REGULATIONS RELATING TO UNPLACED TAPS JANUARY 13, 2005

PREMISES: The Authority often constructs water distribution lines into areas which are not served by another water supplier. In order for such projects to be financially feasible, the Authority sells taps to potential customers along the line well in advance of actual construction. Occasionally, a landowner will purchase taps in excess of the number of parcels owned by the landowner, knowing that upon the availability of a public water supply, they can subdivide their property and use the excess taps to serve the new parcels.

If the excess taps are placed and installed during the construction of the distribution line, the cost of installation is negligible to the Authority. However, if the landowner refuses to direct where the taps are to be placed during the construction phase, the cost of subsequently installing the taps is a significant expense to the Authority.

It is the desire of the Authority to establish a policy which will encourage landowners to place all taps purchased during the construction phase and to avoid an expense to the Authority caused by the landowner's inaction.

Therefore, the following Regulations are adopted:

- 1. If a landowner or other person purchases one or more water taps as part of an Authority Distribution Line Construction Project, and then refuses or fails to direct the Authority as to where to place the tap or taps on the landowner's parcel, in time for the taps to be installed during the line construction phase, then the Authority shall, prior to subsequently installing the tap, charge the landowner or his successor, the actual cost of installing each tap, but not less than \$500.00 per tap.
- 2. A failure to direct the placement of a tap as referred to above, shall not excuse the tap holder from payment of all fees and charges required by a contract between the tap holder and the Authority, including the mandatory minimum monthly bill.
- 3. Regulations 1 and 2 herein shall be applicable to unplaced taps for so long as an unplaced tap is subject to a mandatory minimum monthly bill.
- 4. In no event shall an unplaced or unused water tap be transferred to a parcel different from the parcel for which it was purchased.

Further, these regulations shall become effective immediately and shall apply to all existing and future unplaced and unused water taps.