipple and then screwed onto the outlet of the ball valve.



With the ball valve fully open, the hole saw is extended until it makes contact with the wall of the water distribution main. The drill powers the hole saw to provide a $\frac{3}{4}$ " hole (tap in) in the wall of the pipe. The assembly is then retracted back through the open ball valve into the galvanized pipe nipple. The ball valve can then be closed isolating the water

supply. Once the cutter assembly is removed, a 1" PEX male adapter can be installed along with connection to 1" PEX water pipe.

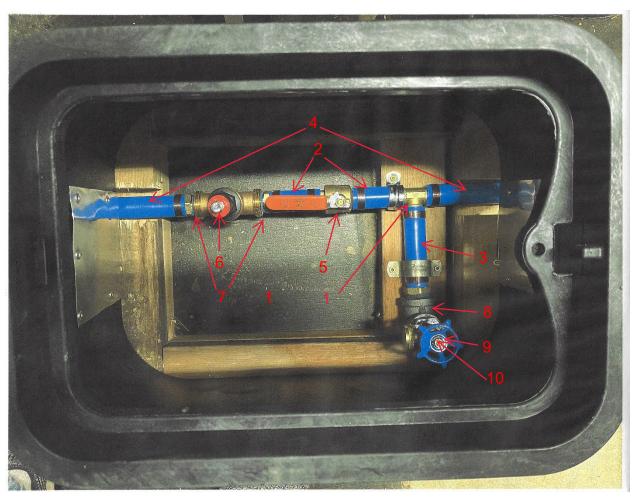
Sec. 5 Material Break Down List and Drawings

Pressurized tapping into water distribution main equipment drawing.



Material List

| Item # | Description | Size | Quantity |
|--------|--------------------------------|---------------------|----------|
| 1 | PEX Male Adapter | 1"x1" MNPT | 1 |
| 2 | Ball Valve BRS | 1"FPT x1" FPT | 1 |
| 3 | Nipple, Galvanized | 1"x 2.5" | 1 |
| 4 | Spears 867-SR Series | 2" x 1"FPT | 1 |
| | PVC Clamp on Saddle | | |
| | With EPDM O-Ring | Torqued to 8 ft/lbs | |
| 5 | Blue Stranded Wire | #16 | 50' |
| 6 | Round Valve Box(optional)6" OD | | 1 |



Property Line Shut Off Valve and Drawing

Material List

| Item # | Description | Size | Quantity |
|--------|-------------------------|----------------|----------|
| 1 | PEX Tee | 1"x1"x1" | 1 |
| 2 | PEX Pipe | 1" x 2 ½" long | 2 |
| 3 | PEX Pipe | 1"x 4" long | 1 |
| 4 | PEX Pipe | 1"x 8" long | 2 |
| 5 | Ball Valve BRS PEX | 1" x 1" | 1 |
| 6 | Pressure Reducing Valve | ¾" FPT ends | 1 |
| | Reliance EB45 model | | |
| 7 | PEX reducer | ¾" MPTx1" PEX | 2 |
| 8 | Elbow GAL 90 degree | 1" | 1 |

| 9 | Drain Boiler Valve Brass | 1⁄2" MPT | 1 |
|-------|---------------------------------------|----------|----------------|
| 10 | Reducer GAL | 1" x ½" | 1 |
| 11 | Blue Stranded Wire | #16 | From Tap Valve |
| 12 | Orbit 53212 Rect Box | 12" | 1 |
| Misc. | Crimp Wire Connectors, Bolts and Nuts | | |

Board Approved Revision – March 2011 Board Approved Revision – December 2022 Board Approved Revision – June 2024