

SUBDIVISIONS AND DEVELOPERS POLICY

1. The costs and expenses incidental to the installation, connection, and inspection of Authority service facilities for residential subdivisions and commercial developments shall be borne by the DEVELOPER. In addition, the DEVELOPER shall indemnify the Authority from any loss or damage that may directly or indirectly result from the installation of utility lines and other facilities by the DEVELOPER for a period of one year after Authority acceptance of the facilities.
2. A DEVELOPER seeking to obtain service from the Authority will submit to the Authority preliminary plat, which shall include the number, size and estimated cost of each unit and any other information that will assist the Authority in making a determination of availability of service. Each plat shall show the number of units and size (single family, duplex, etc.) to be served in the development. The DEVELOPER or his assignee will be responsible for obtaining all easements.
3. Upon receipt of the documents required by Paragraph 2 herein, and the determination that the development is to be pursued, the Authority will require the DEVELOPER submit the plans, specifications and engineering North Carolina Department of Health and Environmental Resources.
4. In the event a planned development includes a fire protection system, the DEVELOPER shall submit total fire protection plans including the number and location of sprinkler heads and hydrants.
5. The Authority may confer with its attorney during any of these procedures. Upon the Authority's approval of the plans, specifications and other necessary information, the same will be referred to the Authority's attorney for the drafting of a contract between the Authority and the DEVELOPER.
6. Before any work is begun on any project, the appropriate contract shall have been signed by the Authority and the DEVELOPER. The DEVELOPER shall notify the Authority of the proposed starting date of construction and all progress thereon shall be reported weekly to the Authority.
7. The DEVELOPER shall obtain all permits (building, plumbing, electrical, etc.) to serve these facilities and shall comply with the requirements of all other governmental agencies having jurisdiction. When the plan calls for the installation of mains under streets to be opened and dedicated within the development, the DEVELOPER shall execute a Right of Way to the Authority of 20-foot easements within which such lines are to be installed or shall execute a Deed conveying in fee simple the property within which such lines are to be installed. The Deeds are to be executed before trenching for the installation of such lines. These Deeds shall describe the easements and property of reference in the book and page of the recorded plat.
8. The Authority's policies regarding the requirement of easements are as follows:

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- (a) All system improvements including storage tanks, access roads, booster or pumping stations and other facilities shall be constructed on easements approved by the Authority or on property conveyed in fee simple to the Authority.
 - (b) All easements shall be obtained by the DEVELOPER or his agent.
 - (c) All easements shall be shown on all final subdivisions plats before the plat will be approved by the Authority.
 - (d) Any easements that are required outside a proposed development shall be obtained by the DEVELOPER or his agent prior to the initiation of system construction, except those covered in (e) below.
 - (e) If a line within a public right-of-way must be extended to bring service to a new development, the Authority may make application to obtain the necessary permission to use such public right-of-way from the state or other governmental authority having jurisdiction over the particular right-of-way.
9. The DEVELOPER will pay the Authority for an Availability Locate Fees. After the Authority has reviewed and approved the DEVELOPER'S plans and specifications the DEVELOPER will be notified within five (5) working days.
10. The Authority will approve a final plat provided:
- (a) all system improvements have been constructed and the plat constitutes an "as-built" condition; or
 - (b) the DEVELOPER gives the Authority a bond or letter of credit for 100% of the construction costs of proposed improvements as estimated by the Authority. The Authority shall hold the bond until all improvements are constructed in full adherence to the plan or until a corrected and amended plat is recorded noting all differences from the original plan. No service shall be initiated within a plated subdivision or development of any kind until either (a) or (b) above are completed to the satisfaction of the Authority. The Authority, in writing, may waive the bond for contracts under \$25,000.
11. Prior to the execution of a contract for over \$25,000, the Authority shall require the DEVELOPER to post a bond with corporate surety authorized to do business in the State of North Carolina or obtain an irrevocable letter of credit issued by a national bank or a bank authorized to do business in the State of North Carolina for the costs to construct the system improvements to serve the development. The Authority's Executive Director may authorize reduction of the bond or letter of credit on the basis of certification by the Authority's engineer as to percentage of completion of the project as designed by such engineer, with the bond to be reduced to 50% after the project shall be certified as 65% complete, reduced to 25% upon certification that the construction is 90% complete and to 10% upon certification that the construction is 100% complete, subject only to acceptance by the Authority.
12. No water and/or sewer lines or other facilities shall be covered prior to inspection and approval by the Authority.

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13. Where private lines are permitted by the Authority and are not to be dedicated to the Authority, the Authority's personal shall check and approve these lines.

14. Prior to the execution of the contract, the DEVELOPER must pay all fees and charges currently established by the Authority for the DEVELOPER which may include but are not limited to the following:

- (a) All Tap Fees;
- (b) All Acreage Fees;
- (c) Connection Fees;
- (d) A Security Deposit or Non-Refundable Service Charge;
- (e) Availability Locate Fees;
- (f) All Fees associated with the project.

15. The DEVELOPER will be permitted to connect to the Authority's existing lines provided the lines extended to and throughout the development shall become the property of the Authority free and clear of the claims of any persons or entities, except as provided otherwise herein.

The contract entered between the parties shall operate as a conveyance of the facilities when the same are installed and accepted without the necessity of any further writing, contract or deed; however, the Authority may also require a deed of exchange thereof.

16. All meter settings, meters and services will be installed and purchased by the Authority, and the DEVELOPER shall be charged in accordance with the Authority's current fee structure.

17. Each family residence or duplex shall be served with a separate meter of a minimum size specified by the Authority.

18. Apartment complexes or other types of dwellings or businesses shall be served by a meter of a size approved by the Authority.

20. All water services will be installed in a manner to comply with the Authority's Cross Connection Program.

Adoption Date: August 16, 2005