

REGULATIONS ON WATER USE

HILTON HEAD NO. 1 PUBLIC SERVICE DISTRICT

WHEREAS, Hilton Head No. 1 Public Service District (the “*District*”) was created as a body politic and corporate pursuant to the provisions of Act No. 596 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina for the year 1969, as amended by Act No. 686 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina for the year 1971, by Act No. 1738 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina for the year 1972, and by Act No. 124 of the General Assembly of the State of South Carolina for the year 2003, all of which are collectively referred to herein as the “*Enabling Legislation*”;

WHEREAS, the District provides water and sewer service within that portion of Hilton Head Island within the boundaries of the District; and

WHEREAS, the Commission has determined that formal regulations are essential to the proper operations and management of the District;

NOW THEREFORE, BE IT RESOLVED, that the Commission hereby adopts the following Water Use Regulations, which shall apply to all public, private, corporate, residential, commercial, industrial, or governmental properties or owners thereof located within the District and using or having access to its services, and to all persons, households, corporations, entities or organizations of any type whatsoever using or having access to the public sewer system.

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I. GENERAL PROVISIONS

A. Incorporation of Whereas Clauses - The “whereas” clauses stated in the preamble of this document are hereby incorporated as a material part of these regulations as if they were restated here in their entirety.

B. Definitions - Unless otherwise indicated in the context, the meaning of the following terms used in these regulations shall be as follows:

1. As-Built – A final drawing of the actual installation of structures, materials and equipment.
2. Availability – The existence of a water main within 250 feet of a parcel of property, in such a fashion that the parcel may be connected to the water main via an existing easement, regardless of whether such easement is public or private in nature.
3. Availability Fee – A partial maintenance charge to help defray the cost of maintaining water lines, which are available to benefit a property, until such time as the property owner chooses to connect to the water system as a user, thereby paying such costs through the published water use rates as amended from time to time. The amount of such fee shall be as specifically established in the District’s published schedule of rates and charges.
4. Backflow – The flow of contaminated water or other liquids, gases or substances into the potable water supply.
5. Backflow Prevention Assembly – An assembly that prohibits the backflow of water or other liquids, gasses or substances into the potable water supply
6. Connection Charges - Charges imposed as a condition of the District providing service so that each connecting property bears its equitable share of the costs of the public water system and of the costs of facilities that benefit the property.
7. Cross-Connection – Any physical arrangement in a public or private water system or plumbing system where the potable water supply is connected with an actual or potential source of contamination.
8. Cross-Connection Control – A backflow prevention assembly, air gap or other control designed to prevent backflow contamination from a cross-connection.
9. Cross-Connection Control Program – A water quality protection program more specifically defined by SCDHEC regulation.
10. DHEC – Shall mean the South Carolina Department of Health and Environmental Control.

11. District – Shall mean the Hilton Head No. 1 Public Service District.
12. District Service Area – The area to which the District is authorized to provide water and sewer service, more specifically defined by Act No. 596 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina, 1969, et. seq., and subsequent Ordinances of the Beaufort County Council further amending said service area. Any area to which the District provides service and operations by contract with another entity or owners outside of the defined service area may, for the purposes of this Resolution, be considered a part of the District's service area.
13. Emergency – Any natural or human-caused event or set of circumstances which disrupts or threatens to disrupt or endanger the operation, structural integrity or safety of the public water system; constitutes an immediate health hazard to the potability of the District's water supply or endangers the health and safety of the public; or otherwise requires immediate action by the District.
14. Engineering Standards – The District's Engineering Standards, which include minimum requirements for the design and construction of water and sanitary sewer facilities. Reference Administrative Procedures and Guidelines For Water and Sanitary Sewer System Design, September 15, 1998, et. seq. and subsequent or ancillary addendum sheets or bulletins.
15. Fire Hydrant Assembly – A fire hydrant and the piping and valve connecting it to a water main.
16. Fire Sprinkler System – A privately-owned and maintained water system used for fire extinguishment only, including piping and appurtenances inside and outside a building but excluding fire hydrant assemblies.
17. Fire Protection System – Any privately-owned and maintained water system used for fire extinguishment only, inclusive of fire sprinkler systems, private-purpose fire hydrants, and the water mains and appurtenances feeding such systems.
18. Irrigation Systems – Any means, other than hand-held containers, of applying water to landscaped areas.
19. Potable Water System – Any part of the public water system or of a private water system that carries potable water.
20. Private-Purpose Fire Hydrant – Any fire hydrant located on a specific parcel of property where the hydrant exists for the purpose of providing fire protection solely to the premises upon which the hydrant is located, without regard to whether the District owns or maintains the hydrant. Any hydrant located within a commercial, institutional, or industrial unit development where the traffic lanes immediately adjacent to the hydrant are not owned and maintained by the Town, County, or State as a public thoroughway shall constitute a private-purpose fire hydrant.

21. Private Water System – Any part of a water system that is not part of the public water system as defined herein.
22. Property Owner – Any individual, company, partnership, joint venture, corporation, LLC, LLP, association, society or group that owns or has a contractual interest in the subject property or has been authorized by the owner to act on his/her behalf.
23. Public Water System – All pipes, wells, treatment systems, pump stations, tanks, valves and appurtenances that are owned by the District for the production, treatment, transmission, storage and delivery of potable water. The public water system does not include those facilities located on the customer side of meters, or on the customer side of the property line on meterless fire services serving single-user properties or master-metered multi-user properties, or beyond the point of the District’s main line easement on meterless fire services serving individually metered multi-user properties.
24. Service Connection – See “Water Service Connection”.
25. SCDHEC – Shall mean the South Carolina Department of Health and Environmental Control
26. Redevelopment – Any site improvement that requires installation of water facilities greater than two inches in diameter to meet fire and/or domestic water pressure and flow requirements, or relocation of such existing facilities, except that facilitates for the sole purpose of upgrading a backflow prevention assembly or retrofitting an internal fire sprinkler system are exempt. Construction of any new building(s) or any property subdivision is defined as new development rather than redevelopment, regardless of prior use of the site.
27. Unsafe Condition – Any condition on any premises, or in any private water system thereon, that is a hazard to public health or safety, that does or may impair or impede the operation or functioning of any portion of the public water system, or that may cause damage thereto.
28. Water Emergency – Any situation or period of time during which water is not available or its availability is limited due to shortages in supply, interruptions in the water transmission or distribution systems, contamination of water supplies, or other conditions where use restrictions or prohibitions are necessary in order to efficiently and effectively safeguard the safety and health of the general public and to provide water for essential public uses.
29. Water Facility – Any facility for the production, treatment, conveyance or storage of water, and related appurtenances, whether part of the public water system or a private water system that is connected to or intended to be connected to the public water system.
30. Water Main – A water pipe that is part of the public or private water system used for the transmission and distribution of potable water, excluding service connections, fire hydrant assemblies and fire sprinkler systems.

31. Water Service Connection – Also called a “service” or “service connection”. The pipe and appurtenances used to provide potable water to an individual building or irrigation system, including the tap, water service line (the pipe extending from the water main to the meter setter), meter setter, meter box, meter and miscellaneous fittings.
32. Water System – The entire water system within the District service area, comprised of the public water system and connected private water systems.

C. Fees and Charges

The Hilton Head No. 1 Public Service District Commission has the full authority to establish all fees and charges as granted by its enabling and/or subsequent legislation. After public notice and public hearing, fees and charges may be adjusted to meet changing costs and circumstances. Any unpaid water charges shall constitute a lien against the property when permitted by law.

D. Availability Charge

1. Each property having water availability as heretofore defined shall be assessed an availability charge for the purpose of partially defraying the cost of maintaining the water system in an available state for potential use by the subject property. Availability charges shall become effective whenever water service is made available to the property and the property owner chooses not to connect by January 1 of the following year. In such case, the District shall cause an availability charge to be placed on the Beaufort County Tax Bill in accordance with the established schedule of rates and charges, as amended from time to time.
2. In the event that a property being assessed an availability charge is subsequently connected to the District’s water system, the availability charge for the calendar year in which the connection is made shall be prorated according to the percentage of the calendar year for which the property remained unconnected to the District’s system.

E. Capacity Charge

All properties using the District’s water system shall be subject to payment of appropriate capacity charges as defined in the District’s *Water and Sewer Capacity Regulation*.

F. Developer Fees

The Developer of any property within the District’s boundaries shall be responsible for all costs of system extensions and on-site infrastructure to serve the project, in addition to capacity charges, tap fees, and any other subsequently adopted fees, and will adhere to the District’s *Administrative Procedures and Guidelines for Water and Sanitary Sewer System Design, 1998* et. seq.

G. Over-sizing of Developer/Customer Projects

If in the District's evaluation of a developer/customer project it becomes apparent that over-sizing of the proposed project's mains and/or other appurtenances will improve the capabilities of the District's existing system and/or the District's ability to serve other properties in the future, the District may require the developer/customer to design and build the proposed to the District's requested sizing. With prior written design and cost approval by the District, the developer will be re-imbursed for design and construction costs in excess of the original proposed project. This evaluation shall be completed by the District's Engineer and shall be based upon current master plans, other applicable government plans and generally accepted best management practices.

H. Fire Sprinkler System and Private-Purpose Fire Hydrant Charges

Any property served by a fire sprinkler system shall be charged an established monthly fee as shall be fixed by the District. Such fee shall be for the purpose of defraying the cost of water capacity associated with providing water service to such systems, as well as the cost of providing periodic District inspection of such non-metered connections and appurtenances.

II. Water Use Provisions

A. Application for Service

Any person or organization desiring water service from the District shall make application at the District's administrative offices.

B. Deposit Required

Any person seeking water service from the District may be required to make a deposit as fixed from time to time. The District shall retain the deposit until such time as service at the location is discontinued, at which time any service charges due to the District will be deducted from the amount of the deposit. If a balance remains, it will be refunded to the customer. If a balance remains due to the District, the customer will be billed for it.

All such rates and charges, if not paid when due, shall constitute a lien upon the premises served by such works as permitted by state law.

C. Metering

1. All water connections made to the Public Water System shall be metered with the exception of fire protection system connections for commercial buildings.
2. Each separate building or premises shall be separately tapped to its own water meter, except that where more than one building or premises is located on the same lot, the District, where it deems to be in its best interest, may elect to permit multiple services from one metered connection. In such cases, the appropriate number of minimum charges will be assessed. Garages appurtenant to residential dwelling units are not covered by this provision.
3. For new construction, each residential equivalent unit of a multi-family building shall be individually metered in accordance with the District's Engineering

Standards and any other project-specific or site-specific requirement specified as a result of the development plan review process by the District's Engineering Department. Redevelopment projects shall be subject to this requirement pending a case-specific review by the District's Engineering Department.

4. Submetering of any currently master metered facility for the purpose of sub-unit billing by or on behalf of any entity other than the District, and/or to facilitate private control or interruption of water service to sub-units is prohibited without the express written approval of the District. The District shall be under no obligation to approve the installation or use of such system or device.

6. Submetering of any currently master metered facility where the sub-units will become directly billed customers of the District shall be subject to prior written approval from the District and shall be required to comply with the District's specifications for such system or device. Under such arrangement, delinquent payments from sub-unit customers shall be added to the master meter account unless the sub-unit meter has remote-activated shut-off capability under control of the District. The master meter customer or its agent shall not interrupt water or sewer service to any individually metered sub-unit without prior written approval from the District.

D. Improperly Turning Water on; Meter Tampering

1. No unauthorized person shall turn on the water to any premise or tamper with or disturb any water meter or meter box, to include any appurtenance of the water system except with written authority from the District.
2. No unauthorized person shall install or operate any device to bypass a water meter.
3. No property owner or other person shall interfere with the efforts of a duly authorized District employee to discontinue water service to a premises.

E. Charge When Meter Placed Back in Service

An additional charge shall be levied against water customers who place their meters back into service when the District for any reason has taken them out of service.

F. Charges When Meter Malfunctions

Whenever any water meter malfunctions or otherwise delivers what is known by the District to be an inaccurate report of actual use, the charge to the customer shall be estimated according to pertinent available data, using best management practices. Where sufficient data is not available, the customer shall be liable for base charges.

G. Unauthorized Use of Water from Hydrants

No person or company, not recognized as a duly chartered firefighting organization, may use water from any District fire hydrant without first receiving express written permission from the District. Contractors who wish to obtain water from hydrants near work sites must request permission from District to do so through written application. If such use is permitted, the permittee must pay all associated costs. The penalty for a violation of this section shall be \$100.00 per occurrence.

H. Unprotected Cross-Connections Not Permitted

In accordance with the requirements of the South Carolina Safe Drinking Water Act (S.C. Code 1976, Section 44-55-10) and State Primary Drinking Water Regulations promulgated and enforced by the DHEC, unprotected cross-connections shall not be permitted. The appropriate back-flow prevention device, installed at the owner's expense following the District's approval, shall protect all actual and potential cross-connections to the District water system. The owner will subsequently be responsible for paying an annual inspection and testing fee for the device and for maintaining it in proper working order.

I. Water Shortage Contingency Plan

The District shall develop, maintain and implement as directed by South Carolina Law, a Water Shortage Contingency Plan to respond to anticipated or actual water supply shortages resulting from weather conditions, regional water system failure, local public water system failure, or other precipitating conditions. The District is authorized to implement the Water Shortage Contingency Plan at such times as the District's water supply is threatened by or experiencing a water supply shortage. Within the framework for the Water Shortage Contingency Plan, the District may impose restrictions and or limitations on the use of water by type of use, customer class (commercial, institutional, residential, etc.) or geographic area depending upon the nature and extent of the water supply shortage. The Commission may implement emergency water conservation rate surcharges as it deems necessary to protect remaining water supplies and the public health.

J. Fire Protection Systems

1. All fire protection systems of less than or equal to 2" connected with the public water system shall protect the public water system with an approved double-check valve assembly as a minimum requirement. All fire protection systems using additives or booster pumps shall protect the public water system with an approved reduced pressure principle detector assembly at the main service connection.
2. All fire protection systems of greater than two 2" connected with the public water system shall protect the public water system with an approved double-check detector assembly as a minimum requirement.
3. All existing backflow prevention assemblies 2-1/2" and larger installed on fire protection systems that were initially approved by the District shall be allowed to remain on the premises, as long as they are being properly maintained, tested and repaired as required by SCDHEC regulations. However, if the existing assembly

must be replaced (once it can no longer be repaired), or in the event of proven water theft through an unmetered source, the consumer shall be required to install an approved double-check detector assembly or reduced pressure principle detector assembly as required by SCDHEC regulations.

III. Inspection & Notification

A. Authority of District Inspectors

1. The District or its duly authorized representatives bearing proper credentials shall be permitted reasonable access to customers' premises for the purposes of inspection, observation, measurement, sampling and testing in accordance with provisions contained herein.
2. While performing necessary work on private property referred to in subsection 1 above, the District or its duly authorized representatives shall observe all safety rules applicable to the premises, established by the discharger and properly communicated to the District, and the discharger shall be held harmless for any injury or death of the District's representatives, except as such may be caused by negligence or failure of the discharger to maintain safe conditions.
3. The District or its duly authorized representative shall be permitted reasonable access to enter customers' premises 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 system lying within its easement. All entry and subsequent work, if any, shall be done in full accordance with the terms of the applicable easement.

B. Notification Protocol

1. Except where immediate corrective action is required in accordance with the terms and conditions of this and other applicable regulations, the customer or person in charge of any installation found not to be in compliance with the provisions of these regulations shall be notified in writing with regard to the corrective action (s) to be taken.
2. Such notice must explain the infraction and give the time period within which the infraction must be corrected. The time period set to correct an infraction shall not exceed 30 days after receiving notice unless a written variance request is approved by the District's General Manager or his agent. If the infraction has been determined by the District to be an imminent hazard, the customer shall be required to correct the infraction immediately.

C. Suspension of Service

1. The District may suspend water service when in the District's opinion such suspension is necessary to stop an actual or potential backflow or an excessive usage that presents or may present an imminent or substantial endangerment to the health or welfare of persons or may cause violation of any drinking water quality regulation or standard. In case of suspension of water service to any

master-metered multi-family facility, the District shall immediately notify DHEC, the Town of Hilton Head Island, and individuals served by the multi-family service.

2. The District may terminate any non-metered connection where the owner or owner's agent fails to take immediate action to correct a line break or leak or to authorize the District to make repairs at the owner's expense. The District shall in such case give immediate notice to the fire department holding jurisdiction and to the facility owner or owner's apparent agent on site.
3. The District shall reinstate water service upon receiving proof that the non-complying or adverse condition has been satisfactorily remedied and upon receipt of all applicable fees and penalties.

V. Severability

In the event that any section or portion of these regulations is deemed to be invalid for any reason of legality or technicality, all remaining sections and terms of this ordinance shall remain in full force and effect.