RURAL WATER DISTRICT NO. 4 Douglas County

POLICY NO: 15 TITLE: PASTURE METERS

Rationale:

To clarify the definition of a pasture meter, to define its limitations as to water service, and to reflect the Board of Directors intent to eliminate pasture meters over time, the following policy is adopted:

Policy:

Definition: "Pasture meters" were generally meters installed in the past for patrons who had a pasture adjacent to the property to which a benefit unit was assigned (and a regular water meter installed on such property). The pasture meter was installed in the adjacent pasture to provide water for cattle or other animals. The reason for installing such a meter was to avoid running a service water line parallel to an existing RWD4 water main—therefore, the pasture meter was simply installed on the RWD4 main down the line from the customer's regular meter. The pasture meter was then used to measure the amount of water consumed by the customer's animals and was billed as a separate account.

The patron does not pay for the pasture meter itself, but does pay for the installation of said meter, thus the pasture meter is the property of RWD#4 and not the patron. Pasture meters were only installed for patrons who purchased a regular benefit unit, as a general rule, and cannot be sold or installed as a separate unit. Pasture meters do not have a benefit unit form associated with the meter, and thus do not constitute an ownership right in the District.

Users of pasture meters did not pay a separate benefit unit charge for the privilege of having a pasture meter installed, and did not pay a separate monthly service or minimum fee—only the charges for water used were paid for by the patron. Therefore, pasture meters are not eligible for "conversion" into regular benefit units, and cannot be used to support water service to a residence or business.

As of November 13, 2001, the following rules shall apply to pasture meters:

- 1. There will be no new pasture meters installed. The intent of the Board of Directors is to phase-out the concept of pasture meters over time.
- 2. When property is sold where a pasture meter exists in conjunction with a benefit unit (regular water meter), the new owner may keep the pasture meter in place. However, the new benefit unit owner will pay the same monthly minimum service charge on the pasture meter as they pay on the benefit unit (regular water meter account).

If the new benefit unit owner does not want the new pasture meter, the pasture meter is to be removed at the new owner's cost. The fee for removal will be based on the following: the District's labor and material cost to remove the meter, the cost to repair the line and the cost to perform site cleanup.

Transferred pasture meters may remain with the property and the underlying, main benefit unit whether the pasture meter is used or not as long as the monthly service charge is paid. Delinquent payment of the service charge or water bill on the pasture meter account will result in removal of the pasture meter at the property owner's expense.

Under no circumstances will a transferred pasture meter be eligible for conversion into a regular benefit unit, be used to support water service to a residence or business, or be used for any other purpose determined by the Board of Directors to be in violation of the District bylaws and policies. However, if a benefit unit is purchased from the District in the normal course of business, and the land assigned to the benefit unit is owned by the new benefit unit owner and also coincidentally has a pasture meter resident upon it already, the same meter installation may be allowed to be used for regular use by the new benefit unit owner in the future. (See example below).

3. Existing pasture meters installed and in use will be allowed to exist under a grandfather clause, with the same pasture meter/benefit unit relationship that now exists.

A service charge will not be charged to existing pasture meters. The same water rates will apply to pasture meters as apply to regular benefit unit accounts.

When the property is sold or ownership changes, #2 above will apply.

Existing pasture meters are not eligible for conversion into a regular benefit unit, and are not to be used to support water service to a residence or business, or be used for any other purpose defined to be in violation of the District bylaws and policies by the Board of Directors. However, if a benefit unit is purchased from the District in the normal course of business, and the land assigned to the benefit unit is owned by the new benefit unit owner and has a pasture meter resident upon it already, the same meter installation may be allowed to be used for regular use by the new benefit unit owner in the future.

If a property sale results in the separation of ownership of the land on which the pasture meter resides from the land assigned to the regular benefit unit of the original patron, the pasture meter will be removed at the expense of the new landowner where the pasture meter resides.

Example: Patron Smith owns 160 acres of land on which resides a regular meter serving Smith's home, and a pasture meter some 2000 feet away from the residence. Smith sells 90 acres to Jones that includes the pasture meter, but does not include the residence or the regular meter. Smith can pay to have the District relocate the pasture meter to the existing 70 acres that Smith lives on, and continue to use the pasture meter with no service charge assessed, under the grandfather clause. However, if the pasture meter is unwanted by Smith, Jones must pay the District to remove the pasture meter from his recently purchased property. The pasture meter will not be maintained on Jones' new property, and Jones is not eligible to use the pasture meter. However, if Jones is eligible to purchase a benefit unit from the District and does so immediately, and Jones desires the pasture meter location to be the location for the regular meter associated with his new benefit unit, Jones will not be charged any additional fees to use the meter installation already in existence on his property-the pasture meter will simply be used in the future as Jones' regular meter. Note that if Jones had purchased land from Smith that included both meters, Jones would be eligible to use the pasture meter (for livestock watering, for example) if he pays a monthly minimum service fee on the pasture meter equal to the service fee due on his regular meter.

- 4. A \$25 fee will be assessed for transfer of the benefit unit and the pasture meter.
- 5. Any existing pasture meter not used for 12 consecutive months will be removed by the District at the property owner's expense. The fee for removal will be based on the District's labor and material cost to remove the meter, in addition to the cost to repair the line and perform site cleanup. As stated above, a transferred pasture meter that has the minimum monthly service fee associated with it can be idle without being subject to removal by the District.
- 6. No exceptions will be made to this policy without Board approval.

Policy effective following the November 13, 2001 Board meeting.