

RCA No. _____ Original _____

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Sheet No. _____ 1 _____

VALLI VUE ESTATES PROPERTY OWNERS ASSOCIATION

TARIFF NO. 1

VALLI VUE ESTATES PROPERTY OWNERS ASSOCIATION

C/O Bonanza Realty, Gordon Hazell, Managing Agent
2825 Rose Street, #202
Anchorage, AK 99508
(907) 333-1244

Providing water service in the following community:

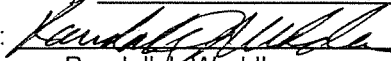
Valli Vue Estates Subdivision, located in Anchorage, Alaska,
and the Municipality of Anchorage, Anchorage Fire Department,
O'Malley Fire Station

A COPY OF THIS TARIFF IS LOCATED AT THE OFFICE OF THE UTILITY
(at the address listed above)

Tariff Advice No. _____

Effective: _____ June 6, 2005 _____

Issued by: VALLI VUE ESTATES PROPERTY OWNERS ASSOCIATION

By: 
Randall J. Weddle

Title: Vice-President

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VALLI VUE ESTATES PROPERTY OWNERS ASSOCIATION

**Valli Vue Estates Property Owners Association
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Attachments:

- Water Usage Agreement between Valli Vue Estates Property Owners Association and the Municipality of Anchorage

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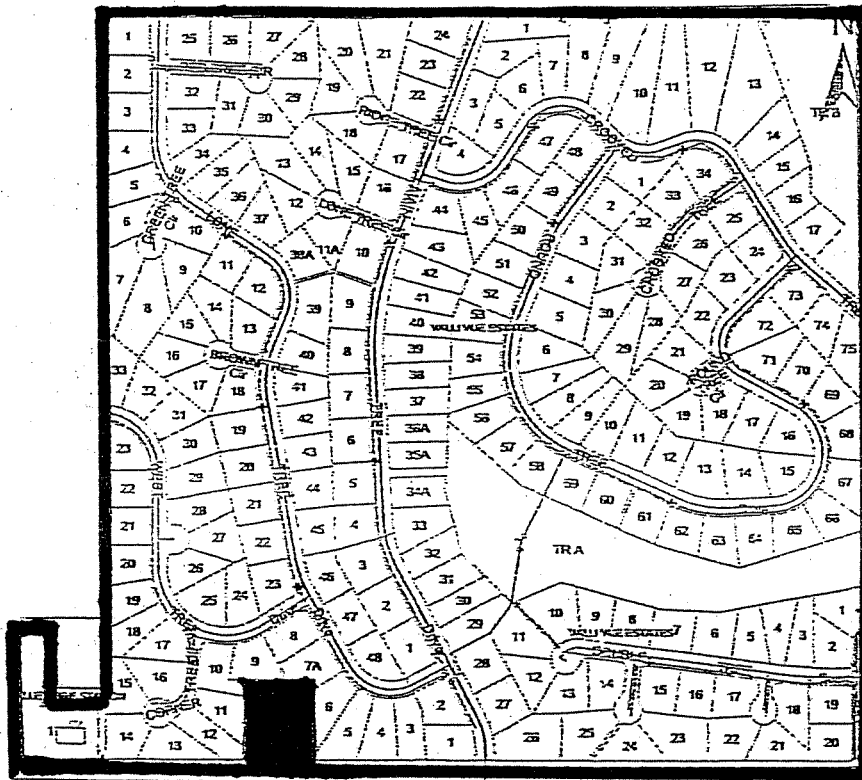
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VALLI VUE ESTATES PROPERTY OWNERS ASSOCIATION

Section 1. Service Area

SERVICE AREA MAP



SERVICE AREA DESCRIPTION

The Utility's service area includes:

1. All and the whole of Valli Vue Estates Unit No. 1 according to official Plat No. 71-217; and Valli Vue Estates Unit No. 2, Lots 34 thru 75, Block 1; Lots 4 thru 10, 16 thru 17, and 22 thru 24, Block 3; Lots 1 thru 17, Block 5; Lots 1 thru 34,

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- Block 6; and Tracts A and B; according to Official Plat No. 71-285; recorded in the Anchorage Recording District, Third Judicial District, State of Alaska;
2. Lots 3 through 23 inclusive, Block 2; Lots 11 through 15 inclusive, Lots 18 through 21 inclusive, and Lots 25 through 48 inclusive, Block 3; and Lots 1 through 33 inclusive, Block 4; all according to Official Plat No. 71-285 and revisions thereof recorded in the Anchorage Recording District, Third Judicial District, State of Alaska, and
 3. The Municipality of Anchorage, Anchorage Fire Department, O'Malley Fire Station, located at 6151 O'Malley Road.

The service area described above lies within the Southern 1/2 of Section 14, Township 12 North, Range 3 West, Seward Meridian.

Section 2. Definitions

ADEC: Alaska Department of Environmental Conservation.

APPLICANT: Any person requesting service from the Utility.

CROSS CONNECTION: Any physical connection through which a supply of potable water could be contaminated. May include any actual or potential connection between a drinking water system and an unimproved water supply or other source of contamination.


CURBSTOP: The curbstop (also known as the service valve) is the valve that connects the customer service line to the Utility's main line.

CUSTOMER or USER: A subdivision lot owner, as defined in this Tariff, or any other person who receives water utility service from the Utility.

CUSTOMER SERVICE LINE: The customer service line is that part of the piping from the main line to the dwelling or point of use. The customer service line begins after the service valve and includes the key box.

DELINQUENT: Except as otherwise provided in this Tariff or a special contract, when payment of an annual utility charge has not been received by the Utility by March 31 of each year.

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DEPOSIT: Money paid to the Utility by a customer and held by the Utility for a certain time and later returned to the customer if all the requirements for refund are met.

HAZARDOUS SUBSTANCES: Any substances, waste, or chemicals that may present a risk of contamination of the Utility's water supply or delivery or damage to the Utility's water system.

KEY BOX: The cover plate/flange and vertical pipe that allows access to the service valve and connects the Customer's service line to the main line.

PAST DUE: Except as otherwise provided in this Tariff or a special contract, when payment of an annual utility charge has not been received by the Utility by January 1 of each year.

POTABLE WATER: Water that meets current standards set by the ADEC for public drinking water.

SERVICE CONNECTION: Physically separated customer locations that are connected to the plant by a distribution or collection system.

SERVICE VALVE: Also known as the curbstop or shut-off valve.

SOLID WASTE: Garbage, rubbish, paper, and waste material including all animal and vegetable refuse from food or food preparation, and dead animals.

SUBDIVISION LOT OWNER: A person having ownership of record in any lot, parcel, or tract of property within the Valli Vue Estates Subdivision.


UTILITY: Valli Vue Estates Property Owners Association.

Section 3. Description of Service

The Utility shall use its best, reasonable efforts to provide the following services:

- A. **Water System:** A water system that produces, treats, and distributes potable water throughout its service area.

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Section 4. Limitation of Liability

- A. General: The Utility will use its best, reasonable efforts to furnish service in compliance with applicable laws, ordinances, and regulations. However, the Utility shall not be liable for any deficiency, interruption, irregularity, or failure, regardless of cause, in the supply of water or water pressure or any damages caused thereby. Without limiting the generality of the foregoing, the Utility shall specifically not be liable for any damages, direct or consequential, resulting from any deficiency, interruption, irregularity, or failure in the supply of water to or operation of fire hydrants. Any damage caused by interruption of service to customer premise equipment, such as boilers or water heaters, will be borne by the customer or user.
- B. Interruptions for Repairs or Modifications: The Utility reserves the right, at any time, without notice, to temporarily suspend the delivery of service when necessary for the purpose of making repairs, modifications, inspections, or improvements to the system.
- C. Priority of Service: In the event of a shortage of water supply or deliverability, the Utility will notify customers to limit or curtail water usage. The Utility will notify customers of the nature and duration of the required limitations or curtailment. The Utility will place a priority on the availability of water in the following order: (1) for residential drinking and sanitation purposes; (2) other residential water uses; and (3) non-residential uses; except as otherwise designated under the sole, reasonable discretion of the Utility under the circumstances.

Section 5. Ownership of Utility Systems


All Utility system components, including mains, valves, fittings, equipment, and other appurtenances (except customer service lines and key boxes), are the property of the Utility.

Section 6. Resale of Utility Services

Resale of the Utility's service by a customer is expressly prohibited except through special contract between the Utility and the customer, as described in Section 7.

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Section 7. Classification of Services

The Classes of Service shall be as follows:

- A. Residential Service: Residential Service shall consist of all services for domestic purposes supplied to a single family dwelling unit.
- B. Special Contract Service: Contract services shall consist of those services for agency, industrial, or independent uses under contracts authorized by the Utility.

Where the requirement for service is large or unusual, or necessitates special services, equipment, or capacity, the Utility reserves the right to require a special contract, the provisions of which are different from and an exception to the regularly published Utility rates and regulations. Special contracts will be given only to customers in unique circumstances. All special contracts shall be in writing, signed by the applicant, approved by the Utility, attached to this Tariff, listed in Schedule B, and filed with the Regulatory Commission of Alaska.

Section 8. Customers

- A. New Customers Not Receiving Service Prior to Adoption of Tariff: Any person who obtains title to a lot within the Valli Vue Estates Subdivision becomes a customer upon obtaining such title, by virtue of (1) that person's obligations under the Declaration of Covenants, Conditions and Restrictions of Valli Vue Estates Subdivision to pay assessments to the Valli Vue Estates Owners Association for the operation of the community water system; (2) the Bylaws of Valli Vue Estates Property Owners Association; and (3) the provisions of this Tariff. Other persons within the Utility's service area may apply to become a customer by first applying in writing to the Utility for service under a special contract. The Utility, in its sole discretion, shall determine whether and upon what rates, terms, and conditions to provide service under a special contract. The Utility shall submit a special contract as an informational filing to the Regulatory Commission of Alaska.
- B. Customers Receiving Service at the Time the Tariff is Adopted: Persons receiving service from the Utility at the time the provisions of this Tariff are adopted are not required to submit an application. By continuing to use the services of the Utility, those customers are deemed to accept the rules and regulations of the Utility, including the fees established for the service provided.

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C. Customer Complaints: The Utility wants to resolve customer complaints as quickly as possible. If the Utility does not resolve a complaint to the customer's satisfaction, the customer may refer the matter to the Regulatory Commission of Alaska, 701 West Eighth Avenue, Suite 300, Anchorage, Alaska 99501. The Commission's telephone number is (907) 276-6222, toll-free at 1-800-390-2782, or TDD (907) 276-4533.

Section 9. Main Extensions

Main extensions to areas or houses within the Utility's service area that are not currently being served shall be installed only after application to and authorization by the Utility. Utility main extensions may require advance payment by the applicant or group of applicants of the cost of the extension before the Utility can provide them.

The Utility will determine the proper location of main extensions. Easements or permits secured for main extensions across property not owned by the Utility shall be obtained in the name of the Utility along with all rights and title to the main at the time of installation.

Section 10. Services

A. The customer shall own and maintain the customer service line and the key box located at ground level, extending to the curbstop. The curbstop is the service valve connected to the main, which is the Utility's responsibility.

B. Service Installation Charge: At the time the applicant applies for service where no service previously existed; applies for a change in the size or location of an existing service; or applies for a re-connection of an existing service, the applicant shall submit a service connection fee with the application. The service connection fee shall be determined by the Utility at that time based on the estimated actual cost of plant, equipment, materials, and labor for the installation or modification of the Utility's facilities and for connecting the customer service line to the Utility's main line. In all cases, the applicant shall be responsible for providing and installing, at the applicant's expense, the customer service line.

C. Service Installation Procedures: All connections to the Utility water system shall be made at the expense of the customer. The Utility will not accept a service connection installed by a customer unless the connection meets applicable installation codes. The Utility may require proof of code compliance through

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physical inspection by the Utility or the Utility's water service contractor. The Utility reserves the right to bill the customer for the cost of such inspections and additional work required to verify correct installation or to correct inappropriate, deficient, or inadequate connections.

D. Service Installation Codes: All individual service connections, repairs, and modifications shall be made only under the terms and conditions of the Uniform Plumbing Code ("UPC") currently in effect within the State of Alaska and the Municipality of Anchorage, as well as any further regulations the Utility may adopt. Any electrical improvements shall be made in accordance with applicable electrical codes and regulations.

E. Customer Plumbing:

1. The customer's plumbing, which shall include the customer service line originating from the curbstop to the house or building, and all plumbing, piping, fixtures, and other appurtenances intended to carry water, sewage, wastewater, and drainage, shall comply with the UPC and Utility regulations currently in effect. Cross connections are not allowed on properties serviced by the Utility, and it shall be the customer's responsibility to eliminate any possibility of cross connections within the customer's plumbing and customer service lines.

2. Customer freeze-ups or other leaks that affect the efficiency of the Utility system or the public health are to be immediately repaired by the customer. The Utility reserves the right to make the repairs and bill the customer for repairs and for any excess water usage that might have resulted from the situation in the event that: the customer is unable or unwilling to promptly make the repairs; has abandoned the service location without proper notification to the Utility; or is away from the service location temporarily. It is the responsibility of the customer to notify the Utility immediately of any problem with the customer's plumbing that could have an adverse effect upon the Utility's system.

3. It shall be a violation of these rules and regulations for a customer to cause or permit unauthorized operations or appurtenances on the service connections.

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- 4. It shall be a violation of these rules and regulations for any customer to make or remake a service connection without the Utility's prior knowledge and approval.
- 5. It shall be a violation of these rules and regulations for any individual to take bulk water from the Utility without prior arrangements having been made with the Utility.

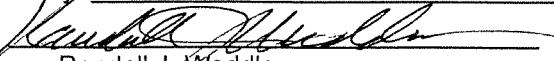
Section 11. Water Meters

- A. **Meter Requirement:** The Utility currently does not require meters for any of its residential connections. For special contract customers, and for residential customers with service characteristics that justify metering, the Utility may, as a condition of service, require the installation of a water meter and collect metered water charges under rates, terms, and conditions set forth in either this Tariff or a special contract.
- B. **Location of Meters:** If a meter is required by the Utility, it shall be placed either inside or under a heated building at a suitable, convenient location approved by the Utility. A meter will not be placed where freezing or damage to the meter or its related parts is likely to occur or where damage to the meter could result in a loss of water from the system.
- C. **Joint Use of Meters:** The joining of several customers to take advantage of single minimum charges or large quantity rates is prohibited except under a special contract.

Section 12. Utility Rates

Recurring Utility rates to be charged for the various classifications of services are set forth in Schedule B of this Tariff or in a special contract. Subject to any applicable requirement contained in the Declaration of Covenants, Conditions and Restrictions of Valli Vue Estates Subdivision, the Bylaws of Valli Vue Estates Property Owners Association, and resolutions passed by the Board of Directors of the Valli Vue Estates Property Owners Association, Schedule B and any special contracts may be revised from time to time as approved by the Board of Directors of the Valli Vue Estates Property Owners Association. The Utility will submit any revisions to its Tariff, including new or amended special contracts, to the Regulatory Commission of Alaska as an informational

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filing within 30 days of the effective date of the Tariff revision or new or amended special contract.

Section 13. Notices

- A. Notices to Customers: Notices to customers from the Utility will normally be in writing and will be mailed or delivered to the customer at the address on file with the Utility. Where conditions warrant, or in an emergency, the Utility may notify customers by placing signs on subdivision entry roads, by telephone, or by other reasonable methods.
- B. Notices from Customers: Notices from the customer to the Utility may be given in writing, or verbally by the customer or the customer's authorized representative at the Utility office. However, notices that that will involve a change or discontinuance of service, or work to be performed by the Utility for the customer must be in writing and, if applicable, accompanied by any applications or forms required by the Utility.

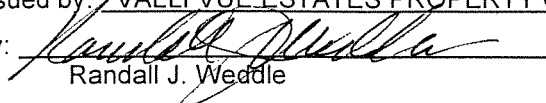
Section 14. Security Deposit

Deposit Requirements: The Utility currently does not require a deposit from any of its customers. However, if circumstances warrant, and to the extent it is not otherwise prohibited with respect to subdivision lot owners by the Declaration of Covenants, Conditions and Restrictions of Valli Vue Estates Subdivision, the Bylaws of Valli Vue Estates Property Owners Association, or resolutions passed by the Board of Directors of the Valli Vue Estates Property Owners Association, the Utility may require customer deposits in the future under terms and conditions, including terms and conditions for refunds of deposits, set forth in a revision to this Tariff or in a special contract.

Section 15. Billing and Payment

- A. Subdivision Lot Owners Not Under Special Contract:
 - 1. For recurring charges to subdivision lot owners for Utility services not provided under special contract, the Utility will bill customers annually, in advance, as part of the annual assessments levied by the Valli Vue

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Estates Property Owners Association. The annual assessment billing shall indicate the portion of the assessment that is associated with ownership, operation, maintenance, and management of the water utility system, as set forth on Schedule B. The total annual assessment (including the portion associated with the water utility system) is due and payable in full on January 1 of each year. Each annual assessment not paid in full by March 31 will be considered delinquent.

2. Billing for the annual assessment will be mailed to subdivision lot owners under this subsection A by December 31 of each year. After March 1 and before March 15, a second billing will be mailed to customers having a remaining balance.
3. Each delinquent annual assessment not paid in full by March 31 will be assessed a \$10.00 late charge. An additional \$10.00 late charge will be assessed each month or partial month thereafter until the assessment and any associated administrative and legal costs incurred by the Utility associated with the delinquency are paid.
4. Demand notices will be mailed to all delinquent subdivision lot owners in April, July, and October. Any amounts not paid shall be added to that subdivision lot owner's annual assessment for the following year.
5. Late charges under paragraph 3 shall accrue for each year's annual assessment. If, for instance, a subdivision lot owner is delinquent on one year's annual assessment and also becomes delinquent on a second year's annual assessment, two late charges shall accrue each month.
6. On past due accounts, collection actions will be initiated so that the collection rights of the Utility will be effectively protected.
7. Administrative costs to the Utility for collection actions shall be charged to the delinquent subdivision lot owner or user.
8. Court action may be initiated on an account which becomes delinquent. After a judgment has been obtained, execution will be initiated through any appropriate legal channel. All costs incurred as a result of legal action and collection shall be charged to the delinquent subdivision lot owner or user.

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9. Partial payments made against the total annual assessment outstanding shall be applied in the following order: (a) to that portion of the assessment associated with water utility services; (b) to any administrative and legal costs incurred by the Utility associated with the delinquency; (c) to any late charges; and (d) to the remainder of the annual assessment. Once the portion of the assessment associated with water utility services is paid in full, collection of any remaining amounts outstanding shall be conducted in accordance with the procedures of the Valli Vue Estates Property Owners Association and shall not be subject to the provisions of this Tariff.
- B. Special Contract Customers: Recurring charges for water utility services provided under a special contract, regardless of whether the customer is or is not a subdivision lot owner, shall be billed in accordance with the timelines, terms, and conditions set forth in subsection A, unless different timelines, terms, and conditions for payment of recurring charges for water utility service are provided for in the special contract, in which case the provisions of the special contract shall be controlling.
- C. All billings sent to a customer under subsections A and B must include the following statement: "You should contact us first if you have a complaint about your water utility service. If you are not satisfied after contacting us, you may then file a complaint with the Regulatory Commission of Alaska. The Regulatory Commission of Alaska may be contacted toll-free at 1-800-390-2782, or TDD (907) 276-4533."
- D. Delinquent Notice: At the discretion of the Utility, a notice of delinquency shall be mailed to each delinquent account on the date the account becomes delinquent.
- E. Disconnection for Non-payment of Utility Charges: The Utility does not currently disconnect customers for non-payment of water utility charges. However, if circumstances warrant, and to the extent it is not otherwise prohibited with respect to subdivision lot owners by the Declaration of Covenants, Conditions and Restrictions of Valli Vue Estates Subdivision, the Bylaws of Valli Vue Estates Property Owners Association, or resolutions passed by the Board of Directors of the Valli Vue Estates Property Owners Association, the Utility may disconnect customers for non-payment of water utility charges in the future under terms and conditions set forth in a revision to this Tariff or in a special contract.

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Section 16. Administration and Enforcement


- A. These rules and regulations shall be administered and enforced by the Utility. The Utility shall have the authority to establish rates and fees for the water system for all customers.
- B. The Utility may adopt such additional provisions and procedures pertaining to water service as the Utility deems proper.

Section 17. Discontinuance or Termination of Service

- A. Discontinuance by Customer Order: If a property owner desires service to be shut off for repairs or when the property is to be vacated, the customer shall give at least one week's written notice to the Utility or the Utility's designated contractor and state the date the service is to be discontinued. The Utility or its designated contractor will shut off the service valve at the curb stop.
- B. Discontinuance for Non-payment of Bills: The Utility does not currently discontinue service for non-payment of water utility charges. See Section 15.
- C. Discontinuance for Unsafe Customer Facilities, Cross Connections, or Hazardous Substances:
 - 1. Unsafe Facilities or Unsanitary Facilities: The Utility may discontinue services to any premises without prior notice where plumbing facilities, appliances, or equipment, using water or discharging wastewater, are dangerous, unsafe, or not in conformance with standard plumbing practice.
 - 2. Cross Connections: A cross connection, as defined in Section 2, is prohibited. The Utility will discontinue service to any premises without prior notice where a cross connection exists. Service will not be restored until the cross connection is eliminated.
 - 3. Hazardous Substances: The Utility may discontinue service to any premises without prior notice where it has reason to suspect that hazardous substances, as defined in Section 2, exist on or near the premises and may negatively impact the Utility's system or water quality.

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- D. Discontinuance for Water Waste: Where water is wastefully or negligently used on a customer's premises, seriously affecting the general service, the Utility may discontinue service if such conditions are not corrected after notice by the Utility. Allowing water to run continuously rather than providing reasonable and proper insulation is considered wasting water. At the option of the Utility, a customer may be allowed to continue service and the Utility may require that a meter be installed at the customer's expense (as prescribed in Section 11) and that the customer pay a rate based on metered consumption, as set forth in a revision to this Tariff or under a special contract.
- E. Discontinuance to Protect Life or Property: The Utility may discontinue service without prior notice if continuation of service creates a danger to life or property, e.g., a broken line inside a dwelling.
- F. Discontinuance for Service Detrimental to Others: The Utility may refuse to furnish service, restrict service, or immediately, without notice, terminate service to any premises where excessive demands by a customer may result or have resulted in inadequate service to other customers. The determination of excessive demand may vary depending on current Utility water resources and system equipment conditions.
- G. Discontinuance for Fraud, Abuse, or Failure to Comply with Curtailment Directives: The Utility will refuse service or discontinue service to any customer or premises where it is deemed necessary to protect the Utility from fraud or abuse of service or where the customer fails to comply with curtailment directives of the Utility. Discontinuance of service for any of these causes will be made immediately without prior notice upon receipt of knowledge by the Utility that such condition or conditions exist.
- H. Discontinuance for Unauthorized Turn-on: Where service has been discontinued for any reason and the service is turned on by the customer or another unauthorized person, the service may then be turned-off at the main, without notice to the customer. Charges to the customer for shut-off at the main will be billed at the actual cost for labor and materials plus 50 percent billed to the offending customer. The charges for use of service through such illegal connection will be at the regular rate for the period of time, as estimated by the Utility, that such illegal or unauthorized connection existed.

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I. Discontinuance for Non-compliance:

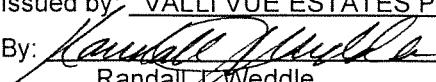
1. Unless otherwise specified by specific sections of these rules and regulations, the Utility may discontinue service to a parcel for any of the following reasons:
 - a. a violation of any provision of this Tariff;
 - b. continued failure of a customer to provide the Utility with reasonable access to the customer's property as required in Section 20;
 - c. failure or refusal to comply with any applicable metering requirements;
 - d. customer's breach of a special contract with the Utility; or
 - e. when necessary for the Utility to comply with a law, regulation, or order of any court or governmental agency of competent jurisdiction.

2. If the Utility finds grounds for discontinuance of service under subsection I.1, the Utility will, if practicable, notify the customer of the discontinuance by mail, facsimile, or electronic mail not less than 15 days before the discontinuation of service. The notice shall state the date when service may be discontinued, the cause for the discontinuation, and the action required to remedy the cause for discontinuation. In addition, if practicable, the Utility shall place a door hanger on a door of the customer location not less than 48 hours before the discontinuation of service. The door hanger will state the date the Utility placed the hanger.

Section 18. Restoration of Service

- A. Restoration of service following discontinuance by customer order shall not require a reconnection fee if the voluntary discontinuation was for more than 60 days. Restoration of service for any other reason shall require a reconnection fee based on the actual cost incurred by the Utility for the restoration of service. Restoration of service following discontinuance for non-payment of bills, if applicable, shall be made only after payment of current and past due charges, the

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 Randall J. Weddle

VALLI VUE ESTATES PROPERTY OWNERS ASSOCIATION

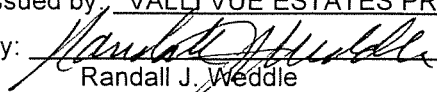
reconnection fee, and a security deposit, if applicable.

- B. Restoration following discontinuance of service under Section 17.C through 17.I will be made only after:
1. The irregularity or violation has been corrected.
 2. Any applicable, associated charges for disconnection or repairs undertaken by the Utility have been paid.
 3. A new application for service has been received with the appropriate deposit, if applicable.
 4. The Utility has received written assurance that the irregularity or violation will not occur again.
- C. The customer shall provide and maintain reasonable access for the Utility to key boxes and meters, if applicable, for restoration of service, including the removal of all snowdrifts around the key box.
- D. The customer is responsible for ensuring that the customer service line and customer plumbing are in good condition prior to restoration of services. The customer shall pay any actual costs incurred for cleaning or thawing a customer service line prior to reconnection.

Section 19. Unusual Demands

Whenever an abnormally large quantity of water is desired for filling a water storage tank, or for any other purpose, arrangements must be made with the Utility prior to taking the water. The Utility shall have the power to determine what constitutes an abnormally large quantity of water based on normal or average use. Permission to take water in large quantities will be given only if other customers are not unduly inconvenienced and measures have been taken to minimize any such inconvenience. Purchases of large quantities of water, even if by an existing customer, may be billed under a separate category and for a separate amount from the customer's usual rate.

Tariff Advice No. _____ Effective: June 6, 2005

Issued by: VALLI VUE ESTATES PROPERTY OWNERS ASSOCIATION
By:  Title: Vice-President
Randall J. Weddle

RCA No. _____ Original _____

Sheet No. _____ 18 _____

_____ Canceling _____

Sheet No. _____ 18 _____

VALLI VUE ESTATES PROPERTY OWNERS ASSOCIATION

Section 20. Access to Property

- A. All duly appointed employees or agents of the Utility shall have free access at all reasonable hours of the day to exterior parts of a customer's building related to utility service (i.e. key box, water meter, etc.) for the purposes of reading meters, inspecting connections, piping and fixtures, discontinuing service under the provisions of Section 17, and to determine the manner and extent to which the Utility's services are being used. When it is necessary to enter a customer's building for these purposes, the customer will be given notice in accordance with Section 13. The Utility's inspection of the customer's service line is for the sole benefit of the Utility. By undertaking such inspection, the Utility assumes no duty or liability to the customer or third parties with respect to defects in the customer service line.
- B. In the event that a customer refuses to provide reasonable access to the Utility in a reasonable period of time, Utility service may be discontinued for non-compliance with these regulations in accordance with Section 17.

Section 21. Responsibility for Equipment

- A. Responsibility for Customer Equipment: The Utility shall not be liable for any loss or damage caused by any defect in the customer service line, plumbing, or equipment, nor shall the Utility be liable for any loss or damage resulting from interruption of service or temporary changes in water pressure.
- B. The property owner or customer shall be responsible for the condition of the customer service line and plumbing system on his or her premises. All drain valves should be closed to prevent cross contamination.
- C. The customer shall be responsible for maintaining proper heat within his or her property to insure that pipes do not freeze-up, causing harm or damage to the Utility system. Electrical heat tape shall be energized as necessary to prevent customer service lines from freezing. The customer shall pay for all costs associated with keeping service lines from freezing. The Utility reserves the right to seek any lawful remedy to recover costs for damages and repairs to Utility facilities caused by a customer's failure to maintain equipment and facilities that are the customer's responsibility.

Tariff Advice No. _____

Effective: _____ June 6, 2005 _____

Issued by: VALLI VUE ESTATES PROPERTY OWNERS ASSOCIATION

By: 
Randall J. Weddle

Title: Vice-President

RCA No. _____ Original _____

Sheet No. _____ 19 _____

_____ Canceling _____

Sheet No. _____ 19 _____

VALLI VUE ESTATES PROPERTY OWNERS ASSOCIATION

- D. Except as otherwise provided above, the Utility shall be responsible for the condition and maintenance of the Utility's water production plant, main lines, and service valves.

Section 22. Fire Hydrants

- A. Operation: No person or persons other than those designated and authorized by the Utility shall attempt to draw water from a hydrant belonging to the Utility or in any manner damage or tamper with a hydrant. Any violation of this regulation will result in the violator being charged an unauthorized use fee as set forth in Schedule A. In cases where temporary service has been granted from a fire hydrant, an auxiliary external valve will be used to control the flow of water. If the Utility determines that a significant quantity of water will be used for such temporary service, the Utility may require the customer to enter into a special contract with the Utility providing for payment of actual costs incurred for metering equipment and charges for metered water used.
- B. Damage to Fire Hydrants: Any person who damages a fire hydrant shall be responsible to pay the Utility the actual cost of its complete repair and return to service.
- C. Reliability of Fire Hydrants: The Utility owns fire hydrants within the Valli Vue Estates Subdivision and, makes them available without charge for use by the Anchorage Fire Department for emergency response. However, the Utility cannot guarantee, and assumes no duty to provide, a continuously reliable or adequate quantity of water supply or water pressure to these hydrants for emergency purposes. By making these hydrants available, the Utility shall not be liable for any damages, direct or consequential, to customers or third parties, resulting from any deficiency, interruption, irregularity, or failure in the supply of water to or operation of fire hydrants.


Section 23. Main Lines and Water System Components

- A. Operation: No person or persons other than those designated and authorized by the Utility shall place any substance, including, but not limited to, animal or fish carcasses, refuse or trash, rocks or gravel, honeybucket waste, or hazardous materials in or near any main line, or in any manner damage or tamper with a manhole or main line or any component of the water utility system.

Tariff Advice No. _____

Effective: _____ June 6, 2005 _____

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By: 
Randall J. Weddle

Title: Vice-President

VALLI VUE ESTATES PROPERTY OWNERS ASSOCIATION

B. Damage to Mainlines and Water System Components: Any person who damages a main line or any of the attachments or appurtenances thereto, shall be responsible for the actual cost of its complete repair and return to service.

Section 24. Suspension of Rules

No employee, Valli Vue Estates Property Owners Association Board Member, or authorized contractor of the Utility is authorized to suspend or alter any of the provisions herein without specific approval or direction of the Utility, except in cases of emergency involving a material risk of serious personal injury, loss of life or property, or jeopardy to the operation of the water system.

Section 25. Severability

If any clause, sentence, paragraph, section, or portion of these rules and regulations for any reason is judged to be invalid by a court or governmental agency of competent jurisdiction, such judgment shall not affect, impair, or invalidate the remainder of this document, but shall be confined in its operation to the clause, sentence, paragraph, or portion of these rules and regulations directly involved in the controversy in which the judgment is rendered.

Tariff Advice No. _____ Effective: June 6, 2005

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By:  Title: Vice-President
Randall J. Weddle

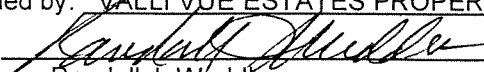
RCA No. _____ Original _____ Sheet No. 21
Canceling _____ Sheet No. 21

VALLI VUE ESTATES PROPERTY OWNERS ASSOCIATION

SCHEDULE A — Non-Recurring Fees

<u>SERVICE</u>	<u>CHARGE</u>
LATE CHARGE	\$10.00 per month per delinquent assessment
UNAUTHORIZED USE OF OR TAMPERING WITH HYDRANT	\$500 per occurrence + actual damages
RETURNED CHECKS / FAILED BANK DRAFT	\$30.00

Tariff Advice No. _____ Effective: June 6, 2005

Issued by: VALLI VUE ESTATES PROPERTY OWNERS ASSOCIATION
By:  Title: Vice-President
Randall J. Weddle

RCA No. _____ Original _____

Sheet No. 22

_____ Canceling _____

Sheet No. 22

VALLI VUE ESTATES PROPERTY OWNERS ASSOCIATION

SCHEDULE B — Service Rates

SERVICE

CHARGE

RESIDENTIAL SERVICE

\$121.61 per Year

This service schedule applies to unmetered residential accounts. This service is available to all subdivision lot owners within the Valli Vue Estates Subdivision. The Utility—Valli Vue Estates Property Owners Association—levies an annual assessment upon all subdivision lot owners, which is determined based on historical and expected costs of owning, operating, maintaining, and managing public roads, drainage, street signs, street lighting, and other property within the subdivision, including the community water system. The current year's total annual assessment is \$338.00 per year per lot. The annual unmetered water utility charge set forth above reflects the portion of the current year's total annual per-lot assessment that is associated with the ownership, operation, maintenance, and management of the water utility system.

SPECIAL CONTRACTS:

1. Water Usage Agreement Between Valli Vue Estates Property Owners Association and the Municipality of Anchorage, for service to the O'Malley Fire Station, dated June 21, 1999. See copy of contract attached.

Tariff Advice No. _____

Effective: June 6, 2005

Issued by: VALLI VUE ESTATES PROPERTY OWNERS ASSOCIATION

By: 
Randall J. Weddle

Title: Vice-President

WATER USAGE AGREEMENT

This agreement made and entered into as of this first day of February, 1998, by and between the Valli Vue Estates Property Owners' Association, Inc. and the Municipality of Anchorage.

WITNESSETH

In consideration of the mutual covenants contained herein, the parties to this agreement agree as follows:

Section 1. There is a one (1) inch water line going into the O'Malley Fire Station from the southwest corner of Valli Vue Estates, through an easement, located in the north 10 feet of lot 14, block 2. The O'Malley Fire Station, located at 6151 O'Malley, is currently using this line for its water source.

Section 2. Valli Vue Estates Property Owners' Association, Inc. owns and maintains one (1) well and well house, a 200,000 gallon storage tank, 21 fire hydrants, a gas fired pump to provide water pressure if and when electric power goes down, and a distribution system to provide the property owners of Valli Vue Estates and the O'Malley Fire Station with water.

Section 3. The Municipality of Anchorage has installed at its expense a water meter at the O'Malley Fire Station, the maintenance of which is the Municipality's sole responsibility. Monthly and quarterly readings of the meter will be taken and recorded by Valli Vue Estates Property Owners' Association, Inc. Each quarter a copy of the monthly readings and an invoice for the quarter shall be provided to the department of Property & Facility Management, Attn. Gina Dyjak, P.O. Box 196650, Anchorage, AK 99519-6650. The water usage rate shall be established as equal to the current AWWU commercial tariff rate at the time of each quarterly billing. The Valli Vue Estates Property Owners' Association, Inc. will obtain monthly updates and the current commercial tariff rate from AWWU to be used on their quarterly invoices. The invoices shall include the date of the call to AWWU for the current rate and shall clearly indicate the current tariff rate.

Section 4. The Municipality of Anchorage has agreed to pay for the water usage by the O'Malley Fire Station beginning on January 1, 1998, on a quarterly basis from that date forward until such time as the O'Malley Fire Station is no longer utilizing the water source from the Valli Vue Estates Property Owners' Association, Inc. After three complete months of actual metered usage is recorded, a monthly average will be established and used for those months starting on January 1, 1998, up to, but not including, the first full month actual readings are taken. This average will be invoiced to Property & Facility Management for immediate payment. Each month having a complete meter reading shall be invoiced and paid separately, on a quarterly basis not to exceed \$ 1,500 per year.

Section 5. The Valli Vue Estates Property Owners' Association, Inc. will notify the Municipality of Anchorage of any potential disruption of water service 48 hours prior to such disruption to allow time to secure an alternate water source. Notification shall be made by calling 343-8448 and notifying the current contract manager. Notification shall also be made by calling Anchorage Fire Department dispatch at 267-4950.

Section 6. Valli Vue Estates Property Owners' Association, Inc. shall maintain water quality standards equal to or exceeding State of Alaska DEC water quality standards for drinking water. Currently required water quality testing shall be completed once each calendar year and this report shall be made available to the Anchorage Fire Department by mailing a copy to Fire Station 8, 6151 O'Malley Rd., Anchorage, AK 99516.

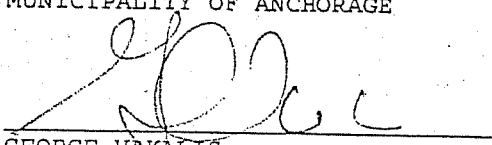
Section 7. Valli Vue Estates Property Owners' Association, Inc. represents it is the duly authorized association for purposes of this contract. This agreement may not be assigned without the prior written consent of both parties.

Section 8. Either party may terminate this contract for any reason upon thirty (30) days written notice.

Section 9. This contract is the entire agreement of the parties. Neither party shall be liable for the acts or omission of the other.

IN WITNESS WHEREOF, the Valli Vue Estates Property Owners' Association, Inc. and the Municipality of Anchorage have respectively executed this agreement as of the day and year first above written.

MUNICIPALITY OF ANCHORAGE



GEORGE VAKALIS
MUNICIPAL MANAGER

DATE: 6/19/99

VALLI VUE ESTATES PROPERTY OWNERS' ASSOCIATION, INC.

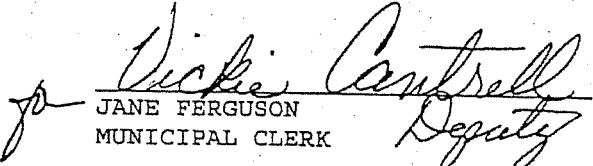


NAME: _____
TITLE: PRESIDENT

DATE: 5-3-99

TAX ID.# 92-0057185
TAX STATUS: TAXABLE

ATTEST:

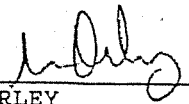


JANE FERGUSON
MUNICIPAL CLERK

DATE: 6/21/99

FUND CONCURRENCE

101 1634 3501 310008
(1999 Operating - As required)
Subject to Future Annual
Appropriation



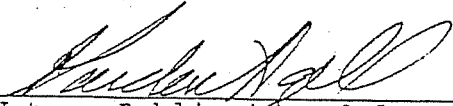
SOREN ORLEY
CHIEF FISCAL OFFICER

DATE: 6.14.99

STATE OF ALASKA)
) ss
THIRD JUDICIAL DISTRICT)

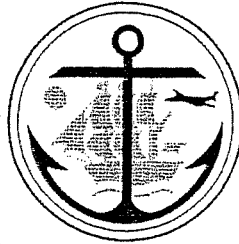
THIS IS TO CERTIFY that on this 3 day of MAY, 1999, before me, the undersigned, Notary Public in and for the State of Alaska, duly commissioned and sworn as such, personally came Chris Birch, President of the Valli Vue Estates Property Owners Association, Inc. to me known to be the identical individual described in and who executed the foregoing Amendment to Declaration and he acknowledged to me that he signed and sealed the same freely and voluntarily for the uses and purposes therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 3 day of MAY, 1999.



Notary Public in and for Alaska
My commission expires: 1-5-02

Municipality
of
Anchorage



P.O. Box 196650
Anchorage, Alaska 99519-6650
Telephone: (907) 343-8255
Fax: (907) 343-8267
<http://www.ci.anchorage.ak.us>

Rick Mystrom, Mayor

DEPARTMENT OF PROPERTY & FACILITY MANAGEMENT
Contract Management Division
(3640 E. Tudor Road, Warehouse #1)

June 22, 1999

Valli Vue Homeowners Association, Inc.
c/o Kimberly Smith
Managing Agent
Bonanza Realty, Inc.
2825 Rose Street, Suite 204
Anchorage, AK 99508

Reference: Water Usage Agreement between Valli Vue Estates Property Owners' Association
And the Municipality of Anchorage

Dear Ms. Smith:

Enclosed is one fully executed original of the referenced document.

If you have questions, please give me a call at 343-8389.

Sincerely,

Barbara R. Pier ja

Barbara R. Pier
Senior Administrative Officer

BP/ja

Enclosure