

CLARIFICATION REGARDING INACTIVE TAP POLICY BY RESOLUTION #9/16-1

Regarding assignment of an Inactive Tap (or Taps) to a parcel, the policy as originally written states:

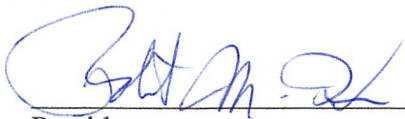
3. All Inactive Taps must be assigned to a parcel of land as of September 1, 2017. "Parcel of Land" as used in this policy shall include any lot or tract whether platted or unplatted which is located within the boundaries of LMWD.

10. After September 1, 2017 any Tap which is assigned to a parcel of land ^{and RM cd} or which is subsequently transferred to a different parcel of land shall be subject to a \$15,000 transfer fee, which fee must be paid before the transfer will be recognized by LMWD.

If the subject Inactive Tap(s) are assigned to a 'Parcel of Land' in accordance with Item 3 (Policy excerpt above), and that Parcel of Land is later divided into two or more parcels which are wholly contained within the boundaries of the original Parcel of Land, then the resulting parcels shall not be considered "different" under Item 10 (Policy excerpt above) and the transfer fee under that item shall not apply. All other terms and conditions of this Inactive Tap Policy shall apply including the requirement that at the time of the re-assignment of the tap(s), the parcels and the taps are owned by the same entity.

Adopted May 8, 2017

The Board of Directors
Lookout Mountain Water District



President



Secretary