

**WATER RULES, REGULATIONS AND SCHEDULE
OF RATES AND CHARGES
FOR THE
FD#1 AND FD#2 SYSTEMS**

Revised July 16, 2025

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Canaan Fire District #1 & #2
Rules, Regulations and Schedule of Rates and Charges

The Prudential Committees of Canaan Fire District #1 and #2 a municipal entity formed and existing pursuant Chapter 171 to Title 20 Vermont Statutes Annotated, hereby adopts the following rules, regulations and schedule of rates and charges, as the same may be amended from time to time, governing use, operation and administration of the community water systems serving the property owners within the Fire District.

Section 1: Definitions. The following definitions shall apply in interpreting these rules, regulations and schedule of rates and charges:

- 1.1 "Fire District" shall refer to Canaan Fire District #1 & #2.
- 1.2 The word "lot" shall mean and refer to any lot now or hereafter existing within the boundaries of the Fire District, as established pursuant to Order of Selectboard of the Town of Canaan establishing the Fire District dated (FD#1 April 7, 1986) (FD#2 August 30, 2004).
(FD#1) Lots within the boundaries of the Fire District are shown on a map entitled 'Proposed Location of Canaan Village Water Precinct" prepared by F.W. Cowan dated 3/19/86.
(FD#2) Lots within the boundaries of the Fire District are shown on a map entitled "Riverside Waterworks Distribution System" dated October 1992 revised January 2000 and revised October 2005.
- 1.3 The word "owner" shall mean and refer to any individual, firm, corporation, partnership, or other person or entity owning or having ownership interest in a lot.
- 1.4 "Water system" shall mean and refer to the water system commonly known as Canaan Fire District #1 in Canaan residential area and Canaan Fire District #2 located in the Beecher Falls, VT and Riverside, NH area to be acquired, upgraded and operated by the Fire District for the common use and benefit of all owners.

Section 2: Service Provided by the Fire District. The Fire District has been formed to acquire, upgrade, and maintain the water system to provide water for domestic uses to owners within the Fire District. The Fire District shall provide water to all owners on a year-round basis, subject to the respective rights and responsibilities of the owners and the Fire District as provided herein.

Section 3: Acceptance of Service by Owners. All owners shall be provided with water for their domestic uses by the Fire District. Each and every lot connected to the existing Canaan Fire District #1 & #2 water systems on the date hereof shall remain connected to and served by the water systems, and no owner of each lot shall circumvent the upgraded water systems by drilling a private well or developing another alternative source of water. Each owner shall pay the annual rate and other charges applicable to each owner and shall abide by the rules and regulations contained herein, as the same may be amended from time to time. In addition, all lessees, invitees, contractors and others occupying or working on an owner's lot shall be subject to these rules and regulations.

Section 4: Application Procedures for Water Service. Any owner of a vacant lot intending to construct a residential dwelling on the lot, and any owner who wishes to increase the water service to his lot beyond usual and customary domestic needs (see Section 15) shall first apply in writing to the Fire District. The applicant shall indicate the location of the premises to be served, the extent of the service requested, and other pertinent information to enable the Fire District to act upon the application. The Fire District may require as a condition to any such use a bond, escrow fund, or other form of security to ensure that the operations of the water systems are not jeopardized.

Section 5: Fire District's Installation and Maintenance Responsibilities. The Fire District shall be responsible for installing, operating, maintaining, replacing as necessary the primary components of the water system, including the well pumps, reservoir, chlorinator, pressure tanks, main water lines and other equipment and apparatus appurtenant to the water system leading to an inclusive of the shut off valves connecting the primary components of the water system with the individual service lines extending to each residential dwelling. All costs of acquisition and installation of the primary components of the water system shall be paid by the Fire District which shall own said primary components. The Fire District shall operate, keep, maintain and replace the primary components of the water system in a good and careful manner to prevent freezing, leakage or other damage or operating deficiencies. The Fire District shall not however, have or incur any liabilities for quantity or quality deficiencies of water provided to the owners. All mobile home water meter installations must be inside the building or updated mobile home meters installations will include a meter pit and the cost to be borne by the property owner.

Section 6: Owners' Installation and Maintenance Responsibilities. Each owner shall be responsible for installing, operating, maintaining and replacing as necessary the secondary components of the water system, including the individual service line extending from the shut-off valve at the main line to the owner's residential dwelling and all water pipes and other fixtures and equipment within the dwelling. The plumbing in each dwelling within the Fire District must be adequate for the maximum water pressure of ninety (90) pounds per square inch. There shall be within each dwelling sufficient space, shelter, and protection from weather and freezing conditions necessary for the water service to the dwelling. Each owner shall keep, maintain, and replace as necessary the secondary components of the water system appurtenant to each owner's dwelling and all water pipes, plumbing and fixtures in a good and careful manner to prevent freezing, leakage, or other damage or operating deficiencies. Each owner shall pay for, own and be responsible for the secondary components of the water system serving his dwelling and their maintenance and replacements as necessary.

Section 6A: Procedure for Frozen Meters and or Broken Lines. The homeowner is responsible for the water service from the water shut-off to the home which includes the water meter. If a water meter breaks due to any occurrence, including freezing, it is the homeowner's responsibility.

These steps should be followed if an incident occurs:

1. Shut off the water as it enters the house if there is a working valve. If not successful, notify the Water Operator at 802-266-7723 to schedule having the water shut off at the curb stop **AS SOON AS POSSIBLE**. If possible, someone representing the property should be present when this is performed.
2. Contact the Water District for a replacement meter or frost plate if the incident is related to a frozen meter. The Water District will furnish a water meter for a fee, and you will be invoiced.
3. The water meter must be installed by the District's Water Operator. Under no circumstances will meters be permitted to be installed in any other fashion.

Section 7: Connections to Water System. No unauthorized connections may be made to the main water lines. Any new connections shall be made to a shut off valve on the main water line. The Vermont Agency of Natural Resources DEC has a program to review projects for compliance and issues permits in the administration of Chapter 1, Wastewater System and Potable Water Supply Rules. Part of the responsibility of the Program is to review and approve projects that have new or replacement water or sewer connections to municipal water and sewer mains. The project's design flows for water or wastewater shall be calculated according to Subchapter 8 of the Wastewater and Potable Water Supply Rules. An application (found on the ANR DEC site under /water/forms/ww-systems-applications) to obtain permits for these projects shall be filed with the appropriate Regional Office. Required prior review and written approval by the Fire District and its engineer, together with such supervision, inspection and bond or escrow fund mechanisms as the Fire District shall determine to be necessary or advisable to prevent damage to the water system. There shall be a hookup charge paid to the Fire District to cover the costs of making the hookup for any new connection. Each connection shall serve only the dwelling, and no owner shall divert or supply water to any other dwelling or premises, unless prior application is made to and approved in writing by the Fire District.

Section 8: Right of Entry and Inspection by Fire District. The Fire District and its agents, employees, contractors, and other authorized persons, shall have an ongoing unrestricted right of entry and access to each lot and dwelling for all purposes, necessary, inadvisable or otherwise related to its ownership, operation, maintenance, repair, and replacement responsibilities concerning the water system. This right of access and entry shall include but not be limited to construction and testing, and enforcement of these rules shall exercise the right of access and entry in a good and careful manner and, unless emergency circumstances dictate otherwise, during reasonable hours with prior notification.

Section 9: Rates and Charges. Each owner shall pay an annual charge to pay for all of the Fire District's costs and expenses incurred in owning and operating the water system, including but not limited to debt service for acquiring and upgrading the water system, general administration, legal, accounting, and other professional services, maintenance, repair, establishment of capital reserve funds for future replacement and/or upgrading work, operations, special or emergency assessments, and other costs and expenses pertaining to the water system. Payment of the annual charge, together with any related costs and expense as provided hereinafter, shall be in accordance with the following conditions. See appendix A for rate schedule.

9.1 Billing

- (a) The charge for owners of lots with dwellings shall be billed quarterly according to their meter reading, payable 30 days after the first day of January, April, July and October of each year.

Bills will be sent to each owner at his address as it appears in the records of the Fire District and each owner shall be responsible for payment regardless of use or occupancy of his dwelling tenants, invitees or other persons.

- 9.2 Rate Adjustments.** The Fire District has the exercisable right from time to time as it deems necessary or advisable to adjust the rates specified in Appendix A to reflect the actual costs and expenses incurred by the Fire District in connection with its ownership and operation of the water system, as described more particularly hereinbefore. Any such rate adjustments, upwards or downwards as the case may be, shall take effect immediately upon determination by the Fire District, and all owners shall be notified of the adjustment.

- 9.3 Late Payment Interest.** Any owner who is delinquent in payment of the water service charge for his lot shall be liable for an interest of 1% on the delinquent amount quarterly. (Any owner is delinquent if he fails or refuses to render payment of any charge he owes pursuant to Appendix A before the next billing period.)

- 9.4 Notice of Certified Mailing Fee for Delinquency Notices:** As approved at the FD#1 and FD#2 meetings held on May 21, 2025, the Water Departments in Canaan and Beecher Falls will implement a certified mailing fee for each delinquent "Pink Delinquency Notice" sent via certified mail. This decision was made in response to the increasing costs associated with certified mail. The certified mailing fee will be applied directly to the account associated with each notice. This fee will vary and will be based on the total cost of sending a notice under 24 V.S.A. § 5144.

Section 10: Filling Pools. No potable (drinking) water from the district's system shall be used to fill or refill swimming pools without approval from the Chief Operator. If the Chief Operator is not available, the Prudential Committee members will be contacted for approval. Residents outside of the district will be charged \$50.00 per 10,000 gallons.

Section 11: Discontinuance of Service. Rules and regulations governing discontinuance of water service to an owner are as follows:

11.1 Reason for Discontinuance. Service to any owner or other user served by the water system may be discontinued for any of the following reasons;

- (a) Waste of water through leakage or other exfiltration due to faulty secondary components of the water system and failure or refusal of the owner responsible thereof to correct the deficiency causing the leakage of exfiltration; or
- (b) Failure or refusal to fulfill the owner's responsibilities to keep and maintain the secondary components of the water system and replace water pipes, plumbing and fixtures within the owner's dwelling in good order and repair and protected from freezing or other damage;
- (c) Failure or refusal to pay all charges and any other related costs and expenses for which the owner is liable, in accordance with the provisions hereof; or
- (d) Willful damage to the water system, obstruction of water supply, or unauthorized tapping into or tampering with any portion of the water system; or
- (e) Violation of any of the rules and regulations set forth therein.

11.2 Disconnection Procedure. In the event of violation of any provisions of Section 10.1 by an owner or other occupant of the premises served giving rise to reason for discontinuance of water service, the Fire District shall give written notice to the owner or other occupant of the dwelling of the intention of disconnect service to the dwelling. The notice shall be mailed to the owner's address as appears in the record books of the Fire District and shall the actions that must be taken to cure the violation giving rise to the reason for discontinuance of service. In the event the intention to disconnect is any reason of an owner's delinquency in payment of his water charge, the notice shall be in the form required by Title 24 Vermont Statutes Annotated Section 5144. Written disconnect notices will be mailed after delinquent for two quarters.

Pursuant to Title 24 Vermont Statutes Annotated Section 5145, if the delinquent payment or other violation is not cured within 14 days from the stated disconnection date, then water service may be discontinued to the violating owner's lot. Disconnection shall occur only between the hours of 8:00 a.m. and 2:00 p.m. of the business days thereafter. When service is disconnected to an owner's premises, the individual making the disconnection shall immediately alarm a responsible adult on the premises that the service has been disconnected, or if no responsible adult is present, shall leave on the premises in a conspicuous and secure place notification advising that service has been disconnected and the actions that the owner or other occupant of the premises must take to have service restored.

Disconnection- doorhangers will be placed to warn property owner of disconnection as voted on at the December 20, 2023, emergency meeting. It was agreed not to disconnect service until the weather permits.

Disconnection shall not be permitted under any of the circumstances provided in Title 24 Vermont Statutes Annotated Section 5143, including if the disconnection would represent an immediate and serious hazard to the health of the owner or a resident within the owner's household, as set forth in a physician's certification provided to the Fire District.

In the event of emergency or other pressing circumstances acquiring immediate disconnection of service, the Fire District may do without advance notice.

In the event the owner wishes to have the water disconnected or reconnected, there will be a \$30 fee and the System's Operator will be given a 24-hour notice. There is no cost to turn the water off for a leak or to turn the water back on after the leak has been fixed. Every visit after will be charged at the normal rate for a water turn off/on.

11.3 Restoration of Service. Service that has been disconnected or interrupted shall be restored upon the owner's written request when the cause for disconnection of service has been remedied or when an agreement between the owner and the Fire District that provides, to the full reasonable satisfaction of the Fire District, for a cure of the violation giving rise to the disconnection. Service will be restored within 24 hours from the time when the owner complies with the provisions hereof for remedy or cure of the violation giving rise to the disconnection of service. All costs of disconnection and restoration of service shall be borne by the owner and shall be paid prior to the reconnection. In addition, the owner shall pay the special charges for restoration of service as provided in Title 24 Vermont Annotated Section 5151.

Section 12: Disruption of Service. The Fire District may temporarily disrupt water service for purposes of maintaining, repairing, replacing and upgrading the water system. In such event, the Fire District shall take all reasonable and practicable measures to notify or otherwise inform the owners of the temporary disruption. In the event of a water line break, emergency, or other unavoidable circumstances requiring immediate corrective action, the Fire District shall not be liable for any damage or claim for inconvenience or other event resulting from the temporary disruption. If the disruption of the service continues for longer than 24 hours, there shall be a proportional credit applied to each owner's next bill to reflect the number of days when service was disrupted.

Section 13: Extensions of Water System. Any extensions of the water system to vacant lots, other lands annexed to the Fire District, or otherwise shall require the prior written approval of the Fire District and its engineer or other persons authorized to supervise and perform the extension work. The Fire District may require such bond, escrow fund or other means of providing security that there will be no damage to the water system in connection with any such extension.

Section 14: Use of Water. Owner shall use water for necessary and ordinary domestic purposes and shall apply for diligent right to conserve water supplied to their premises. In the event any owner should wish to utilize the water system for extraordinary demands, such as, but not limited to servicing swimming pools, or other unusual needs, the owner must obtain prior written approval from the Fire District, with such conditions and payment obligations as the Fire District may determine. No owner shall install or use any plumbing or other apparatus which will affect the pressure or operating conditions of the water system in a manner that would cause detriment, damage or interfere with the water service provided to the other owners.

Section 15: Actions by the Fire District. All actions, authorities, rights and powers of the Fire District as provided herein may be exercised by the Prudential Committee of the Fire District, as the same shall be composed from time to time. The officers, employees, agents, contractors, and other authorized persons of the Fire District shall form under the direction and supervision of the Prudential Committee and on behalf of the Fire District.

Section 16: District owned Equipment. Under no circumstances will the District's owned equipment be loaned out to individuals or their hired representatives. All District services must be scheduled through the Town Office and carried out by District personnel.

Section 17: Modifications and Amendments. The Fire District through the Prudential Committee may amend, modify, or waive any of the provisions contained herein if circumstances or other events should require any such amendment, modification, or waiver, subject to the requirements of all laws and regulations of the State of Vermont applicable to the Fire District and under such terms and conditions as the Prudential Committee shall determine to be necessary or advisable in the best interests of the Fire District.

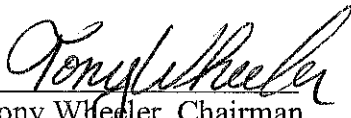
Section 18: Yearly Stipends. A yearly stipend will be paid to the Water District's Treasurer and Clerk equal to the Prudential members' stipends if they are not already on the Town's payroll for all the work they do.

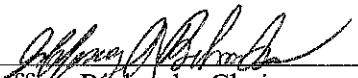
Section 19: Appointments. The Selectboard shall appoint an alternate water commissioner to fill in a position until the next election and remaining Prudential members could be advisory to help transition and would not have the ability to vote.

Section 20: Staffing Plan Both Canaan Fire District 1 & 2 place the direct supervision of the water system under the responsible charge of the designated certified operator(s) (see VT Water Supply Rule Subsection 12.2.1.2). Currently the Chief Operator is April Busfield 603-331-1898 and Designated backup operator Kevin McKinnon 603-331-3075. As of May 21, 2024, the town is in the process of training a new employee who will be required to obtain his Class 3 certification and distribution certification by the end of 2026 and will be designated the full-time backup operator. As the districts serve a small population and the operator positions are part time the entire town's personnel assist as needed. The Chief operator positions are full-time and combined between all water districts and wastewater treatment facilities to provide sufficient coverage at an affordable cost to rate payers.

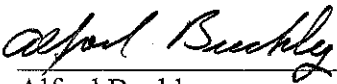
The districts place the chief operator in responsible charge of all quality, quantity, process control, and system integrity decisions involving public health, treatment, storage, distribution, and standards compliance. All certified operators shall hold a class 3 treatment or greater certification and a distribution certification. In case of an emergency the Chief Operator is expected to answer remotely or on site within one hour. In the case the Chief Operator is not available or within cell coverage responsibility will fall on the back up operator(s). It is the Prudential Committee's responsibility to provide adequate certified operator coverage. Currently there are only two adequately certified operators employed by the town, but the prudential committee and the Town of Canaan are in the process of training a new full-time backup operator, this will provide coverage for the chief operator.

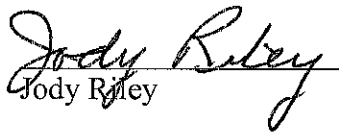
Canaan Fire District #1 and Canaan Fire District #2 Rules, Regulations and Schedule of Rates and Charges Ordinance Updated by the Canaan Fire District #1 and Canaan Fire District #2 Prudential Committees on: July 16, 2025.

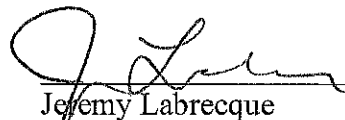

Tony Wheeler, Chairman


Jeffery Richards, Chairman


Levis Boutin


Alfred Buckley


Jody Riley


Jeremy Labrecque