

**INLAND HARBOUR COMMUNITY WATER SERVICE****TERMS AND CONDITIONS**

This statement of TERMS AND CONDITIONS made the 29th day of July, 2004, by the BOARD OF DIRECTORS (hereinafter the BOARD) of the Inland Harbour Property Owners Association (hereinafter the ASSOCIATION), a non-stock Virginia Corporation supersedes and replaces the previous WATER MANAGEMENT AGREEMENT made by 1<sup>ST</sup> COUSINS INC., a Delaware corporation and the original owner of Inland Harbour subdivision, and CHESAPEAKE HARBOR WATER SYSTEM, INC. a Virginia corporation, the original builder and operator of the Inland Harbour water system.

WHEREAS, the original WATER MANAGEMENT AGREEMENT between 1<sup>ST</sup> COUSINS, INC. and CHESAPEAKE HARBOR WATER SYSTEM, INC., dated 10 September, 1988 and recorded in Book 288, Page 236ff of the land records of Northumberland County, Virginia, was a contract between the owner/developer and builder/operator of the Inland Harbour water system describing the original terms and conditions for construction and operation of the system.

WHEREAS, under the agreement, as amended in March 1991 (recorded in Book 322, Page 253) and again in December 1997 (recorded in Book 425, Page 101), the community water system was planned to provide household water to homes on the 40 numbered lots of the Inland Harbour subdivision, including the ten townhouses situated on lot 36, and required all lot and townhouse owners to obtain household water from the Inland Harbour community water system.

WHEREAS, by its decree of 6 September 2001, the Circuit Court of Northumberland County decreed that the ASSOCIATION is the sole owner and operator of the community water system. The court further decreed that the system should be operated in conformance with the relevant provisions of the original WATER MANAGEMENT AGREEMENT.

WHEREAS, the BOARD of the ASSOCIATION has decided to update the relevant provisions of the WATER MANAGEMENT AGREEMENT with this document of TERMS AND CONDITIONS in order to reflect its ownership and management of the water system.

NOW, THEREFORE, the following terms and conditions of service are presented.

**Mission and Goals**

The Inland Harbour Community Water Service is operated by the Inland Harbour Property Owners Association for the benefit of the residents of Inland Harbour. Its mission is to provide the residents of Inland Harbour with water service that is

- lawful, safe, and reliable;
- economical and cost-effective;
- consistent with the quality of life of the community; and
- befitting a community of notable value.

Specifically, the ASSOCIATION is committed to achieving the following goals:

- To manage the Inland Harbour water system for the general welfare of the members of the Inland Harbour Property Owners Association and in accordance with the relevant declarations and covenants of the ASSOCIATION.



- To operate a water system that conforms to the requirements for private wells set forth by the Federal Safe Drinking Water Act and the Virginia Private Well Regulations.
- To offer a stable supply of water to service customers, free of unreasonable interruptions and malfunctions.
- To provide water flow and pressure sufficient for normal household usage.
- To protect and sustain the quality of the community water supply.
- To assess service and connection fees that are fair, reasonable, and concordant with the costs of planning, managing, constructing, operating, and repairing the water system.

### **Description of the Water System**

The water system shall be comprised of artesian wells, well component protective structures, pumps, tanks, mains, outlets and auxiliary components sufficient for the water supply requirements of the residents of Inland Harbour and in conformance with all state and local regulations governing private-well systems. The water system also consists of utility easements 30 feet in width adjacent to all roads in the subdivision which non-exclusive easements shall be for the purpose of constructing, servicing and maintaining the water system. The water system will provide water service to each lot in the subdivision for all normal household usage and, at a minimum, will provide at least 40 psi ( as measured at each connection box at 6:00 o'clock p.m. )

### **Service Rates and Charges**

The ASSOCIATION has the exclusive right to provide primary, household water to the service customers of Inland Harbour. The ASSOCIATION has the right to charge lot owners for connection to the system, for usage of water from the system and for any changes in or new charges required of the system by local or state authorities. The BOARD will develop, approve and publish rates and charges for water service. Any changes in rates will be published and effective in July of each year. Rates will include but are not limited to a one-time connection fee, an annual water service fee, late payment service fees, excess water usage rates, reconnection fees, and authorized interest rates for delinquent accounts.

Unless otherwise promulgated by the BOARD at a regular meeting and published in its minutes, the annual service fee and the one-time connection fee shall automatically be increased on July 1 of each year in accordance with the increase in the cost of living as indicated by the consumer price index (CPI) as determined by the U. S. Government. For the purposes of calculation, the percentage increase shall be determined using the prior calendar year as the base year. If there is a net decrease in the cost of living in a base year, then there shall be no adjustment of the service or connection fees.

Upon receipt of the published one-time connection fee from an authorized lot owner, the ASSOCIATION is responsible for delivering water to that lot at a connection box situated in the utility easement adjoining that lot. The connection box will be installed within 30 days of payment unless the customer specifies a longer period. The lot owner is responsible for connection to the lot connection box and for all plumbing on the owner's lot. The lot owner is also responsible for installing an in-house, bladder type, pressure storage tank, Wel-Ex-Trol, model 201 or equivalent, in the approved dwelling on the lot. Billing will begin when the customer starts to take water from the system.



The service customer will pay an annual water usage fee for water service in accord with the Board approved rates. Service customers will be billed for an amount equal to one-quarter of the annual rate at the beginning January, April, July and October. Each quarterly payment will be due by the end of the billing month. Should any service customer fail to pay the charges due and remain in default for a period of more than 90 days from the date of billing, the ASSOCIATION has the right to discontinue service to that lot and to charge the published reconnection fee plus all back charges before again being required to serve water to any such disconnected lot.

The use of water by any lot owner in excess of 6000 gallons per month, without specific approval of the Association, may cause the Board to direct the installation of a water meter at the owner's expense. Use of water in excess of the monthly allowance of 6000 gallons will be billed as described in current water rates. "Normal household use" shall be defined as water usage associated with common activities within and outside the home, including but not limited to kitchen, bathroom, and laundry uses; periodic irrigation of lawn, flowers, and shrubs; and automobile and boat washing. Continuous or lengthy irrigation of lawns is discouraged, and its habitual practice by a service customer may prompt the imposition of additional charges.

#### **Responsibilities and Exclusions**

- The ASSOCIATION is not responsible for freezing or other damage to a service customer's residence. The service customer's installation of plumbing should comply with all relevant codes and include protection from freezing and all other common plumbing hazards.
- The ASSOCIATION will endeavor to provide uninterrupted service, but in case it shall be wholly or partially prevented from delivering water or the service shall be interrupted or suspended or shall fail or the ASSOCIATION shall deem it necessary to suspend delivery of water for the purpose of inspecting its system, substations, or other apparatus or making repairs or alterations thereon or connections therewith, the ASSOCIATION shall not be obligated to deliver water during such periods and shall not be liable for any damage or loss resulting from such interruption, prevention, suspension or failure without any change in rates.
- The ASSOCIATION shall not be responsible for the transmission, control, use or application of water beyond the point of the ASSOCIATION's cutoff valve, and shall not in any event, be liable for damages or injury to persons or property arising, accruing, or resulting in any manner from the receiving, use or application of water except where damage or injury shall be shown to have been occasioned by the sole and gross negligence of the ASSOCIATION, its agent or employee.
- In the event that changes in the water system beyond normal maintenance and replacement of components are required by the Virginia Department of Health or any other governmental regulatory agency, the ASSOCIATION reserves the right to impose special assessments on all service customers in order to cover the cost of these changes.
- The use of the community water system to fill swimming pools or to supply non-recirculating fountains or waterfalls is expressly forbidden. This does not apply to "kiddy pools".



- In event of a shortage of water supply arising from climatological, mechanical, or other extraordinary conditions, the ASSOCIATION reserves the right to impose special water conservation measures on all service customers.
- These TERMS AND CONDITIONS shall be binding upon and inure to the benefit of the parties hereto, their respective successors, assigns and personal representatives and the same being made by the ASSOCIATION for the benefit and on behalf of future purchasers, holders and owners of said lots, their respective assigns and successors in title. These TERMS AND CONDITIONS shall be binding upon and inure to the benefit of all service customers on the system to the same extent as if they had executed this agreement.

These Terms and Conditions were provisionally approved by the Board of Directors of the Inland Harbour Property Owners Association on July 29, 2004 subject to review and comment by the members of the Association. Members were provided copies of the Terms and Conditions in August 2004 for review and comment until the Annual General Meeting, conducted September 25, 2004. No written or verbal comment was received. The Board approved the Terms and conditions for recording in the County Records on October 23, 2004.

Witness by the following signatures:

Inland Harbour Property Owners Association, INC.

Robert N. Bierly, Jr.  
Robert N. Bierly, Jr. President

Andrea Williams  
Andrea Williams, Secretary

State of Virginia  
County of Northumberland

The foregoing instrument was acknowledged by Robert N Bierly and Andrea Williams on November 17th, 2004.

My commission Expires 9/30/2005

Julie H. Rogers  
Notary

**VIRGINIA:**

In the Clerk's Office of the Circuit Court of Northumberland County NOVEMBER 17, 2004, the foregoing instrument was this day presented and with certificate annexed, admitted to record at 10:14 A.M. after payment of \$ — State — Local Tax and \$ — imposed by Section 58-54.1.





PREPARED BY

WALTER JACHIMSKI  
75 THOMPSON CT  
REEDVILLE, VA 22539

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AMENDMENT TO:

INLAND HARBOR COMMUNITY WATER SERVICE

TERMS AND CONDITIONS

Original Filed November 17, 2004

Book 593 Pages 477 thru 480

This statement of TERMS AND CONDITIONS AMENDMENT made the 9<sup>th</sup> day of July, 2013, by the BOARD OF DIRECTORS (hereinafter the BOARD) of the Inland Harbor Property Association (hereinafter the ASSOCIATION), a NON-STOCK Virginia Corporation amends the billing period as follows:

Service customers will be billed for an amount of one-half of the annual rate at the beginning of July and January. This replaces the previous billing for quarterly payments.

Specifically, on Book 593 Page 479 replace the following two sentences:

"Service customers will be billed for an amount equal to one-quarter of the annual rate at the beginning January, April, July, and October. Each quarterly payment will be due by the end of the billing month."

With

"Service customers will be billed for an amount equal to one-half of the annual rate at the beginning of January and July. Each semi-annual payment will be due by the end of the billing month."

The change from quarterly to semi-annual billing was approved by the BOARD on June 12, 2013. This Amendment was approved by BOARD on July 9, 2013.

Witness the following signatures

Inland Harbor Property Association

*Walter Jachinski*

Walter Jachinski, President

*Eugene H. Eickholt*

Eugene Eickholt, Secretary

City/County of Northumberland  
Commonwealth of Virginia

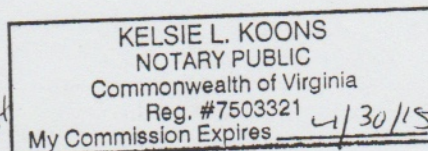
The foregoing instrument was acknowledged before me

this 11 day of JULY, 2013

by Walter Jachinski and Eugene Eickholt

Kelsie Koons Notary Public

My commission expires 4-30-15



I was commissioned as Kelsie Koons.