

BY-LAWS OF THE SILVER GLEN ESTATES HOMEOWNERS ASSOCIATION

Article I

The Silver Glen Estates Homeowners Association (the "Association") is responsible for the overall administration of the Silver Glen Estates Subdivision (the "Development"), as more fully set forth in the Declaration of Covenants, Conditions and Restrictions of the Silver Glen Estates Homeowners Association (the "Declaration") through its duly elected Board of Directors (the "Board"). When incorporated, the Association shall have and exercise all powers necessary or convenient to effect any or all of the purposes for which the Association is organized and to do every other act not inconsistent with the General Not-For-Profit Corporation Act of the State of Illinois (the "Act") which may be appropriate to promote and attain the purposes set forth in the Declaration.

Article II Members

Section 1. Membership and Termination Thereof

- a) Every Owner of a Lot, including Declarant and Commercial Lot equivalents if any, within the Development shall be a Full Member of the Association, without the right of withdrawal. Full Membership shall be appurtenant to and may not be separated from ownership of any Lot. Ownership of a Lot in the Development shall be the sole qualification for Full Membership. Full Membership shall terminate upon the sale, assignment or other conveyance by such Owner of ownership of the Lot, at which time the new Owner shall become a Full Member of the Association.
- b) Owners of lots or parcels outside the boundary of the Development, but within the County of Kane on the effective date of the Declaration may become Limited Members (Class "B") of the Association for the purposes of obtaining water supply and/or wastewater services only. The number of Limited Members may not be increased by subdividing lots or parcels within the boundaries of the County of Kane, nor by annexing other lands into the Development at any time, except by Declarant, after the date of the Declaration is recorded.
- c) The term "members" contained in these By-Laws shall refer to Full Members only (Class "A"), unless specifically stated otherwise.

Section 2. Votes and Voting Rights

- a) Until the date of the first annual meeting of the members of the Association, as provided in Article III, Section 1 hereof, no member of the Association shall have any voting rights and the right to vote on any matter is hereby denied until such date.
- b) The Association shall have two classes of voting membership:
 - i) Class A members shall be all the Full Members defined in Section 1 a) of this Article II, including the Declarant. Subject to the limitation contained in Section 2 c) of this Article II, Class A members shall be entitled to one (1) vote or fraction thereof for each Lot or Lot equivalent owned.
 - ii) The Class B members shall be those limited members described in Article II, Section 1 hereof. Class B members shall be entitled to one (1) vote for each Lot owned and connected to the Sanitary Treatment Facilities, provided that Class B members shall have no right to vote on any Association matter except for matters concerning the Sanitary Treatment Facilities. All other voting rights and restrictions contained in this Section 2 shall be applied to Class B members.
 - iii) Notwithstanding the foregoing, all Class A and B members shall have one vote or fraction thereof for each Lot or Lot equivalent owned in all matters concerning the election of the Board and the water and sewage treatment facilities owned by the Association.

- c) Notwithstanding any provisions herein to the contrary, until such time as the Owner of a Lot in the Development shall have a Residence or Establishment constructed thereon and shall be occupying such Residence or Establishment or obtain a certificate of occupancy therefore, such Owner shall be a Full Member of the Association, but shall not have the right to vote on any matters provided in these By-Laws, except as provided in Section 2 (i) of Article VI regarding the construction of recreational facilities in the Common Areas.
- d) If a Lot or fraction thereof is owned by more than one person or entity, the voting rights with respect to such Lot shall not be divided, but shall be exercised as if the Owners thereof consisted of only one person, in accordance with the proxy or other designation made by the persons constituting such Owner.
- e) Any specified percentage of the members for purposes of voting or for any other purpose, wherever provided in these By-Laws, shall mean such percentage of the total number of votes hereinabove set forth, including any commercial lot votes, no matter how such lots are divided into equivalents.

Section 3. Transfer of Membership

Membership in this Association is not transferable or assignable except with ownership of a Lot, as provided in Article II Section 1 hereof.

Article III. Meetings of Members

Section 1. Annual Meeting

The first annual meeting of the members shall be held on such date as is fixed by the Declaration, which date shall be the earliest of (a) 180 days from the date the Declaration is recorded in the Office of the Recorder of County of Kane, Illinois, sixty (60) days after the date the 115th Lot in the Development has been conveyed to and occupied by the Owners or (c) such earlier time as elected by the Declarant. Thereafter, subsequent annual meetings of the members of the Association for the purposes of electing directors to the Board (the "Directors") and for the transaction of such other business as may come before the meeting shall be held on such dates as may be selected by the Board, which date shall be within thirty (30) days before or after the anniversary of the first annual meeting of the members. If the election of Directors to the Board shall not be held on the day designated herein for any annual meeting, the Board shall cause the election to be held at a special meeting of the members of the Association called as soon thereafter as conveniently may be.

Section 2. Special Meetings

Special meetings of the members of the Association may be called by the Board, the President, or not less than 20% of the total number of the members of the Association. All matters to be considered at special meetings called by members of the Association shall first be submitted in writing to the Board not less than ten (10) days prior to the date of the special meeting.

Section 3. Place And Time Of Meeting

All meetings of the Association shall take place at 8:00 P.M., at a location in or reasonably near the City of St. Charles, Illinois.

Section 4. Notice Of Meetings

Written notice stating the purpose, place, day and hour of any meeting of the Association shall be delivered by mail to each member entitled to vote at such meeting not less than ten (10) days nor more than thirty (30) days before the date of such meeting. The notice of a meeting shall be deemed delivered three (3) days after being deposited in the United States mail addressed to the

member at his address as it appears on the records of the Association, with proper postage thereon prepaid.

Section 5. Quorum

The members present at a meeting in person or by proxy, including the Declaration, holding 33-1/3% of the votes which may be cast at any meeting, shall constitute a quorum, provided that, the quorum for actions affecting revisions to regular assessments or the authorization of special assessments shall be as set for in the Declaration. If a quorum is not present at any meeting, a majority of the members present in person or by proxy may adjourn the meeting at any time. For the purpose of establishing quorums, Limited Members shall be ineligible and not be considered.

Section 6. Proxies

At any meeting of the Association, a member entitled to vote may vote, including Limited Members and the Declaration, either in person or by a proxy executed in writing by the member or by his duly authorized attorney-in-fact. No proxy shall be valid after eleven months from the date of its execution. Any such proxy shall be revocable at any time by actual notice to the Board of the death or judicially declared incompetence of any Owner or by written notice of revocation to the Board by the Owner or Owners.

Section 7. Manner of Acting

Except as set forth below and except as otherwise required by the Declaration or the Act, any action may be taken at any meeting of the Association at which a quorum is present at the commencement of the meeting upon the affirmative vote of the members having a majority of the total votes present at the meeting. However, the following matters shall require the affirmative vote of 75% of all the members of the Association, whether or not present at the meeting of the Association:

- (a) Merger or consolidation of the Association;
- (b) Sale, lease, exchange, mortgage, pledge or other disposition of all, or substantially all, of the property and assets of the Association;
- (c) Purchase or sale of land on behalf of the Association
- (d) Construction of Recreational Facilities in the Recreation Areas;
- (e) Commencement of litigation on behalf of the Association; or
- (f) Amendment of the By-Laws.

The board may prescribe reasonable rules for the conduct of all meetings of the Board and the Association, or in the absence of such rules, Roberts Rules of Order shall be used.

The manner of acting on changes to the regular assessments or the authorization of special assessments shall be as set forth in the Declaration.

Article IV. Board of Directors

Section 1. In General

The affairs of the Association shall be managed by its Board of Directors.

Section 2. Number, Tenure and Qualifications

Until the date of the first annual meeting of the Association, the number of Directors on the Board shall be three (3), who shall be the Directors named in the Articles of Incorporation of the Association. Commencing with the date of the first annual meeting of the Association, the number of Directors on the Board shall be expanded to five (5). The two persons receiving the highest number of votes at the first annual meeting of the Association shall be elected to the Board for a term of two (2) years and the three (3) persons receiving the next highest number of votes shall be elected to the Board for a term of one (1) year. Upon the expiration of the terms of office of the Directors so elected at the first annual meeting of the Association and thereafter, successors shall be elected for a term of two (2) years each. Each person elected shall serve until his successor shall have been elected and qualified. Each Director shall be a member of the Association, provided that in the event a member of the Association is a corporation, partnership, trust or legal entity other than a natural person, then any shareholder, officer or director of such corporation, partner of such partnership, beneficiary or individual trustee of such trust, or manager of such other legal entity may be eligible to serve as a Director on the Board. A Director may succeed himself or herself in office.

Section 3. Election

At each annual meeting of the Association, the members shall be entitled to vote for Directors on a cumulative basis and the candidates receiving the highest number of votes shall be deemed elected.

Section 4. Regular Meetings

The Board shall by regulation provide the time and place for the holding of regular meetings of the Board during the year, provided that the Board meet at least four (4) times per year.

Section 5. Special Meetings

Special meetings of the Board may be called by the President or any two (2) Directors. The person or persons authorized to call special meetings of the Board may fix the time and place for holding any special meeting. All meetings of the Board, whether regular or special, shall be open to all members of the Association.

Section 6. Notice

Written notice of any special meeting of the Board shall be mailed to all members of the Association and all Directors not calling the special meeting at least five (5) days prior to the date of such special meeting. Written notice of regular meetings of the Board shall be mailed to all members of the Association at least five days prior to the date of such meeting. All such notices shall be deemed to be delivered three (3) days after being deposited in the United States mail addressed to each member or Director at his address as it appears on the records of the Association, with proper postage thereon prepaid. The business to be transacted at, or the purpose of, any regular or special meeting of the Board shall be specified in such notices. Notices of a regular meeting of the Board need not be served on Directors.

Section 7. Quorum

A majority of the Directors shall constitute a quorum for the transaction of business at any meeting of the Board; provided, however, that if less than a majority of the Directors are present at said meeting, any of the Directors present may adjourn the meeting at any time.

Section 8. Manner of Acting

The act of a majority of the Directors present at a meeting at which a quorum is present at the commencement of the meeting shall be the act of the Board, except where otherwise provided herein, in the Declaration or by law.

Section 9. Vacancies

Any vacancy occurring in the Board by reason of death, removal or resignation of a Director or change in the size of the Board shall be filled by the majority vote of the remaining Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. Directors, including those appointed by the Declarant, may resign at any time by written resignation delivered or mailed to the President or any Director or officer of the Association, which resignation shall be effective upon receipt. If, as a result of the death, removal or resignation of a Director, no Director remains in office, a special meeting of the Association shall be called to fill all vacancies for the unexpired terms of the Directors.

Section 10. Removal

From and after the date of the first annual meeting of the Association, any Director may be removed from office by the affirmative vote of the majority of the members of the Association voting at a special meeting called for such purposes.

Section 11. Adoption Of Rules And Regulations

All rules and regulations, or amendments thereto, adopted by the Board shall be effective thirty (30) days after their adoption; provided however, that the members of the Association may veto the proposed rule or regulation at a special meeting of the members called for such purpose, and held before the effective date of the rule or regulation, by a vote of the majority of the members of the Association voting at such meeting.

Article V. Officers

Section 1. Officers

The officers of the Association shall be a President, one or more Vice-Presidents (the number thereof to be determined by the Board), a Treasurer and a Secretary. The President and the Vice-President(s) shall be members of the Board of Directors.

Section 2. Election And Term Of Office

The officers of the Association shall be elected annually by the Board of Directors. Vacancies may be filled or new offices created and filled at any meeting of the Board. Each officer shall hold office until his successor shall have been duly elected and shall have qualified. An officer may succeed himself or herself in office. Officers shall serve without compensation.

Section 3. Removal

Any officer elected by the Board may be removed by a majority vote of the Directors.

Section 4. Vacancies

A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board.

Section 5. President

The President shall be the principal executive officer of the Association and shall generally supervise and control all of the business and affairs of the Association. He or she shall preside at all meetings of the Board. He or she may sign any deeds, mortgages, contracts, or other instruments which the Board has authorized to be executed and any amendment to the Declaration or the Plat and, in general, shall perform all the duties incident to the office of President and such other duties as may be prescribed by the Board from time to time. The President is hereby empowered to give and receive all notices and execute all amendments as provided herein, in the Declaration and in the Act.

Section 6. Vice-President

In the absence of the President or in the event of his or her inability or refusal to act, the Vice-President (or in the event there is more than one Vice-President, the Vice-Presidents in the order of their election) shall perform the duties of the President and, when so acting, shall have all the power of, and be subject to all the restrictions upon, the President. Any Vice-President shall perform such other duties as from time to time may be assigned or delegated to him or her by the President or by the Board.

Section 7. Treasurer

The Treasurer shall have charge and custody of the Maintenance Fund, Capital Reserve Fund and Emergency Trust Fund; be responsible for all funds and securities of the Association; receive and give receipts for moneys due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association in such banks, trust companies or other depositories; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned or delegated to him or her by the President or by the Board.

Section 8. Secretary

The Secretary shall keep the minutes of all regular and special meetings of the Association and of the Board in one or more books provided for that purpose, see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; and, together with the President, execute on behalf of the Association amendment to the Declaration or the By-Laws or the Act; be custodian of the records and, if incorporated, of the seal of the Association and see that the seal of the Association is affixed to all documents, the execution of which on behalf of the Association under its seal is duly authorized in accordance with the provisions of these By-Laws; and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned or delegated to him or her by the President or by the Board.

Article VI. Powers and Duties of the Association and Board

Section 1. General Duties, Powers, Etc., of the Board

The Board shall exercise for the Association all powers, duties and authority vested in the Association by the Act, the Declaration and these By-Laws, including but not limited to, the following:

- (a) Operating, maintaining, replacing, improving and otherwise caring for the Common Areas, and any improvements situated thereon.
- (b) Preparing, adopting and distributing the annual budget for the Association.
- (c) Levying assessments.
- (d) Collecting assessments.
- (e) Employing and dismissing any Management Agent or other personnel necessary or advisable for the maintenance, care, upkeep and operation of the Common Areas and any improvements situated thereon.
- (f) Obtaining adequate and appropriate kinds of insurance.
- (g) Owning and otherwise dealing with the Common Areas.

- (h) Adopting, amending, and enforcing rules and regulations covering the details of the operation and use of the Common Areas, any improvements situated thereon, and Lots in the Development, specifically including the Sewer Ordinance and Water Conservation Ordinance attached hereto and made a part hereof.
- (i) Keeping detailed, accurate records of the receipts and disbursements of all funds of the Association.
- (j) Having access to each Lot, from time to time, as may be necessary for the maintenance, repair or replacement of any part of the Common Areas accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the Common Areas.
- (k) It shall be the responsibility of the Association through the Board to operate, maintain and keep in a good state of repair the sewage treatment facilities and all appurtenant pipes, mains and equipment; the water system including wells and all related pipes, pumps, mains, storage tanks and equipment; and all other improvements constructed and situated within the Common Areas, and to care for those various portions of the Common Areas as provided under the terms hereof. The sewage treatment facilities and water supply system and the streets shall be operated and maintained in accordance with all applicable governmental regulations and standards, including, in particular, with respect to the sewage treatment facilities and water supply system the applicable rules and regulations of the Illinois Environmental Protection Agency and Illinois Pollution Control Board. Copies of all monitoring and all test results shall be forwarded to the County of Kane.

Section 2. Specific Powers and Duties

- (a) Anything contained herein to the contrary notwithstanding, the Association through the actions of the Board shall have the power:
 - (i) To engage the services of a Management Agent for the operation and maintenance of any part or all of the Common Areas, who may be any person, firm or corporation, upon such terms and compensation as the Board deems reasonable, and to remove such Management Agent at any time; provided, however, that agreement with any Management Agent shall extend for no more than three (3) years and must be terminable by either party to such agreement without cause and without payment of a termination fee upon ninety (90) days prior written notice;
 - (ii) To engage the services of any person (including, but not limited to, accountants and attorneys) deemed necessary or advisable by the Board at such compensation as is deemed reasonable for the operation, repair, maintenance and management of Common Areas or in connection with any duty, responsibility or right of the Association. In addition, the Association may hire a staff of employees or engage independent contractors to maintain and care for the Common Areas and sell the services of such employees or independent contractors to Residents of the Development for fees to be determined by the Board; and
 - (iii) To establish or maintain one or more interest bearing bank accounts for the deposit of any funds paid to, or received by the Association.
- (b) All expenses, charges and costs of the maintenance, repair or replacement of the Common Areas and any other expenses, charges or costs which the Association may incur or expend pursuant hereto, shall be approved by the Board.

- (c) The Board shall establish a fund to be known as the "Maintenance Fund." The Board shall prepare an annual budget setting forth the estimated maintenance expenses, operating charges and such other costs payable by the Association in accordance with the Declaration and these By-Laws, as they presently exist or as they may be amended from time to time. In addition, the annual budget shall also provide for a capital reserve for major repairs or replacements of the sanitary treatment facilities, well sites, roads, trails, sewer mains and water mains. Amounts collected for the capital reserve shall be segregated and maintained in any interest-bearing bank account and shall be used for no purpose other than the major repair or replacement of other sanitary treatment facilities, well sites, roads, trails, water mains and sewer mains. Each Owner shall then be assessed a pro rata share of the costs of such annual budget based upon the total number or fraction thereof of Lots owned by Owners in the Development, except that Limited Members, if any, shall be included in the pro rata determination and be assessed only for the costs pertaining to the water supply system and/or to the wastewater treatment system. The assessments levied by the Association and deposited in the maintenance Fund shall be used exclusively for the purposes of promoting the health, safety and welfare of the Residents of the Development and directly related to the use and enjoyment of the Common Areas including, but not limited to, sanitary treatment expenses, road maintenance costs, landscaping expenses, snow removal costs, real estate taxes, liability insurance and the costs of all labor, equipment (including the expenses of leasing any equipment) and materials required for the management, supervision and operation of the Common Areas.
- (d) The Board shall manage the Emergency Trust Fund pursuant to the Declaration, and established by a one-time fee equal to the first year's assessments due upon conveyance by the Declarant of a Lot or fraction thereof to the initial Lot Owner.
- (e) The Board may establish other funds for the social and recreational benefit of the members of the Association to be included in the required assessment and collected from the members of the Association. In the event that such funds are established, each Full Member shall be assessed a pro rata share of such costs approved in the annual budget. Limited Members shall not be assessed for these purposes.
- (f) Each Owner, by acceptance of a deed for his Lot, whether from the Declarant, any Owner or otherwise, and whether or not it shall be so expressed in any such deed or other document of conveyance, and all Limited Members hereby covenant and agree and shall be deemed to covenant and agree to pay to the Association:
- (i) Annual assessments to be paid in semi-annual installments due on the 15th day of January and the 15th day of July of each year.
 - (ii) The Board may levy special assessments for constructing capital improvements if approved by 66-2/3 percent of all of the members of the Association. The due date or dates of any special assessment shall By-Laws e fixed in the resolution approving such special assessment. Any special assessment shall be fixed at a uniform rate for al Lots and fractions thereof including Limited Member lots for the water supply and wastewater treatment systems only.
 - (iii) Annual assessments and special assessments, together with interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on each Lot and shall be a continuing lien upon such Lot against which each such uselessness is made. Each such assessment, together with the interest thereon and costs of collection thereof, shall be the continuing personal obligation of the Owner of each such Lot at the time the assessment fell due.

- (g) The duties of the Board with respect to assessments, including Limited Members, shall be as follows:
- (i) The Board shall fix the amount of the annual assessment against each Lot for each annual assessment period and shall, at that time, prepare a roster of each Lot and the assessment applicable thereto, which roster shall be kept in the offices of the Association and be open to inspection at reasonable times by any Resident.
 - (ii) Written notice of annual assessment shall thereupon be delivered or mailed to every Owner showing the amount or amounts of the assessment and the due date or dates thereof.
 - (iii) The Board shall, upon written demand, furnish to any Owner liable for said assessments, a certificate in writing signed by an officer of the Board setting forth whether said assessments have been paid. A reasonable charge may be made by the Board for the issuance of such certificates.
 - (iv) If the Board fails to fix the amount of an annual assessment, each Owner shall be liable for the payment of an amount equal to the annual assessment he paid the previous year.
- (h) On any lot(s), including Limited member(s), if any annual assessment, special assessment or installment thereof is not paid in full within thirty (30) days after the due date thereof, the total unpaid amount of all installments of such assessment shall immediately become due and payable and shall bear interest from and after the date of delinquency at two percent (2%) over the prime rate of interest announced by the First National Bank of Chicago at such time. The total unpaid amount of all such installments and interest thereon shall constitute a charge on the Lot of the Owner obligated to pay the same and, upon the recording thereof by the Board, shall be a lien upon such Owner's Lot. The Board may, at its election, bring an action to recover any amounts due, or for such other remedy at law or in equity to enforce payment thereof and/or to foreclose the lien against the Lot subject thereto. There shall be added to the amount of such lien the costs of preparing and prosecuting the complaint (including reasonable attorneys' fees) in such action. No Owner may waive or otherwise escape liability for the assessments by non-use of the Common Areas or his Lot. Notwithstanding the foregoing, any first mortgage encumbrance owned or held by a bank, insurance company, savings and loan Association, or such other person or entity engaged in the business of making real estate loans, recorded against such Owner's Lot prior to the date the Association's lien is recorded, which by law would be a lien thereon having priority over the Association's lien, shall have priority, except as to the amount of assessments which become due and payable from and after the date on which the said first mortgage encumbrance is foreclosed and the holder thereof takes up possession of the lot or accepts a conveyance of any interest therein (other than as security). The sale or transfer of any Lot shall not affect the assessment lien.
- (i) Only the occupied Lots owned by Owners and the Limited members shall be subject to the annual assessments, capital reserve assessments and special assessments provided for herein.
 - (j) From time to time the Board may propose to the members of the Association the construction of Recreational Facilities in addition to those constructed by the Declarant. Such Recreational Facilities may be constructed only after a 66-2/3 percent vote of approval of all the members of the Association entitled to vote at a regular or special meeting of the Association called for such purpose. If approved construction of such Recreational Facilities is to be funded by special assessment to be paid pro rata by

members of the Association, excluding Limited members. The Board may prescribe such rules and regulations for the Recreational Facilities for operation by others upon such terms as the Board may approve.

- (k) All funds collected hereunder shall be held and expended solely for the purposes designated herein, and shall be deemed to be held for the benefit, use and account of all the Owners.
- (l) Upon completion of the sanitary treatment facilities and well sites, the Board shall provide for quarterly testing of these facilities for compliance with applicable Illinois Environmental Protection Agency Standards. Copies of the test results must be forwarded to the County of Kane. If any tests indicate that Illinois Environmental Protection Agency standards are being violated, the Board shall take whatever steps may be necessary to cure such violation. Any and all costs and expenses of curing any violations shall be a charge against the Maintenance Fund.

Section 3. Maintenance, Repairs, and Replacements

- (a) By the Board. Subject to the By-Laws and rules and regulations of the Association, maintenance, repairs, and replacements of the Common Areas and improvements situated thereon in the Development shall be furnished by the Association and charged to the Maintenance Fund.
- (b) By the Unit Owner. Each Owner shall be responsible for, at his or her own expense, all of the landscaping, snow removal, repairs, replacements and maintenance of any Lot, Residence and/or Establishment owned in the Development. Owners may contract with the Association for the care, maintenance and upkeep of their Lots, Residences and/or Establishments if the Association offers such services and shall pay fees therefore determined by the Board. Owners may also contract with third parties approved by the Association for such services.

If at any time the Board determines that an Owner is failing to maintain and care for any Lot, Residence, or Establishment owned in the Development in a reasonable and appropriate manner, the Board shall give such Owner thirty (30) days written notice of such failure and if such Owner fails to remedy such failure within such thirty (30) day period to the satisfaction of vices and shall pay fees therefore determined by the Board. Owners may also contract with third parties approved by the Association for such services.

If at any time the Board determines that an Owner is failing to maintain and care for any Lot or Residence owned in the Development in a reasonable and appropriate manner, the Board shall give such Owner thirty (30) days written notice of such failure and if such Owner fails to remedy such failure within such thirty (30) day period to the satisfaction of the Board, the Board may authorize its employees or third parties to remedy such failure and thereafter demand reimbursement of the costs thereof from the Owner. If the Owner fails to pay such costs within thirty (30) days after demand therefore, the Board, on behalf of the Association, may file a lien against the Lot of such Owner and proceed to foreclose upon such lien or avail itself of any remedy available at law or in equity.

Article VII. Contracts, Checks, Deposits and Funds

Section 1. Contracts

The Board may authorize any officer or officers, agent or agents of the Association, in addition to the officers so authorized by these By-Laws, to enter into any contract or execute and deliver any

instrument in the name of and on behalf of the Association and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, Etc.

All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association, shall be signed by such officer or officers, agent or agents of the Board and in such manner as shall from time to time be determined by resolution of the Board. In the absence of such determination by the Board, such instruments shall be signed by the Treasurer and countersigned by the President of the Association.

Section 3. Gifts

The Board may accept on behalf of the Association any contribution, gift, bequest or device for the general purposes or for any special purpose of the Association.

Article VIII. Books and Records

The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, the Board and any committees having any of the authority of the Board, and shall keep at its registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Association may be inspected by any member, or his agent or attorney, for any proper purpose at any reasonable time.

Article IX. Fiscal Year

The fiscal year of the Association shall be the calendar year.

Article X Seal

If the Association is incorporated, the Board shall provide a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the Association and the words "Corporate Seal, Illinois."

Article XI Waiver of Notice

Whenever any notice whatever is required to be given under the provisions of the General Not-For-Profit Corporation Act of Illinois, the provisions of the Articles of Incorporation, the By-Laws of the Association, or the Declaration, a waiver thereof (subject to all the provisions of such instruments) in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Article XII Amendments to By-Laws

Until the date of the first annual meeting of the members of the Association, these By-Laws may be altered, amended or repealed, and new By-Laws may be adopted by the affirmative vote of a majority of the Directors. From and after the date of the first annual meeting of the members of the Association, these By-Laws, may be altered, amended or repealed by the affirmative vote of 66-2/3 of all the members of the Association. Notwithstanding anything herein to the contrary, the following provisions of these By-Laws cannot be altered, amended or repealed:

- (i) Article II, Section 1 and 2;
- (ii) Article III, Section 7;
- (iii) Article VI, Section 2, paragraph (c); and

(iv) Article VI, Section 2, paragraph (hereinafter).

Article XIII Indemnification

The Association shall indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he is or was a Director or officer of the Association, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, or itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Association and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

The Association may indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that he is or was a Director or an officer of the Association against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit, if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Association, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Association.

To the extent that a Director or officer of the Association has been successful, on the merits or otherwise, in the defense of any such claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

Any indemnification under the first two paragraphs of this Article shall be made by the Association only as authorized in the specific case, upon a determination that indemnification of the Director or officer of the Association is proper in the circumstances because he has met the applicable standard of conduct set forth in the first two paragraphs of this Article. Such determination shall be made (1) by the Board by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable, if a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion, or by majority vote of all of the members of the Association voting at a regular or any special meeting of the Association called for such purpose.

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding, as authorized by the Board in the specific case, upon receipt of an undertaking by or on behalf of the affected Director or officer of the Association to repay such amount, unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this Article.

The sums necessary to discharge the obligations of the Association under this Article shall be provided for in the annual budget or in any amended annual budget.

The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any statute, agreement, vote of members of the Association or disinterested Directors, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Director or an officer of the Association.

Article XIV Construction

Section 1. Construction of Declaration and By-Laws

Nothing hereinabove contained shall in any way be construed as altering, amending or modifying the Declaration. Said Declaration and these By-Laws shall always be construed to further harmonious, beneficial, cooperative and proper use and conduct of the Development. If there is any inconsistency or conflict between the By-Laws and the aforesaid Declaration, the provisions of the Declaration shall control.

Section 2. Definition of Terms

All words and terms used herein which are also used in the Declaration shall have the same meaning as provided for such words and terms in the Declaration.

SILVER GLEN ESTATES HOMEOWNERS ASSOCIATION

SEWER ORDINANCE

Section 1. Authorization and Purpose

The Board of Directors of the Silver Glen Estates Homeowners Association (the "Association") acting under the authority granted to it in Section 1 of Article VI of the By-Laws governing the Association on behalf of its members (Full and Limited), hereby enacts this Sewer Ordinance. The purpose of this ordinance is to establish rules and regulations controlling the installation, use, operation, maintenance, and management of the complete wastewater treatment and sewerage system owned by the Association located within the boundaries of the Silver Glen Estates Subdivision (the "Development"). This ordinance shall be fully enforceable under the terms and conditions of the recorded Declaration of Covenants and adopted By-Laws of the Association (the "Declaration" and "By-Laws").

Section 2. Assessment Established

There is hereby established an assessment for the use and service of the sewerage system of the Association. Such assessment shall be based upon the cost of operating and maintaining the wastewater management system, including contingencies and capital reserves, and all users of said sewerage system shall be assessed an equal monthly assessment per Lot, or fraction thereof.

Section 3. Compliance With Standards

All sewer pipes and connections shall comply with and be installed in accordance with the provisions of the National Plumbing Code, current edition, published by the Manas Publications of St. Petersburg, Florida, or with the provisions of the requirements of the BOCA Basic Building Code of 1988, published by the Building Officials and Code Administrators, International, Inc. 1313 East 60th Street, Chicago, Illinois 60637.

Section 4. Service Connection Applications

A service connection application shall be made before a sewer connection is completed. The application shall be filed with the Director of the Association at least one week before such connection is made. The name, address, and telephone number of the Lot Owner to be billed the sewage use fee shall be included on the application. A tap-in or connection fee shall be charged for making a service connection only for Lots outside the Development pursuant to the Declaration.

Section 5. Definitions

As used in this ordinance, the following words and phrases will have the following meanings unless the context clearly indicates a different meaning. All definitions contained in the by also apply in this ordinance by reference.

Association: The Silver Glen Estates Homeowners Association

BOD: The Biochemical oxygen demand, expressed in milligrams per liter, utilized in the biochemical oxidation of organic matter under standard laboratory conditions for five days at a temperature of twenty degrees centigrade. The laboratory tests shall be made in accordance with "standard methods" as defined in this section.

Development: The Silver Glen Estates Subdivision

Director: The Director of the Association, which may be its President, designated officer, or contracted management agent.

Domestic Sewage: Water and water-carried wastes normally discharged into sanitary sewers from dwellings, including single family homes, multiple family homes, and hotels, and from office buildings and institutions, but not including industrial wastes as defined in this section.

Garbage: Solid wastes and residue from preparation, cooking and dispensing of food and from the handling, storage, processing and sale of food products and produce.

Industrial User: Any nonresidential user of the Association's sewage system, including agriculture, forestry, fishing, mining, manufacturing, transportation, communication, electric, gas, and sanitary services, and any other industrial services discharging into said sanitary sewer system any industrial waste, or any wastes other than domestic sewage as defined in this section.

Industrial Wastes: All water, water-carried solids, liquid and gas wastes resulting from any industrial, manufacturing, or food processing operation or process, or from the development of any natural resource, or any mixture of these fluids and domestic sewage, or any mixture of these fluids with any other water or with any other liquid.

Milligrams Per Liter: This term shall be abbreviated "mg/1," and shall mean a weight to volume ratio. The figure appearing before the symbol "mg/1" shall be the number of milligrams to be found in one liter of the substance being tested. This figure can be transposed to pounds per million gallons of water by multiplying the figure appearing before the symbol "mg/1" by 8.34.

Normal Domestic Sewage: Sewage in which the average concentration of suspended materials does not exceed 250 mg/1 and in which the five-day BOD does not exceed 250 mg/1.

Lot Owner: Owner shall mean the Owner listed as Full or Limited Member of the Association, or any person legally acting in the Owner's behalf.

Person: Any person, firm corporation or Association.

pH: The logarithm (Base 10) of the reciprocal of the hydrogen ion concentration expressed in moles per liter. pH shall be determined by standard methods as defined in this section.

Premises: Any individual building on a single lot under individual ownership or individual use within or adjacent to the Development and connected to the Sanitary.

Properly Shredded Garbage: Wastes from preparation and cooking and disposing of food, exclusive of eggshells and bones, which waste has been shredded so that the particles are no greater than one-half inch in any dimension, and the particles can be carried freely through the normal conditions in the Association's sanitary sewers.

Sanitary Sewer: A sewer that conveys sewage and wastewater in which ordinarily groundwater and unpolluted industrial wastes are not included.

Sewer System: All of the mains, pumping facilities, treating and disposing facilities included in the wastewater treatment facilities located within the Development and owned by the Association.

Slug: Any discharge continuing longer than fifteen minutes in which either the concentration of any material or the amount of flow is more than five times the twenty-four hour average from the same source.

Standard Methods: Methods approved by the engineering profession of examination of waste and wastewater. Evidence of standard methods may be submitted by showing standard methods approved by the American Waterworks Association, the American Public Health Association, and the Water Pollution Control Federation.

Stormwater Runoff: The amount of rainfall that flows directly or indirectly into the Association's sewerage system.

Suspended Solids: Solids that either float in sewage or are in suspension in sewage, which are removable by a laboratory filtration device.

Wastewater: Sewage.

Wastewater Plant: Any facility owned by the Association used for receiving and treating sewage.

Section 6. Permit Required

No person shall discharge any industrial waste into any sanitary sewer located within the Development which flows to the Association's wastewater plant or the Development site without obtaining a permit therefore. Permit shall be issued by the Director after determination that all of the requirements of this ordinance are met by the proposed connection.

Section 7. Requirements for Permits

Permits shall be issued after application to the Director, when the applicant meets the following conditions:

- (a) New establishments. Permits for new establishments will be issued only after the following conditions have been met:
 - (1) A formal written application is filed on a form provided by the Director.
 - (2) Where necessary to comply with the terms of this ordinance, pretreatment facilities, flow regulating devices, cooling or heating devices or inspection chambers have been installed, and inspected and approved by the Director.
 - (3) The estimated amounts and concentrations of industrial wastes have been determined by the Director and agreed to by the applicant. When any user discharges twenty thousand gallons or more daily, there will be actual samples taken after operations start to determine the actual concentrations.
 - (4) The applicant must sign an agreement to pay any surcharges required by the terms of this ordinance, and agreeing to operate and maintain at the applicant cost any pretreatment and/or conveyance facilities located outside the Development's boundaries required to comply with the terms of this ordinance.
- (b) Procedure for renewal of permits. Each nonresidential applicant must obtain a renewal of the sewage use permit annually. Under this ordinance, the renewal application shall be accompanied by a laboratory report issued either by an independent testing laboratory or by the discharger's laboratory, if the discharger's laboratory is approved by the Director, either indicating that there have been no changes in flow rates, BOD and suspended solid concentrations, or if there have been any changes furnishing detailed information as to the changes and the current status.

Section 8. Regular Sampling Procedure

If there are any changes in the operation or operational procedures of any industrial user at any time during the year, causing any significant changes in the flow rate, BOD or suspended solids or any other characteristics of the industrial wastes, the user shall report all such changes to the Association within thirty days of the changes. It is the user's responsibility to make such tests from time to time as are necessary to comply with the terms of this section.

Section 9. Methods of Determining Volume And Concentrations

The volume of wastes may be determined in the manner used to calculate the sewer service charge. For users discharging less than 20,000 gallons per day, the BOD determination and suspended solid concentrations may be determined by the Director in accordance with standards applicable to the various industries involved. Any user who is not satisfied with the results obtained by the Director under the method may install at his expense a control chamber or inspection chamber, subject to inspection and approval by the Director, to make determinations by means of actual samples. Any user discharging more than 20,000 gallons per day shall, within one year of the effective date of this ordinance, provide and maintain an accessible inspection chamber near the outlet of the building sewer. Each such inspection chamber shall be of such design and construction as to prevent infiltration by ground and surface waters or introduction of any liquids or solids. The inspection chamber shall contain the necessary access for obtaining samples and necessary flow measuring devices required to measure compliance with this ordinance.

Section 10. Power of Director

All of the power granted under this ordinance to the Director may be exercised by any employee duly authorized by the Director to exercise these powers. The Director and his employees shall carry credentials at all times that they are in the field enforcing the terms of this ordinance. The Director shall be permitted access to any part of any property where access is necessary for the purpose of inspecting, observing, measuring, sampling or testing to determine compliance with the provision of this ordinance.

Section 11. Pretreatment Requirements

Any industrial wastes which, without pretreatment, will be harmful to the structure, process or operation of the sewage treatment works, or detrimental to the reuse of the reclaimed water, the user shall provide preliminary treatment or processing facilities at the user's expense, to render the wastes acceptable for admission to the sewer system, by providing facilities at the user's expense, subject to inspection by the Director. Industrial wastes which have excessive BOD or excessive suspended solids in excess of normal domestic sewage shall be pretreated to meet the requirements of normal domestic sewage, provided that such wastes may be accepted without pretreatment if the user can show that the waste will not cause damage to the sanitary sewer collection system, the waste will not impair the operation of the wastewater treatment process, the waste will not damage any of the wastewater facilities, and the precise limits to be accepted are covered by an agreement in writing between the Association and the user.

Section 12. Grease, Oil, And Sand Interceptors

Grease, oil and sand traps or interceptors shall be provided for any liquid wastes containing grease or flammable wastes, sand and other harmful ingredients. Such interceptors shall not be required for private living quarters or dwellings. All such interceptors shall be subject to inspection by the Director, and shall be located so as to be readily accessible for easy cleaning and inspection. Grease and oil interceptors shall be constructed of impervious materials capable of withstanding abrupt and extreme changes in temperature. They shall be of substantial construction, water tight and equipped with easily removable covers which, when bolted in place, shall be gas tight and water tight. Where installed, all grease, oil and sand interceptors shall be maintained by the user at his expense, in continuously efficient operation at all times. Materials removed from these facilities shall be either recycled by the user or disposed of in accordance with all applicable laws and ordinances.

Section 13. Plans And Specifications For Pretreatment Facilities And Interceptors

No pretreatment facility shall be accepted and no interceptor shall be accepted under the terms of this ordinance until written plans, specifications and information required to show compliance with the terms of this ordinance have been submitted to and approved by the Director.

Section 14. Prohibited Discharges

No person shall discharge any of the following substances or conditions into any sanitary sewer conveying wastewater to the Association's sewage treatment works within the Development.

- (a) No person shall discharge any stormwater or groundwater, roof runoff, subsurface drainage or any water from downspouts, yard drains, fountains and ponds or sump pumps, into any sanitary sewer. Water from swimming pools, boiler drains, blowoff pipes or cooling water from various equipment may be discharged into the sanitary sewer by an indirect connection where such discharge is cooled, if required, and flows into the sanitary sewer at a rate not to exceed the capacity of the sanitary sewer provided the waste does not contain materials or substances in suspension or solution in violation of the terms of this ordinance and provided further that cooling water from any air conditioning unit or other cooling unit shall in no event exceed one-tenth of a gallon per minute per ton capacity of the air a conditioner or cooling unit.
- (b) No Person shall discharge any of the following substances into any sanitary sewer:
 - (1) Any liquid or vapor having a temperature higher than one hundred and fifty degrees Fahrenheit or sixty-five degrees Centigrade.
 - (2) Any water or waste which contains wax, grease, oil, plastic or other substances that will solidify or become discernibly viscous at temperatures between thirty-two degrees Fahrenheit and one hundred and fifty degrees Fahrenheit or zero degrees Centigrade and sixty-five degrees Centigrade.
 - (3) Flammable or explosive liquids, solids, or gases.
 - (4) Solid or viscous substances in quantity capable of causing obstruction to the flow of sanitary sewers or of interfering with the operation of the wastewater treatment works. Such substances include but are not limited to acids, cinders, sand, mud, straw, shavings, metal, glass, rags, manure, hair, animal wastes, parts of bodies of animals, lime slurry, lime residue, paint residues, fiberglass or bulk solids.
 - (5) Any garbage except properly shredded garbage.
 - (6) Any noxious or malodorous substance which can form a gas, which, singly or by interaction with other wastes in the sewage system, is capable of causing objectionable odors or hazards to health, life or property or which can by itself or in combination with other substances in the sewage system form solids and concentrations exceeding the limits established in this ordinance or any substance which creates any other condition harmful to the structure or treatment processes of the wastewater treatment system.
- (c) No person shall discharge any substance exceeding the following concentrations into the sanitary sewers conveying wastewater to the Association's sewage treatment works within the Development.
 - (1) Free or emulsified oil and greases exceeding an average of one hundred mg/1 or eight hundred and thirty pounds per million gallons of either oil or grease or any combination of oil and grease if it appears that the amounts of oil and grease can do any of the following: deposit grease or oil on the sanitary sewer lines in such a manner as to clog or interfere with the flow of sewage, overload the grease handling equipment of the wastewater system, will not be capable of being treated by wastewater treatment processes of the Association, or will have any harmful effect on the treatment process or the treatment equipment due to the nature and quantity of the substances.

- (2) Acids or alkalis having a small pH value lower than 6.0 or higher than 9.0.
- (3) Salts of heavy metals in solution or suspension in concentration toxic to biological wastewater treatment processes or in concentrations sufficient to adversely affect sludge digestion or any other biochemical, biological or other wastewater treatment process or detrimental to the reuse of the reclaimed water, or exceeding any of the following limits:

| <u>Toxic Substance</u> | <u>mg/1</u> |
|------------------------|-------------|
| Cadmium | 1 |
| Chromium | 3 |
| Copper | 3 |
| Lead | 0.10 |
| Mercury | 0.002 |
| Nickel | 3 |
| Zinc | 3 |

- (4) Any other elements which will damage collection facilities or be detrimental to the treatment processes or detrimental to the reuse of the reclaimed water. In enforcing this ordinance the volume of a particular industrial user shall be considered not only by itself but also in connection with other industrial discharges within the same area or contributing to the same wastewater treatment plant.
- (5) Cyanide or cyanogens compounds capable of liberating hydrocyanic gas or acidification in excess of two mg/1 as Cx.
- (6) Radioactive materials defined as hazardous materials under federal laws and applicable regulations, including any substance required by the United States Department of Transportation to have Type A packaging or Type By-Laws packaging under regulations found in 49 CFR 173.426.
- (7) Materials which cause unusual concentrations of inert solids such as fuller's earth or other solids such as sodium chloride, calcium chloride or sodium sulphate. Materials which cause excessive discoloration. Materials which cause unusual biochemical oxygen demand or an immediate oxygen demand. Materials with a high hydrogen sulfide content. Materials with unusual flow and concentration.
- (8) Any toxic substances which are not amenable to treatment and reuse by the Association's water management system.

SILVER GLEN ESTATES HOMEOWNERS ASSOCIATION

WATER USE AND CONSERVATION ORDINANCE

Article I: Water Use Regulations

Section 1. Authorization and Purpose

The Board of Directors of the Silver Glen Estates Homeowners Association (the "Association"), acting under the authority granted to it in Section 1 of Article VI of the By-Laws governing the Association on behalf of its members (Full and Limited), hereby enacts this Water Use and Conservation Ordinance. The purpose of this Ordinance is to establish rules and regulations controlling the installation, use, operation, maintenance, and management of the complete water supply and distribution system owned by the Association located within the boundaries of the Silver Glen Estates Subdivision (the "Development") in the County of Kane, Illinois (the "County"). This ordinance shall be fully enforceable under the terms and conditions of the recorded Declaration of Covenants and the adopted By-Laws of the Association (the "Declaration" and "By-Laws").

Section 2. Assessment Established

There is hereby established an assessment for the use and service of the Association's water supply and distribution system. Such assessment shall be based upon the cost of the Association's water supply system, including contingencies and capital reserves. All users of said water supply system shall be charged an equal monthly assessment per Lot, or fraction thereof.

Section 3. Compliance With Standards

All plumbing fixtures and methods of installation shall comply with the requirements of the National Plumbing Code, current edition published by the Manas Publications of St. Petersburg, Florida, or in compliance with the provisions of the BOCA Basic Building Code of 1988, published by the Building Officials and Code Administrators, International, Inc., 1313 East 60th Street, Chicago, Illinois 60637.

Section 4. Service Connection Applications

Prior to making service connections, an application shall be filled out and submitted for approval to the Association's Director at least one week before completion. The application shall contain the name, address, and telephone number of the Lot owner to be billed for water service. No connection or tap-in fee shall be charged for the service connection.

Section 5. Definitions

As used in this ordinance, the following words and phrases will have the following meanings unless the context clearly indicates a different meaning. All definitions contained in the By-Laws also apply in this ordinance by reference.

Association: The Silver Glen Estates Homeowners Association

Development: The Silver Glen Estates subdivision

Director: The Director of the Association, which may be its President, designated officer, or contracted management agent.

Distribution System: The network of water mains, pipes, and appurtenances for delivering potable water from the wells to the users.

Industrial User: Any nonresidential user of the Association's water supply and distribution system including agriculture, forestry, fishing, mining, manufacturing, transportation, communication,

electric, gas, and sanitary services, and any other industrial services drawing water from the Association's water wells, whether or not conveyed in the Association's distribution system.

Irrigation: The distribution of pretreated, filtered, and disinfected wastewater to growing plants on a systematic basis by using pipes, sprinklers, ditches, or similar means.

Irrigation Water Supply: Reclaimed wastewater that has been through pretreatment, filtration and disinfection processes.

Owner: The Lot Owner, who also is a member (Full and/or Limited) of the Association, or any person legally acting the Owner's behalf.

Person: Any person, firm, corporation, or Association.

Premises: Any individual building on a Lot owned by a person in or adjacent to the Development where one (1) water service connection exists.

Standard Methods: Methods approved by the engineering profession pertaining to drinking water supply and distribution systems. Evidence of standard methods include those established by the American Waterworks Association, the American Public Health Association, and the Water Pollution Control Federation.

Water Wells: The well or wells and any appurtenant equipment or facilities intended to draw water from underground sources.

Section 6. Permit Required

No person shall withdraw water from the Association's water supply and distribution system without obtaining a permit therefore. Permits shall be issued by the Director, without charge, after determining that all of the requirements of this ordinance are met.

Section 7. Permit Requirements

Permits shall be issued after application to the Director, when the applicant meets the following conditions:

- (a) New establishments. Permits for new establishments will be issued only after the following conditions have been met:
 - (1) A formal written application is filed on a form provided by the Director.
 - (2) Where necessary to comply with the terms of this ordinance, the Director shall inspect and approve the installation of any water service taps and appurtenant equipment.
 - (3) Shut-off boxes or service boxes shall be placed on every service pipe, and shall be located between the curb line and the front property line where this is practicable. Such boxes shall be so located that they are easily accessible and shall be protected from frost.
 - (4) The applicant must sign an agreement to pay any surcharges required by the terms of this ordinance, and agree to operate and maintain at the applicant's cost any pretreatment or water conditioning facilities required to comply with the terms of this ordinance.
- (b) Procedure for renewal of permits. Each nonresidential user shall be required to apply for a renewal of an annual permit under this ordinance. The Director shall establish that there have been no substantial changes in the withdrawal of water from the Association's system, or if there have been any changes, the user shall furnish detailed information as to the changes and the current status.

Section 8. Construction Contractors

During the construction of any building before any water is installed as is herein provided, the contractor constructing such building may be permitted to use the Association's water supply by making application therefore, and paying the flat fee prescribed by the Director.

Section 9. Repairs

All repairs for service pipes and plumbing systems of buildings shall be made by, and at the expense of, the owners of the premises served. The Association may, in case of an emergency, repair any service pipes and if this is done the cost of such repair work shall be repaid to the Association by the owner of the premises served.

Section 10. Excavations

Excavations for installing service pipes or repairing the same shall be approved by the Director. No water service pipe shall be placed in the same excavation with, or directly over any drain pipe or sewer pipe.

Section 11. Nonpayment

The water supply may be shut off from any premises for which the water assessment remains unpaid for a period of 90 days after the bill is rendered and mailed. When shut off, water shall not be turned on except upon the payment of the unpaid assessment plus a penalty charge.

Section 12. Abandoned Connection

Whenever any connection to the water supply system is abandoned because the building to which the water connection is made has been abandoned, destroyed, or removed, the Director may remove the meter and any pipe or connections in the Association's right-of-way or easement, and cap, plug or otherwise seal the pipe or main. Before taking any such steps the Director shall notify the owner of the real estate. Such notice shall be made by mail, at least thirty days before any action is taken under this section. If water is leaking, the Director shall take immediate action, and send the notices within three working days of the time action was taken.

Section 13. Use Of Reclaimed Water

The Association intends to use reclaimed wastewater for irrigation and fire protection purposes inside the Development's boundaries.

Section 14. Testing Of Water

All reclaimed water used shall be tested at the expense of the Association. Tests shall be made once each month. The tests shall include but not be limited to testing the levels of cadmium, PCBs, and fecal coliforms. If the district finds that the concentrations of cadmium, PCBs, or fecal coliforms are sufficient to cause concentrations dangerous to human health, the use of the reclaimed water shall be halted until the concentrations have been reduced to a safe level.

Section 15. Irrigation Water For Fire Protection

The District's Irrigation System will be available for fire protection.

Article II: Water Conservation Requirements

Section 1. Water Conservation in Toilets

No flush toilet shall be installed or replaced in the Development without complying with the terms of this section. Each flush toilet shall use not more than three and five-tenths gallons or 1.32 decaliters of water for each flush.

Section 2. Shower Conservation

No shower or shower head shall be installed or replaced in the Development without complying with the terms of this section. Each shower shall be equipped with a regulator or restrictor in the head or elsewhere in the plumbing restricting the flow of water through the shower to not more than three gallons per minute.

Section 3. Lavatory Sink Faucets

No lavatory sink faucet shall be installed in the Development without complying with the terms of this section. Each faucet shall be equipped with a regulator or restrictor which shall restrict the flow of water through the faucet to not more than three gallons per minute.

Section 4. Recycling Required

No person, firm, corporation, or association shall use any water from the Association's water system without providing for recycling for the following uses of water:

- (a) Commercial car washing. Any commercial car washing facility, including automatic systems and do-it-yourself systems as well as manned systems, and including independent car washes and car washes connected with another business such as an automobile service station, using the Association's water supply for washing vehicles, shall be equipped with recycling devices that will recycle a substantial amount of water used and reuse that water. Fresh water from the Association's water supply system may be added to the recycled water.
- (b) Cooling purposes. Water used for cooling purposes including purposes connected with air conditioning and with cooling in industrial processes shall be recycled. The water may be cooled for recycling in an evaporation tower, and water can be added to the recycled water to make up for evaporation losses.
- (c) Reusing water for subsequent processes. In any commercial use in which water can be used for one process and then reused for another process or a different use in the same premises, the commercial operation shall be equipped to recycle the water and reuse the water to the fullest extent feasible.

Section 5. Alteration Prohibited

No person in the Development shall, before or after installation, alter any flush toilet, shower, or recycling system so as to increase the flow of water beyond that specified in this ordinance without prior approval of the Director.

Section 6. Limited Members Encouraged

The requirements listed in Sections 1-4 of this Article II are suggested but not required of owners who are County residents outside the development (i.e., Limited Members of the Association).

Section 7. Public Information Authorized

The Director of the Association shall provide public information urging water conservation and offering specific methods of saving water in accordance with this ordinance. The following methods may be employed for this purpose.

- (a) Written materials on water conservation may be prepared at the expense of the Association and distributed free of charge in schools, libraries, the County, and other

- buildings used by the public. Mailings shall be included in water bills. Pamphlets and leaflets may be used. Types of landscaping requiring smaller amounts of water shall be recommended.
- (b) Oral presentations on water conservation may be offered to the schools, civic groups, clubs, groups of employees of particular industries, and church groups. These oral presentations shall be given by individuals selected by the Director. These individuals shall be given a short course in water conservation and in presenting the concept of water conservation to the public.
 - (c) The Director may cause to be prepared a workbook covering water conservation in homes, businesses, industry, schools and institutions. The workbook shall be made available to every water user and every student requesting the workbook.