

**A RESOLUTION
AUTHORIZING CERTAIN AMENDMENTS TO THE WATER USER POLICY
FOR THE MEANSVILLE-RILEY ROAD WATER COMPANY; APPROVING
CERTAIN CHANGES TO THE WATER USER AGREEMENT RESULTING
THEREFROM; AND OTHER MATTERS RELATING THERETO**

WHEREAS, the Meansville-Riley Road Water Company, Inc. ("**MRWC**") is a non-profit corporation organized and existing under South Carolina law, particularly Title 33, Section 36 of the Code of Laws of South Carolina 1976, as amended (the "**Act**"); and

WHEREAS, pursuant to the provisions of the Act, MRWC may adopt bylaws for the administration of the affairs of the corporation; and

WHEREAS, MRWC has implemented its bylaws, as most recently amended on February 11, 2020 (the "**Bylaws**") and the Bylaws provide that the Board of Directors, as the governing body of MRWC (the "**Board**"), shall have and are given the power to "prescribe, adopt and amend, from time to time, such equitable uniform rules and regulations as, in their discretion, may be deemed essential or convenient for the conduct of the business and affairs of the [c]orporation and the guidance and control of its [o]fficers and employees; and to prescribe adequate penalties for breach thereof;" and

WHEREAS, consistent with the authorization in the Bylaws, the Board previously adopted certain regulations and policies governing the provision of water service to its members by the terms of a resolution dated February 11, 2020 (the "**Water User Policy**"); and

WHEREAS, since the adoption of the Water User Policy, the Board has determined that certain changes and modifications to the Water User Policy; and

WHEREAS, in light of the changes to the Water User Policy, MRWC's existing water user agreement (the "**Water User Agreement**") shall be amended to conform with the changes and modifications in the Water User Policy.

NOW, THEREFORE, BE IT RESOLVED by the Board, in a meeting duly assembled, as follows:

1. **Recitals.** Each finding or statement of fact set forth in the recitals hereto has been examined and has been found to be in all respects true and correct.

2. **Amendments to Water User Policy.**

A. MRWC shall implement certain amendments and modifications to the Water User Policy as provided below. A copy of the Water User Policy, as updated to reflect the amendments authorized herein, is attached hereto as Exhibit A (the "**Amended Water User Policy**"). The Amended Water User Policy shall govern the water service operations of the MRWC. The Amended Water User Policy shall take effect as of the passage of this Resolution.

B. Article IX – Service Terms, Section D – Reconnection Charge" of the Water User Policy shall be amended and restated in its entirety as follows:

Article IX – Service Terms

D. Non-Payment Fee.

1. **Reconnection Charge.** *As described in Section E(2) below, the Member will be charged a Non-Payment Fee (as defined herein) in lieu of a reconnection fee.*

C. Article IX – Service Terms, Section E – Disconnection for Non-Payment, Subsections 1 & 2” of the Water User Policy shall be amended and restated in their entirety as follows:

Article IX – Service Terms

E. Disconnection for Non-Payment.

1. *Bills for water service are due by the due date stated in each invoice, typically the 10th day of each month. If the bill is not paid by the due date, a penalty of 10%, or such other amount as may be forth in the then-current rate schedule of MRWC, will be added to the bill (the “Billing Penalty”). If the water bill, plus any accrued penalties, is not paid within 30 days after its original due date, water service will be discontinued. Service will be terminated without further notice.*

2. *Regardless of whether water service is disconnected, on the earlier of (i) the 35th day following the incurrence of any Billing Penalty, or (ii) the 15th day of next occurring month after the Billing Penalty is incurred, a non-payment fee of \$75, or such other amount as may be forth in the then-current rate schedule of MRWC, will be added to the delinquent bill (the “Non-Payment Fee”). Thereafter, water service will not be continued or reactivated, as applicable, until the amount of the delinquent account, plus all Billing Penalties, Non-Payment Fees and processing fees are due and paid; all such penalties, charges and processing fees shall be set forth as set forth herein, but may additionally be adjusted or amended under the terms of a rate schedule approved by the Board. Further, the Member may be required to make an additional deposit (over and above any initial deposit) as provided in the rate schedule to have service continued or reactivated, as applicable.*

D. Article X – Billing and Payment Terms, Section B – Returned Checks” of the Water User Policy shall be amended and restated in their entirety as follows:

Article X – Billing and Payment Terms

B. Rejected Payment.

1. *In the event a Member’s check, electronic fund transfer or bank draft is returned to MRWC by a bank or is validly dishonored for any reason, the Member will be charged a service charge for each such check or draft; the service charge shall initially be \$30.00 or such other amount as stated in MRWC’s adopted schedule of rates and charges. MRWC, at its option for good cause, may refuse to accept an electronic fund transfer, check or bank draft tendered as payment on such a Member’s account in the future.*

2. *In the event a credit card is declined or rejected for any reason, the Member will be charged a service charge for each payment attempt; the service charge shall initially be \$30.00 or such other amount as stated in MRWC’s*

adopted schedule of rates and charges. MRWC, at its option for good cause, may refuse to accept a credit card tender as payment on such a Member's account in the future.

E. Article X – Billing and Payment Terms, Section D – Billing/Payment Disputes” of the Water User Policy shall be amended to add subsection 3 as follows:

Article X – Billing and Payment Terms

D. Billing/Payment Disputes.

3. In the discretion of MRWC, acting through the General Manager, where a Member has a history of payment delinquencies, MRWC may require the establishment of an automatic bank draft arrangement as a condition of continued water service to such Member.

F. Article X – Billing and Payment Terms, Section I – Leak Adjustments, Subsection 1” of the Water User Policy shall be amended and restated in their entirety as follows:

Article X – Billing and Payment Terms

I. Leak Adjustments.

1. In the event of a leak, broken water line or other event resulting in 25% increase of the Member's average monthly water consumption, the Member may be eligible for a leak adjustment. The amount of any adjustment shall be limited to the lesser of 50% of the total bill or an amount equal to MRWC's actual costs of purchased water. Further, for purposes of determining a Member's average monthly water consumption, MRWC shall utilize the (i) the average monthly water consumption by the Member over the most recent 12 month period, or (ii) average water consumption by the Member since the inception of service in the event the Member has been a Member for less than 12 months.

2. Amendments to Water User Agreement.

A. MRWC shall implement certain amendments and modifications to the Water User Agreement as provided below. A copy of the Water User Agreement, as updated to reflect to conform to the provisions of the Amended Water User Policy authorized herein, is attached hereto as Exhibit B (the “***Amended Water User Agreement***”). The Amended Water User Agreement shall govern the water service operations of the MRWC. The Amended Water User Policy shall take effect as of the passage of this Resolution.

4. **Modification.** Any future modifications, changes or amendments to the Amended Water User Policy or the Amended Water User Agreement shall be undertaken by and through subsequent amendatory actions of the Board.

DONE AND ADOPTED this 8th day of February 2022.

MEANSVILLE-RILEY ROAD WATER COMPANY, INC.

(SEAL)

President, Board of Directors

Attest:

Secretary, Board of Directors