

RULES AND REGULATIONS

FOR WATER SERVICE

=====

Applicable within the DISTRICT and in ALL TERRITORY
SUPPLIED BY THE AUTHORITY.

FOR LIST OF MUNICIPALITIES IN WHICH THE AUTHORITY
SUPPLIES WATER SERVICE, SEE TERRITORY, SHEET NO. 1.

=====

THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY

REVISED: JANUARY 1, 2024

TERRITORY SERVED

District

Town of Morristown	County of Morris
Township of Morris	County of Morris
Township of Hanover	County of Morris
Borough of Morris Plains	County of Morris

Other Systems Served

*Township of Harding	County of Morris
*Township of Mendham	County of Morris
*Township of Randolph	County of Morris
*Borough of Florham Park	County of Morris
*Township of Chatham	County of Morris
*Township of Parsippany-Troy Hills	County of Morris
*Borough of Madison	County of Morris
*Borough of Wharton	County of Morris

*Partially served

Map of District and surrounding territory is annexed

TABLE OF CONTENTS

<u>Index</u>	<u>Page No.</u>
1. DEFINITIONS.....	1
1.1 AUTHORITY.....	1
1.2 AUTOMATIC METER READING (AMR).....	1
1.3 CHECK VALVE.....	1
1.4 CONNECTED TO or CONNECTION.....	1
1.5 CONNECTING PIPE.....	1
1.6 CONNECTION FEE.....	2
1.7 CREATING MUNICIPALITIES.....	2
1.8 CURB STOP.....	2
1.9 CUSTOMER.....	3
1.10 DISTRIBUTION MAIN.....	3
1.11 DISTRICT.....	3
1.12 EMERGENCY CUT-IN VALVE.....	3
1.13 EXECUTIVE DIRECTOR.....	3
1.14 MASTER METER.....	3
1.15 METER.....	3
1.16 PREMISES.....	4
1.17 PRESSURE REDUCING VALVE.....	4
1.18 PRESSURE RELIEF VALVE.....	4
1.19 PRIVATE FIRE SERVICE HYDRANTS OR PRIVATE FIRE HYDRANTS.....	4
1.20 PRIVATE FIRE SERVICE LINE.....	5
1.21 RULES AND REGULATIONS.....	5
1.22 SERVICE CHARGE.....	5
1.23 SERVICE PIPE.....	5
1.24 SERVICE UNIT.....	5
1.25 SUPERINTENDENT.....	6
1.26 TAP OR CORPORATION STOP.....	6
1.27 TAPPING FEE.....	6
1.28 TRANSMISSION MAIN.....	6
1.29 WATER MAIN EXTENSION.....	6
1.30 WATER SERVICE.....	6
2. APPLICATIONS FOR SERVICE WITHIN THE DISTRICT.....	6
2.1 Premises previously supplied.....	6
2.2 Premises not previously supplied.....	7
2.3 Purposes for which service will be used.....	7
2.4 Authority may reject applications.....	7
2.5 Rejection of applications.....	7
2.6 Not transferable.....	8
2.7 Special purposes.....	8
2.8 Use must conform with application.....	8
2.9 Water for building construction purposes.....	8
2.10 Street opening permits.....	9
2.11 Extension of distribution mains.....	9
2.12 In arrears.....	9
2.13 Estimated average daily usage.....	10
3. CUSTOMER DEPOSITS.....	10
3.1 When required - - Amount.....	10
3.2 Customers in default.....	10
3.3 May be applied to delinquent accounts.....	11
3.4 Receipts.....	11
3.5 Refund when credit established.....	11
3.6 Interest.....	11

TABLE OF CONTENTS

<u>Index</u>	<u>Page No.</u>
3.7 Refund following discontinuance of service.....	11
3.8 Surrender of deposit receipt.....	11
3.9 Building construction purposes.....	12
4. WATER MAIN EXTENSIONS WITHIN THE DISTRICT.....	12
4.1 Applications.....	12
4.2 Installation in public streets.....	12
4.3 Agreement Forms.....	13
4.4 Owned, maintained and controlled by the Authority.....	13
4.5 Additional Customers or mains may be connected.....	13
5. SERVICE APPLICATIONS OUTSIDE THE DISTRICT.....	13
5.1 Applications restricted.....	13
5.2 Review by Superintendent.....	14
5.3 Premises previously supplied by Morristown.....	14
5.4 Premises not previously supplied by Morristown.....	15
6. APPLICATIONS FOR MAIN EXTENSIONS OUTSIDE DISTRICT (NEW EXTENSIONS)...	15
6.1 Applications.....	16
6.2 Review by Superintendent.....	16
6.3 Review by Consulting Engineers.....	16
6.4 Consent by Creating Municipalities.....	17
6.5 Certification by Engineer.....	19
6.6 Presentation to Members.....	19
6.7 Request for Approval by Creating Municipalities.....	20
6.8 No obligation by the Authority; Applicant to provide additional information; costs.....	21
6.9 Approvals.....	22
7. SERVICE PIPES.....	23
7.1 Furnished, installed and maintained by Customers.....	23
7.2 Installation by employees or authorized persons.....	23
7.3 Authority to control size.....	23
7.4 Separate trench required.....	23
7.5 Curb stop.....	23
7.6 Limited to single premises.....	24
7.7 Independent piping, valving, and a separate meter.....	24
7.8 Two or more Customers - meter and piping.....	24
7.9 Change at expense of Customer.....	24
7.10 Temporary use.....	24
7.11 Request for larger size service.....	25
7.12 Request for reduction in size.....	25
8. CONNECTING PIPES.....	25
8.1 Installed at the expense of the Customer.....	25
8.2 Pipe is the property of the Customer.....	25
8.3 Specifications for pipe.....	26
8.4 Method of installation.....	26
8.5 Inspection by Authority.....	26
8.6 No attachment between the meter and the main.....	27
8.7 Customer shall make required changes.....	27
8.8 On property of others - - Permission required.....	27
9. CUSTOMER'S PREMISES.....	27

TABLE OF CONTENTS

<u>Index</u>	<u>Page No.</u>
9.1 Piping shall conform to regulations.....	27
9.2 Authority shall have the right of access.....	28
9.3 Customer shall obtain permits.....	28
9.4 Access to meter restricted.....	28
9.5 Notification of defective service.....	28
9.6 Compliance with governmental regulations.....	28
9.7 Connections with unapproved sources prohibited.....	29
9.8 Auxiliary source shall be identified.....	29
9.9 Back-flow or back-siphonage.....	29
9.10 Unoccupied premises.....	29
9.11 Leakage shall be repaired by Customer.....	29
10. PRIVATE FIRE PROTECTION SERVICE.....	30
10.1 Separate application required.....	30
10.2 Installation.....	30
10.3 Separate service pipes required.....	30
10.4 Special meters provided.....	30
10.5 Emergency Cut-In Valves.....	31
10A. PRIVATE FIRE PROTECTION SERVICE HYDRANTS.....	32
10A-1. Private Fire Hydrants Application.....	32
10A-2. Private Fire Hydrant Installation.....	32
10A-3. Private Fire Hydrants Detector Check.....	32
10A-4. Charges for Private Fire Hydrant.....	32
10A-5. Authorized Representatives.....	32
11. METERS.....	33
11.1 Furnished, installed and maintained by.....	33
11.2 Meter fittings.....	33
11.3 Location subject to approval by the Authority.....	33
11.4 Specification for installation.....	33
11.5 Support of meters.....	34
11.6 Pressure reducing valve.....	34
11.7 Outside installation.....	34
11.8 Installation on property of others.....	35
11.9 Accessible location required.....	35
11.10 Protection of outside installation.....	35
11.11 Maintenance and repair.....	35
11.12 Recording determined quantity delivered.....	35
11.13 Reading.....	36
11.14 Estimated readings.....	36
11.15 Customer should report unusual usage.....	36
11.16 Tests for accuracy.....	36
11.17 Adjustment in case of inaccuracy.....	37
11.18 Resetting after test.....	37
11.19 Charges for replacement.....	38
11.20 Removal by authorized persons only.....	38
11.21 Tampering prohibited.....	38
11.22 Testing of large meters.....	38
11.23 Remote Meter Reading Devices.....	38
11.24 Automatic Meter Reading (AMR).....	38
12. BILLS 39	
12.1 Bills based on service charges.....	39

TABLE OF CONTENTS

<u>Index</u>	<u>Page No.</u>
12.2	When rendered..... 39
12.3	Information shown on bills..... 39
12.4	Adjustment of estimated bills..... 40
12.5	Meter reading deemed conclusive..... 40
12.6	Minimum charges..... 40
12.7	Two or more meters on same premises..... 40
12.8	Customer's responsibility for payment..... 41
12.9	Payment by agents or tenants..... 41
12.10	When and where applicable..... 41
12.11	Interest on Service Charges..... 42
12.12	Enforcement of liens..... 42
12.13	Discontinuance for nonpayment..... 42
12.14	Resumption after such discontinuance..... 43
12.15	Bankruptcy or fraud - Immediate payment required..... 43
13.	BASIS OF DISCONTINUANCE OF SERVICE..... 43
13.1	Reasons for discontinuance..... 43
13.2	Notice of Discontinuance..... 46
13.3	Disputes..... 49
13.4	Restoration of Service..... 50
14.	PUBLIC FIRE PROTECTION..... 51
14.1	Application by municipalities..... 51
14.2	Hydrants owned by Authority..... 51
14.3	Payment of charges..... 51
14.4	Hydrants shall be used for public fire protection only..... 51
14.5	Authority should be notified after use of hydrant..... 51
14.6	Special use - Permit required..... 52
14.7	Regulation wrench shall be used..... 52
14.8	Hydrants shall not be left unattended while in use..... 52
14.9	Payment in advance - Refund..... 52
15.	LAWN SPRINKLER AND IRRIGATION SYSTEMS..... 53
15.1	Vacuum breaker and check valve required..... 53
15.2	Restrictions on use..... 53
16.	GENERAL RULES..... 54
16.1	Limitations on use..... 54
16.2	Authority not liable for interruptions..... 54
16.3	No guarantee of special service or fixed pressure..... 54
16.4	Notice of temporary curtailment..... 55
16.5	Quality of water not guaranteed..... 55
16.6	No responsibility for equipment on Customer's premises..... 56
16.7	No guarantee from third parties..... 56
16.8	No unauthorized use of Authority facilities..... 56
16.9	Authority of agents or employees limited..... 57
16.10	No modification of provisions..... 57
16.11	Resale restricted..... 57
16.12	Developers to furnish approved subdivision plan..... 57
16.13	These Rules and Regulations part of all agreements..... 57
16.14	Changes and modification..... 58
17.	PENALTIES FOR VIOLATIONS..... 58
17.1	Fine for violation..... 58

TABLE OF CONTENTS

<u>Index</u>	<u>Page No.</u>
17.2	Payment of fines..... 59
17.3	Non-payment of fines..... 59
17.4	Penalties..... 59
18.	CONNECTION FEES; TAPPING FEES..... 60
18.1	Separate charge for each connection..... 60
18.2	Connection Fee in addition to Tapping Fee..... 60
18.3	Calculation of Connection Fee..... 60
18.4	Payment of Connection Fee and Tapping Fee..... 60
18.5	Credits to Connection Fee..... 61
18.6	Waiver of Connection Fee..... 63
18.7	Connection fee charges to premises previously lawfully connected to the water system..... 64
18.8	Reduced Rate/Credit for Public Housing Authorities, Non-profit Organizations and Other Organizations Building Affordable Housing:..... 65
19.	OFF-SITE FACILITIES..... 67
19.1	Customers required to install and/or pay for cost..... 67
19.2	Facilities shall be sole property of the Authority..... 68
19.3	Cost shall be determined or approved by the Authority..... 68
19.4	Cost shall be paid and allocated..... 68
19.5	Amount to be reimbursed to Initial Connector..... 69
19.6	Determining Customer's fair share of cost..... 70
19.7	Costs to be assessed, allocated and collected..... 71
19.8	Members of the Authority have the right to make exceptions..... 71
20.	MULTI-USE SERVICE..... 71
20.1	Authority shall supply multi-use service unless good cause to refuse such multi-use service..... 71
20.2	Multi-use service definition..... 72
20.3	Application of multi-use service certification..... 72
20.4	Responsibility of customer applying for multi-use service..... 73
20.5	Multi-use service application..... 73
20.6	Discontinuance of service for Tariff violations..... 74

RATE SCHEDULES:

Schedule No. 1	General Metered Service
Schedule No. 2	General Metered Service
Schedule No. 3	Private Fire Protection
Schedule No. 4	Public Fire Protection
Schedule No. 5	Non-Metered Service
Schedule No. 6	Miscellaneous Service
Schedule No. 7	Service to Other Systems
Schedule No. 8	Application for Water Main Extension
Schedule No. 9	Uncollectible Check Charge
Schedule No. 10	Schedule of Deposits (Omitted May 2006)
Schedule No. 11	Hydrant Permit Fees
Schedule No. 12	Water Search Service Charge
Schedule No. 13	Connection Fee
Schedule No. 14	Irrigation Service

TABLE OF CONTENTS

Index

Page No.

APPENDICES :

Appendix No. 1
Appendix No. 2
Appendix No. 3
Appendix No. 4
Appendix No. 5
Appendix No. 6

STANDARD TERMS AND CONDITIONS

1. DEFINITIONS

- 1.1 AUTHORITY shall mean The Southeast Morris County Municipal Utilities Authority.
- 1.2 AUTOMATIC METER READING (AMR) shall mean the reading of meters electronically. AMR shall also refer to the equipment and devices necessary to read meters via the telephone system including the encoder type water meter, meter interface unit telephone jacks, wires and all other equipment and appurtenances owned by, leased by or under the control of the Authority.
- 1.3 CHECK VALVE is an automatically operated valve designed to permit the flow of water in one direction only.
- 1.4 CONNECTED TO or CONNECTION means any direct or indirect connection of a Premises or any existing or proposed building, facility or other structure thereon to the water system of the Authority; including any addition or physical or operational change which increases the number of service units and/or projected water usage from the Premises and for which a building permit or other municipal approval including but not limited to site plan or subdivision approval is required.
- 1.5 CONNECTING PIPE is the supply pipe installed, owned and controlled by the customer, connected to the service

STANDARD TERMS AND CONDITIONS

pipe at the curb stop and leading therefrom to the meter on the customer's Premises. In situations where the Authority requires or permits a meter pit to be installed between the curb stop and the customer's Premises, the Connecting Pipe shall run from the meter pit to the customer's Premises and the portion of pipe running from the curb stop to the meter pit shall be installed, owned and controlled by the Authority as part of the Service Pipe.

- 1.6 CONNECTION FEE, as used in these Rules and Regulations, is a charge imposed upon the owner or occupant of property or Premises to be connected to the Authority's water system representing a fair payment toward the cost of the water system and calculated pursuant to N.J.S.A. 40:14B-21. The Connection Fee is an addition to the actual cost of the physical connection or "tapping fee" imposed pursuant to the rate schedules annexed to these Rules and Regulations.
- 1.7 CREATING MUNICIPALITIES refers to the Authority's four creating municipalities, i.e., The Town of Morristown, The Township of Hanover, The Township of Morris and The Borough of Morris Plains.
- 1.8 CURB STOP is the fitting attached to the service pipe at

STANDARD TERMS AND CONDITIONS

or near the curb, for turning on and shutting off water.

- 1.9 CUSTOMER is a person, partnership, firm, corporation governmental subdivision or agency receiving Water Service to Premises, as hereinafter defined.
- 1.10 DISTRIBUTION MAIN is a pipe which delivers water to the service pipes attached thereto to serve the Premises of customers.
- 1.11 DISTRICT means the territory consisting of the combined areas of the Town of Morristown, The Township of Hanover, The Township of Morris and The Borough of Morris Plains.
- 1.12 EMERGENCY CUT-IN VALVE is a device installed on auxiliary fire service lines designed to open automatically when downstream pressure drops below a pre-set head; and which automatically closes when pressure rises above the pre-set amount.
- 1.13 EXECUTIVE DIRECTOR means the Executive Director of the Authority.
- 1.14 MASTER METER is a single meter serving Premises that include more than one service unit with one or more owners.
- 1.15 METER is a mechanical or other device which registers and records the quantity of water supplied to the Customer.

STANDARD TERMS AND CONDITIONS

- 1.16 PREMISES means any parcel of land or any building, structure or combination of buildings or structures on one or more contiguous parcels of land owned, leased or occupied by a Customer to which Water Service is provided. Without limiting the generality or inclusiveness of the foregoing, the term PREMISES includes any apartment building, industrial or office complex, or cooperative apartment, condominium, townhouse or similar development served by one or more master meters for distribution to a greater number of unit owners or occupants within the development.
- 1.17 PRESSURE REDUCING VALVE is a device which is placed in pipelines to maintain automatically a given working pressure on its outlet side regardless of the pressure on the inlet side.
- 1.18 PRESSURE RELIEF VALVE is a device installed in pipelines and other pressure systems to relieve automatically excess house system pressure, above the predetermined setting of the relief valve.
- 1.19 PRIVATE FIRE SERVICE HYDRANTS OR PRIVATE FIRE HYDRANTS are hydrants on private property connected to private water lines served by the Authority system and owned and maintained by the Customer.

STANDARD TERMS AND CONDITIONS

- 1.20 PRIVATE FIRE SERVICE LINE is a service pipe leading from the Authority's main to a connection pipe and used exclusively for service to sprinkler heads and/or hose connections.
- 1.21 RULES AND REGULATIONS, as referred to herein, are these entire "Rules and Regulations for Water Service" as the same may be amended or revised from time to time.
- 1.22 SERVICE CHARGE means rents, rates, fees and other charges for direct or indirect connection for the use of products or services of the water system, or sale of water, or Water Services, facilities or products.
- 1.23 SERVICE PIPE is a supply pipe, installed by the Authority at the customer's expense and owned, maintained and controlled by the Authority, leading from the corporation stop at the main to the curb stop; provided that where a meter pit is installed between the curb stop and the customer's Premises, the Service Pipe shall also include the portion of the pipe leading from the curb stop to the meter pit.
- 1.24 SERVICE UNIT means a residential, commercial, industrial or other unit of property to which Water Service is provided either by direct connection or a master meter serving other units.

STANDARD TERMS AND CONDITIONS

- 1.25 SUPERINTENDENT means the Superintendent of Authority.
- 1.26 TAP OR CORPORATION STOP is the fitting inserted in the distribution main to which the service pipe is attached. It is used for shutting off water in case of repairs to the service pipe.
- 1.27 TAPPING FEE, as used in these Rules and Regulations means the actual cost of physical connection to the water system and is in addition to the "Connection Fee."
- 1.28 TRANSMISSION MAIN is a pipeline of large diameter (usually 10" and larger) which delivers water from the various pumping stations and distribution reservoirs to the distribution mains.
- 1.29 WATER MAIN EXTENSION is an addition to the existing system of transmission and distribution mains, constructed by or for the Authority.
- 1.30 WATER SERVICE includes all actions and activities necessary to supply Customers with water at their Premises.

2. APPLICATIONS FOR SERVICE WITHIN THE DISTRICT

- 2.1 Application for Water Service to Premises previously supplied shall be made at the General Offices of the Authority, 19 Saddle Road, Cedar Knolls, New Jersey, in person, by the owner, lessee or duly authorized agent

STANDARD TERMS AND CONDITIONS

unless otherwise permitted by the Authority. See Appendix #1.

- 2.2 Application for Water Service to a new building or to Premises not previously supplied shall be made at the General Offices of the Authority, 19 Saddle Road, Cedar Knolls, New Jersey, in person by the owner, lessee or duly authorized agent. The applicant shall be required to sign forms provided by the Authority. See Appendix #1 and #2.
- 2.3 An applicant for Water Service shall state at the time of making application, the purposes for which service will be used, estimated water use where applicable, and may be required to sign an agreement or other form covering special circumstances for the supply of such service.
- 2.4 If the person applying for service is a tenant or lessee, the name and address of the owner of the property must also be provided on the application form. Unpaid service charges are liens against the real property for which the owner is responsible. The Authority will enforce such liens until the unpaid service charges and all interest accrued thereon are paid in full.
- 2.5 The Authority may reject applications for Water Service

STANDARD TERMS AND CONDITIONS

where such service is not available; or cannot practicably or feasibly be provided, or where such service might affect the supply to existing Customers; or for failure of the applicant to agree to comply with any of the Authority's Rules and Regulations; or for other good reasons.

2.6 Applications for Water Service are not transferable. Each new owner or occupant of the Premises to be supplied is required to make a new application.

2.7 A separate application is required for a supply of water for special purposes.

2.8 A Customer shall not allow the use of water by others through the meter located in his Premises, except at such Premises; nor shall water be used at any Premises not designated in the application, except as specifically authorized by the Authority in writing.

2.9 If the application is made for the supply of water for building construction purposes, the Authority shall have the option of providing metered or unmetered services.

(1) If metered, the water used shall be billed at the rates applicable to General Metered Services set forth in Service Charge Schedule No. 1.

STANDARD TERMS AND CONDITIONS

(2) If unmetered, the water used shall be billed at the rates applicable to Building Construction Service set forth in Service Charge Schedule No. 11, plus any overhead charges incurred by the Authority.

2.10 The applicant will make application for any street or highway opening permits (except state highway) for installing service connections and no service will be furnished until such permits are provided and delivered to the Authority.

(1) If a charge is made by a municipality or other governmental agency controlling the street or highway for installing facilities, the charge shall be paid by the applicant.

2.11 Applications for extension of distribution mains within the District are covered under a separate section, entitled, "WATER MAIN EXTENSION WITHIN THE DISTRICT." Applications for service and main extensions outside the District are covered under separate sections entitled "SERVICE APPLICATIONS OUTSIDE THE DISTRICT" and "APPLICATIONS FOR MAIN EXTENSIONS OUTSIDE DISTRICT ('NEW EXTENSIONS')." ."

2.12 No service will be provided to any applicant for Water

STANDARD TERMS AND CONDITIONS

Service until all valid bills due from the applicant for service furnished at any present or previous locations shall have been paid and a deposit made pursuant to Section 3.1.

- 2.13 In the space provided on the application, the applicant shall state the estimated average daily usage expected through such service, when requested by the Authority. This estimate will be used to determine appropriate meter size as well as applicable fees which are based on average daily usage.

3. CUSTOMER DEPOSITS

- 3.1 Deposits may be required in cases involving new Customers or existing Customers who have had a history of delinquent payments. The amount of the deposit will be determined by the Authority based upon the estimated charge for service during a billing period including the average time required for collection after bills are rendered.
- 3.2 Customers in default of payment of bills, or with a history of delinquent payment, may be required to furnish a deposit or increase their existing deposit in an amount sufficient to secure the payment of future bills. Service may be discontinued for failure to make

STANDARD TERMS AND CONDITIONS

such deposit, after proper notice.

- 3.3 If a Customer who has made a deposit fails to pay a bill, the Authority may apply the deposit to the extent necessary to satisfy the bill and require that the deposit be restored to its original amount, or such increased amount as may be sufficient, in the opinion of the Authority, to secure payment of future bills.
- 3.4 The Authority will furnish a receipt to each Customer who has made a deposit.
- 3.5 The Authority will review a Customer's account at least once every two years and if this review indicates, to the Authority's satisfaction, that the Customer has established a good credit, the deposit will be refunded to the Customer.
- 3.6 Simple interest, at a rate to be determined from time to time by the Authority, will accrue on such deposits, provided the deposit remains with the Authority at least three months.
- 3.7 Following final termination of service, the Customer will receive a refund of any deposit, together with accrued interest, less any amount due for unpaid bills.
- 3.8 Customers will be required to surrender the deposit receipt. If the receipt cannot be produced, a written

STANDARD TERMS AND CONDITIONS

agreement, to indemnify the Authority against any claim arising from failure to surrender the original receipt, may be required.

- 3.9 Deposits will be required to guarantee the payment for metered water used for construction purposes where no advance payments have been made. These deposits will be based upon the cost of the meter, plus the estimated amount of water which may be used during construction. When the meter is returned to the Authority in good condition, the deposit will be refunded, together with accrued interest, less any amount due for unpaid bills plus overhead charges.

4. WATER MAIN EXTENSIONS WITHIN THE DISTRICT

- 4.1 Applications for main extensions within the District shall be made in person, at the General Offices of the Authority, 19 Saddle Road, Cedar Knolls, New Jersey. Upon receipt of such application, the Authority will make a survey and advise the applicant as to the most suitable plan for installing the proposed extension.
- 4.2 Distribution mains will be extended only in public streets or highways or in new streets or highways, not yet accepted, but which have been laid out according to an accepted plan approved by the appropriate

STANDARD TERMS AND CONDITIONS

governmental entities or in easements where deemed appropriate by the Authority. In addition to other appropriate situations, the Authority will require an easement in cases where the streets or highways have not been accepted, such easement to be obtained and/or provided by the Customer at no expense to the Authority. Under no circumstances will distribution mains be installed until streets or highways have been rough graded to an established and approved grade.

- 4.3 Extensions will be installed pursuant to agreements promulgated by the Authority. See Appendix #3 for Agreement Forms.
- 4.4 Each extension shall become a part of the distribution system of the Authority and shall be owned, maintained and controlled by the Authority.
- 4.5 The Authority shall have the right to connect additional Customers to an extension.

5. SERVICE APPLICATIONS OUTSIDE THE DISTRICT

- 5.1 No Application for the supply and distribution of water, directly or indirectly, to any parcel of real property situated outside the District shall be approved or accepted unless (i) such parcel was supplied with water by the Town of Morristown prior to January 20, 1977; or

STANDARD TERMS AND CONDITIONS

(ii) written consent to such supply shall have been given to the Authority by all of its four creating municipalities, i.e. the Town of Morristown, The Township of Hanover, The Township of Morris and the Borough of Morris Plains.

5.2 Upon receipt of an application for service outside the District, the Superintendent shall determine whether:

(a) The parcel of real property in question was supplied with water by the Town of Morristown prior to January 20, 1977; and

(b) The proposed service requires the construction of any "New Extension" as defined in the Service Contract between the Authority and its creating municipalities dated January 20, 1977 ("Service Contract"). The term "New Extension", as so defined, means any new water main other than a service connection from a property fronting on the System (or having reasonable access thereto) which is not part of the "Project" improvements described in the Service Contract.

5.3 If the Superintendent determines that such parcel of real estate was supplied with water by the Town of Morristown prior to January 20, 1977 and that no "New

STANDARD TERMS AND CONDITIONS

Extension" is to be constructed, the application shall proceed in the same manner as an application for service within the District.

5.4

- (a) If the Superintendent determines that the parcel was not supplied with water by the Town of Morristown prior to January 20, 1977 but that no "New Extension" is to be constructed in connection with the application the matter shall be submitted to the Members for determination as to whether requests should be made to the creating municipalities. In such event the applicant will be requested to complete the applicable portions of the authorization form annexed hereto as Exhibit A and pay the application fee set forth therein.
- (b) If the Superintendent determines that the parcel was not supplied with water by the Town of Morristown prior to January 20, 1977 and that a New Extension is to be constructed in connection with the application, the application shall be processed as an "Application For Main Extension Outside District" as hereinafter provided in Section 6.

6. APPLICATIONS FOR MAIN EXTENSIONS OUTSIDE DISTRICT (NEW

STANDARD TERMS AND CONDITIONS

EXTENSIONS).

6.1 The applicant shall complete and file the Authority's regular application for water main extensions.

6.2 Upon receipt of a completed application and preliminary plans in connection with an application involving a proposed new extension located in whole or in part outside the District, the Superintendent shall determine whether:

(a) the proposed new extension is feasible considering its location, the property to be served, future service requirements, availability of supply, availability of alternate means of supply, and such other factors as may be relevant under the circumstances; and

(b) construction of the extension is reasonably necessary in order that the Authority may provide service to persons or property within the District.

6.3

(a) In the event the Superintendent determines that subsections (a) and (b) of S6.2 are both applicable, the applicant shall be advised that the application may be processed only after review by the Authority's Chief Engineer or a consulting

STANDARD TERMS AND CONDITIONS

engineer selected by the Authority and certification by such engineer as to the finding set forth as subsection (b) of S6.2. In such event, the applicant will be requested to complete the applicable portion of the authorization form annexed hereto as Appendix #4 and pay the preliminary application fee set forth therein. Upon completion of the form and payment of the required fee, the matter shall be promptly referred to the Authority's Chief Engineer or a consulting engineer selected by the Authority for securing the certificate referred to above.

- (b) Upon receipt of the said engineer's certificate, the same shall be delivered to the four creating municipalities, provided that the Members of the Authority shall first concur, by duly adopted resolution, in the determination of the Superintendent set forth in S6.2 (a) and in the certification of the engineer. The said engineer's certificate shall be dated not more than 30 days prior to the date of delivery to the creating municipalities.

6.4 In the event the Superintendent determines that only subsection (a) of S6.2 is applicable:

STANDARD TERMS AND CONDITIONS

(a) The applicant shall be advised that the service cannot be provided without the consent of the four creating municipalities and the Morris County Municipal Utilities Authority. The Superintendent shall advise the applicant that the Authority will make the necessary applications to the creating municipalities and the Morris County Municipal Utilities Authority upon determination by the Authority that:

(1) It is within the present capacity of the Authority's water supply system to provide Water Service to the area to be served by the proposed extension and such extension will not substantially impair the Authority's ability to meet existing and reasonably foreseeable service requirements within the District; and

(2) Based upon the review of applicant's plans (and subject to review of any changes or modifications therein) the proposed new extension appears to be in conformity with proper water supply and engineering standards.

(b) The applicant will be requested to complete the applicable portion of the authorization form

STANDARD TERMS AND CONDITIONS

annexed hereto as Appendix #3 and pay the preliminary application fee set forth therein.

- (c) Upon completion of the authorization form and payment of the applicable fee, the matter shall be referred to the Authority's Chief Engineer or a consulting engineer selected by the Authority for the purpose of making the determinations set forth in S6.4 (a) (1) and (2) above. In the event of a negative determination by the said engineer as to either of these items, the applicant shall be advised that the application is rejected and that service cannot be provided. In such event, the Authority may, in its sole discretion, return all or a portion of the preliminary application fee to the applicant.

6.5 In the event the Engineer makes positive findings as to both subsections (a) (1) and (2) of S6.4 (and only in that event) he shall certify same in writing to the Authority together with any conditions or comments which he may have regarding the application.

6.6 Upon receipt of the certification referred to in S6.5 from the engineer, the said certification shall be presented to the Members of the Authority together with the

STANDARD TERMS AND CONDITIONS

following:

- (a) Copies of the application.
- (b) The detailed plans for development which may be preliminary or final plans.
- (c) A report from the Superintendent setting forth all relevant information and a recommendation as to whether the requested extension should be permitted by the Authority stating specific reasons therefor.

6.7 The Members shall determine, at a regular or special meeting of the Authority, whether requests should be made to the creating municipalities and the Morris County Municipal Utilities Authority for approval of the proposed extension.

- (a) If the Members decide not to make the request, the applicant shall be so advised. In such event the Authority may, in its sole discretion return all or a portion of the preliminary application fee.
- (b) If the Members decide to make the requests, such requests shall be made by the Authority or its designated agent or attorney in writing to the four creating municipalities and when applicable, to the Morris County Municipal Utilities Authority for approval of the proposed extension. Such requests

STANDARD TERMS AND CONDITIONS

shall be accompanied by a copy of the engineer's certificate referred to above and/or such other documentation as the Authority may determine to be relevant. Before making the request, or at any time during the pendency thereof, the Authority may require a supplemental application fee in an amount to be determined by the Members to defray the additional expenses hereinafter set forth.

6.8

- (a) The Authority assumes no obligation with regard to the obtaining of any such approvals and shall in no way be responsible for the failure or inability to secure same after written request therefor.
- (b) In the event any municipality or the Morris County Municipal Utilities Authority shall require any further information or documentation of any nature whatsoever including, without limiting the generality of the foregoing: any engineering reports or data, plans, maps, surveys, specifications, constructions details, legal opinions, testimony or reports of expert witnesses, or in the event any hearing is required or requested by any person in connection with such application, all such

STANDARD TERMS AND CONDITIONS

requested information or documentation, and all costs associated therewith and in connection with any such hearing shall be borne by the applicant, including the actual costs incurred by the Authority for professional legal and engineering services.

- (c) The costs referred to herein shall be in addition to the preliminary application fee to be paid by the applicant pursuant to S6.3 (a) which fee is intended only to defray the cost to the Authority of processing the initial application and making the written requests to the creating municipalities and the Morris County Municipal Utilities Authority. The Authority may require either a supplemental fee (per S6.7b), cash deposit or other security with regard to the costs incurred or to be incurred in connection with the items set forth above.

- 6.9 Upon receipt of approvals from the creating municipalities and, when applicable, the Morris County Municipal Utilities Authority, the application shall proceed as an application within the District. The obtaining of such approvals shall not in any way excuse the applicant from

STANDARD TERMS AND CONDITIONS

complying with all applicable Authority regulations or requirements; nor impinge upon the Authority's right to determine whether service shall, in any given case, be provided, notwithstanding such approvals.

7. SERVICE PIPES

- 7.1 The service pipe from the distribution main to the curb line, including the curb stop will be furnished and installed by the Authority at the Customer's expense and owned and maintained by the Authority.
- 7.2 Only employees or other persons authorized by the Authority will be permitted to make connections to the mains of the Authority.
- 7.3 The Authority will control the size of the opening to be made in the distribution main and the size of the service pipe to be installed.
- 7.4 No service pipe will be installed where the connecting pipe is laid or to be laid in the same trench with sewer pipe, gas pipe, electric conduit or any other facility, except as provided by laws of the State of New Jersey.
- 7.5 A curb stop will be installed by the Authority at or near the curb line, in such a manner as to permit the attachment of the Customer's connecting pipe. The curb stop is available for turning on and shutting off the

STANDARD TERMS AND CONDITIONS

supply of water in emergencies, for purposes of repair or to effect collections. Only Authority employees or persons duly authorized to do so by the Authority are permitted to operate the curb stop.

- 7.6 Each account shall be supplied by one service pipe, unless otherwise required or approved by the Authority.
- 7.7 The piping of the building shall be so arranged that each Customer can be supplied through independent piping, valving, and a separate meter.
- 7.8 Where two or more Customers are supplied through a single service pipe, any violation of the rules of the Authority by either or any of said Customers shall be deemed a joint violation. The Authority may take such corrective action with respect to the violation as would be taken in the case of a single Customer. Such action shall not be taken until the Customer who is not in violation has been given reasonable opportunity to attach the service pipe leading to his Premises to a separately controlled service connection.
- 7.9 Any change requested by the Customer in the location of the existing service pipe, if approved by the Authority shall be made at the expense of the Customer.
- 7.10 Where a service pipe is for temporary use, the Customer

STANDARD TERMS AND CONDITIONS

shall bear the entire expense of making the connection.

7.11 Where a service pipe is available in front of a Customer's Premises, the customer may obtain a different size service (in accord with rate schedule No. 2) provided such service is established on a permanent basis. Any subsequent request for a change in the size of the meter as provided in section 11 shall be subject to Authority's sole discretion and approval; and shall be at the customer's expense upon payment of the charge prescribed by the Authority.

7.12 When a service pipe in excess of 2 inches in diameter has been installed at the request of a Customer, in front of Premises not previously supplied, any subsequent request for a reduction in the size of the meter shall be subject to Authority approval and the payment by the Customer of the difference between the cost of installing the service pipe and the cost of installing a service pipe of the same size as the new meter.

8. CONNECTING PIPES

8.1 A connecting pipe attached to the service pipe to convey the water supply within the property of the Customer shall be installed at the expense of the Customer.

8.2 The connecting pipe is the property of the Customer and

STANDARD TERMS AND CONDITIONS

- shall be maintained and kept in repair by the Customer.
- 8.3 The connecting pipe shall be copper tubing (or other material permitted by State Code) and quality approved by the Authority. The minimum diameter of the pipe shall be 3/4 inch. For connecting pipes three inches or larger in diameter, ductile iron or other pipe of strength and quality approved by the Authority shall be used.
- 8.4 The connecting pipe shall be installed by a licensed plumber or other approved mechanic. The pipe shall be installed without sharp bends, at right angles to the line of the street, in a trench not less than four feet in depth, to avoid damage and possible interruption to service caused by freezing. The pipe shall not be installed within three feet of any permanent excavation or vault or other subsurface structure. Other utility service pipes, such as sewer or gas, shall not be installed in the same trench without the express consent of the Authority.
- 8.5 The Authority reserves the right to inspect the installation prior to backfilling the trench and to withhold the supply of Water Service whenever such installation or any part thereof is deemed by the Authority to be leaking, unsafe, inadequate or unsuit-

STANDARD TERMS AND CONDITIONS

able for receiving service, or to interfere with or impair the continuity or quality of service to the Customer or to others.

- 8.6 No attachment shall be made to the service or connecting pipe, or any branch thereof, between the meter and the main.
- 8.7 The Customer shall make all changes in the connecting pipe due to changes in grade, relocation of mains, or other causes, at Customer's expense.
- 8.8 Where it is necessary to install a connecting pipe on the property of persons other than the applicant for service, written authority from such property owners, in a form approved by the Authority, shall be obtained by the applicant. Any such installation shall be subject to the prior approval of the Authority and in its sole discretion.

9. CUSTOMER'S PREMISES

- 9.1 The Authority may refuse to provide a Water Service connection with any Customer's piping system or furnish water to any connecting pipe already installed, when the Customer's piping system is not installed in accordance with the regulations of the Authority and of the municipality in which the Premises are located; or when

STANDARD TERMS AND CONDITIONS

the piping system on the Premises is not at sufficient depth to prevent freezing.

- 9.2 The Authority shall have the right of reasonable access to a Customer's Premises and to all property supplied by it, at reasonable times, for the purpose of inspection incident to the rendering of service, reading meters or inspecting, testing or repairing its facilities used in connection with supplying service, or for the removal of its property.
- 9.3 The Customer shall obtain or cause to be obtained, all permits needed by the Authority for access to its facilities.
- 9.4 The Customer shall not permit access to the meter or other facilities of the Authority except by authorized employees of the Authority or other duly authorized persons.
- 9.5 In case of defective service, the Customer shall not interfere with the apparatus or appliances belonging to the Authority but shall notify the Authority immediately.
- 9.6 All piping within a Customer's Premises shall comply with applicable State, municipal and other regulations in force.

STANDARD TERMS AND CONDITIONS

- 9.7 Physical connections, such as cross connections, either permanent or temporary, between pipes on a Customer's Premises supplied by the Authority and any unapproved source of supply are prohibited.
- 9.8 In any Premises where an auxiliary water source is available, the pipes carrying water from the mains of the Authority are required to be marked in some distinctive manner for ready identification.
- 9.9 No device or connection shall be permitted between pipes or fixtures carrying water from the mains of the Authority and any portion of the plumbing system of the Premises in cases where the system is not designed to prevent back-flow or back-siphonage and permitted by the Department of Environmental Protection of the State of New Jersey.
- 9.10 If a premise is to remain unoccupied for an indefinite period, Customers are cautioned to have the interior plumbing drained, especially during cold weather, to avoid damage to pipes and fixtures. When requested, the Authority will suspend service to unoccupied Premises temporarily by shutting off the water at the curb and removing the meter.
- 9.11 Whenever leakage occurs in pipes and facilities owned by

STANDARD TERMS AND CONDITIONS

the Customer, the Customer shall make the necessary repairs without delay. If the Customer fails to make said repairs, the Authority reserves the right to discontinue the supply until such time as the leak is repaired and all costs incurred by the Authority are paid.

10. PRIVATE FIRE PROTECTION SERVICE

10.1 Customers are required to make separate written application for private fire protection service and enter into an agreement, a copy of which is annexed to these Rules and Regulations as Appendix #5.

10.2 Private fire service installations shall be made in accordance with the provisions of these Rules and Regulations regarding the installation of service and connecting pipes and other facilities.

10.3 Private fire service lines must be equipped with special back flow protection devices and must comply with all other provisions of applicable building codes and regulations. The Authority will require detector check meters or cut in valves for certain applications. The charge for private fire service is based on the size of the service.

10.4 Where a tank, standpipe or other storage facility is

STANDARD TERMS AND CONDITIONS

used, it shall be so constructed and arranged as to protect the water from pollution and shall conform with all applicable rules and regulations of the State Department of Environmental Protection and all other agencies and offices having jurisdiction. Authorized representatives of the Authority shall have the right to inspect all fire protection facilities on a Customer's Premises.

10.5 EMERGENCY CUT-IN VALVES

- (a) All Emergency Cut-In Valves shall be inspected and tested at least once a year, at the Customer's expense, by the valve manufacturer's representative or a qualified inspection agency approved by the Authority. The Customer shall secure a written report from the party conducting the inspection and testing and submit it to the Authority within 15 days after the inspection. Any necessary corrections shall be made by the Customer within 10 days and an additional inspection, testing and report shall be performed and submitted to the Authority.
- (b) The Authority shall have the right to enter onto

STANDARD TERMS AND CONDITIONS

Customer Premises and provide for inspection and testing of Emergency Cut-In Valves and charge the Customer for all expenses as provided in the appropriate rate schedule of Rules.

10A. PRIVATE FIRE PROTECTION SERVICE HYDRANTS

10A-1. Customers are required to make separate written application for private fire service hydrants ("Private Fire Hydrants"). Applications shall include a statement or approved plan from the local fire authority indicating the need for Private Fire Hydrants.

10A-2. Private Fire Hydrant installations shall be made in accordance with the provisions of these Rules and Regulations regarding the installation of service and connecting pipes and other facilities.

10A-3. Private Fire Hydrants shall require detector check meters and shall be used exclusively for fire protection purposes.

10A-4. The charges for Private Fire Hydrants are based on the diameter of the hydrant and listed in Rate Schedule No. 4.

10A-5. Authorized representatives of the Authority shall have the right to inspect all fire protection facilities on a Customer's Premises.

STANDARD TERMS AND CONDITIONS

11. METERS

11.1 The Authority will determine the size, type and make of all meters to be used, based upon the service desired. Except as otherwise agreed to or permitted by the Authority, all meters greater than two inches shall be provided at customer's expense, but owned, furnished, installed and maintained by the Authority. Changes in the size of meters shall be as provided in Section 7.11 of these Rules and Regulations.

11.2 Meter fittings shall be provided by Customer and shall conform to the specifications of the Authority. Such fittings shall be set in line, leaving the correct space between the couplings for later insertion of the meter.

11.3 The location of the meter and the arrangement of the fittings and pipe shall be subject to inspection and approval by the Authority. A gate valve is to be installed on the inlet and outlet side of the meter.

11.4 Meters shall be installed inside buildings or in meter pits as determined by the Authority unless otherwise required or agreed to by the Authority. Meters installed indoors shall be located in a clean, dry, safe place not subject to great variations in temperature, at or near the front wall as close as possible to the point of

STANDARD TERMS AND CONDITIONS

entrance of the connecting pipe. The location shall be such as to be easily accessible, with a minimum of inconvenience to the Customer or to the Authority, for reading, inspecting, testing, changing and making necessary adjustments or repairs.

11.5 Meters shall be on a support which is free from appreciable vibration. Meters shall be supported firmly, not less than 12 inches nor more than 18 inches above the level of the floor.

11.6 A water pressure reducing valve shall be installed in accordance with local plumbing codes and regulations to safeguard the plumbing. Valves shall be purchased by the Customer and installed between the inlet stop valve and the meter. Where a water pressure reducing valve is used, a suitable pressure relief valve should be installed on the hot water boiler and provision should be made for proper drainage. The pressure reducing valve shall be subject to approval by the Authority.

11.7 In all cases where a meter is installed outside of a building, the meter shall be placed in a convenient meter box or vault, often referred to as the meter housing. This installation is subject to the approval of the Authority. The cost of installing and maintaining the

STANDARD TERMS AND CONDITIONS

meter housing is the responsibility of the Customer.

11.8 If the meter housing is installed upon property which is not owned or controlled by the Customer, the Customer shall obtain the written consent of the owner of such property prior to installation.

11.9 The meter housing shall be located in an accessible place away from terraces, fences and other structures and shall be so located that it will not be a hazard.

11.10 The meter housing shall conform to specifications adopted by the Authority and annexed to these Rules and Regulations and shall be provided with a strong cover fastened with a convenient locking device. The cover shall be kept clear of snow, ice, dirt or any other objects which might prevent easy accessibility for reading, inspecting, testing, changing and making necessary adjustments or repairs of the meter.

11.11 The Authority maintains and repairs all meters owned by the Authority except in cases of misuse or damage by the Customer, in which event, the meter shall be repaired or replaced at the expense of the Customer.

11.12 The quantity of water recorded by the meter, as ascertained by periodic meter readings shall be taken to be the amount delivered to the Customer, except where

STANDARD TERMS AND CONDITIONS

the meter has been found to be registering inaccurately or has ceased to register.

11.13 Upon request, the Authority will explain the method of reading meters and computing bills, at the Authority's Office as shown on the bills rendered to Customers.

11.14 Where the meter has ceased to register or where access to the meter cannot be obtained, meter readings may be estimated by a fair and reasonable method based upon the best information available.

11.15 If a Customer observes an unusual increase over the average quantity of water used, which cannot be accounted for, the Customer should inform the Authority immediately.

11.16 In case a dispute arises as to the accuracy of a meter, the Authority will have it tested without charge, provided that the meter has not been tested within the period of one year previous to such request. If a test is requested at an interval of less than one year, a charge will be made for each such test. A copy of the meter testing report will be provided to the Customer upon request. A water meter shall be tested, with water flowing at the Intermediate and Full flow rates as set

STANDARD TERMS AND CONDITIONS

forth in the current edition of Water Meters: Selection, Installation, Testing and Maintenance (M6), published by the American Water Works Association and incorporated herein by reference. If the meter is found to be inaccurate as defined in Section 11.17, appropriate adjustments may be made.

11.17 If a meter is found to be registering fast by 1.5 percent or more (i.e., 101.5 percent or more of actual flow), an appropriate adjustment to the charges on the disputed bill will be made and the Customer's account will be credited. If the test discloses that the meter is registering less than 101.5 percent of actual flow, the Customer shall pay the bill as rendered by the Authority and the Authority may assess the cost of testing the meter to the Customer. If a meter is found to be registering slow by 1.5 percent or more (i.e., less than 98.5 percent of actual flow), or if the meter is found to be registering fast by 1.5 percent or more, the Authority, at its sole discretion, will repair or replace the meter.

11.18 If a meter, upon test, is found to register within the prescribed limits of accuracy as defined in Section 11.17, the Authority reserves the right to reset the

STANDARD TERMS AND CONDITIONS

same meter in the Premises from which it was removed.

11.19 The Authority will not charge for replacing a meter at the request of the Customer, unless the meter has been in use for less than two years. No charge will be made for replacing a meter for testing purposes or for replacing a defective meter, unless the defect is due to the negligence of the Customer.

11.20 Only employees or persons authorized by the Authority shall remove the meter under any circumstances.

11.21 Tampering with the meter or its connections is prohibited.

11.22 All meters larger than 2 inches not owned and maintained by the Authority shall be tested at least once a year, at Customer's expense, by a qualified inspection company and the inspection company's report shall be submitted to the Authority within 15 days after the inspection and corrections shall be made as required by the Authority. However, the Authority shall have the right to test and inspect all such meters.

11.23 RESERVED

11.24 Automatic Meter Reading (AMR)

(a) The Authority will install AMR for all Customers.

STANDARD TERMS AND CONDITIONS

The cost of installation for existing, active Customers will be borne by the Authority.

- (b) The Authority reserves the right to charge a manual meter reading charge to Customers who refuse or are otherwise not served by AMR.
- (c) The Authority requires the installation of AMR whenever an application for a new service line or new service connection is made in connection with a new or existing structure.
- (d) All AMR equipment will be the property of the Authority and will be maintained by the Authority or its authorized agent.
- (e) The Authority shall determine the location of the AMR installation in all cases.

12. BILLS

12.1 All bills will be computed in accordance with the service charges of the Authority, as the same may be amended or revised from time to time in accordance with law.

12.2 Bills for general metered Water Service will usually be rendered at least once in each calendar quarter. Under special circumstances, of the Authority's sole discretion, bills may be rendered monthly.

12.3 Bills will show the meter reading at the beginning and

STANDARD TERMS AND CONDITIONS

end of the period, the reading dates, the number of cubic feet used and the amount of consumption. The bill will also include a facilities charge based upon the size of the meter as set forth in Rate Schedule No. 2 annexed to these Rules and Regulations. Bills will contain a statement that a Schedule of Service Charges is available to Customers upon request.

12.4 Where a bill has been estimated, it will be so noted on the bill. An appropriate adjustment will be made for any difference between actual use and estimated use of water when the actual meter reading is obtained.

12.5 Except in a case where an inaccuracy has been established, the amount of the bill, based on the reading of the meter is deemed conclusive and must be paid.

12.6 A Customer having two or more meters on the same Premises will be charged at the rate for the quantity of water equivalent to the sum registered on all of the meters on the Premises. Charges may be billed separately at the discretion of the Authority.

12.7 A Customer's responsibility to pay for Water Service continues from the time service is commenced, pursuant to his application, until written notice is received by the Authority of a change of ownership or occupancy of

STANDARD TERMS AND CONDITIONS

the Premises or written notice is received by the Authority to discontinue the applicable service. Upon receipt of such notice, the Authority will arrange for a final meter reading and billing. No allowance will be made in cases of non-occupancy, unless the Authority is notified in writing in the manner stated above.

12.8 If requested in writing by the Customer, the Authority will send bills to, and will receive payments from agents or tenants. However, this accommodation will in no way relieve the Customer of the responsibility of paying such charges. The Authority does not assume any obligation to notify the Customer of the non-payment of bills by agents or tenants.

12.9 Bills are payable on presentation and may be paid by mail; in person at the offices of the Authority or other locations approved by the Authority; or by other means authorized and permitted, from time to time, by the Authority. A list of authorized locations and other methods of payment will be made available to customers by the Authority for their convenience.

12.10 Interest at the rate permitted by law will be imposed upon all balances for service charges outstanding thirty (30) days or more until such time as

STANDARD TERMS AND CONDITIONS

all such service charges and the interest thereon shall be fully paid.

12.11 At appropriate times, the Authority shall deliver, to the clerk and the officer enforcing municipal liens on real property of each of the creating municipalities, a certificate stating the amount of each unpaid balance of Service Charges with regard to real property within such municipality and identifying such real property. The creating municipalities are required to enforce the lien of such Service Charges.

12.12 Accounts unpaid without reason, automatically receive low credit rating. Should a bill for Water Service remain unpaid after normal Authority collection procedures have been applied, Water Service will be discontinued. In the case of Customers who have made deposits for Water Service, the Authority will apply such deposits toward the bill in arrears, and will also require that the deposit be restored to an amount as set forth under Customers' Deposits (Paragraph 3.1) before service is resumed.

12.13 Where Water Service is discontinued for non-payment of bills, service will not be resumed until payment or satisfactory arrangements for payment have been made.

STANDARD TERMS AND CONDITIONS

Under such circumstances, the Authority may require a deposit or increased deposit from the Customer to insure prompt payment of future bills.

12.14 In case of bankruptcy, insolvency, fraud or where it is indicated that the Customer is preparing to vacate the Premises served, immediate payment of accounts may be required.

12.15 The Customer is responsible for all water and Water Service directly or indirectly supplied or furnished to the Premises and shall be bound by all other provisions of these Rules and Regulations. Inadvertent delay or failure of the Authority to bill for such service during any one or more billing periods shall not excuse payment for such service and payment shall be made for such service upon receipt of an appropriate bill covering the period of delay or failure to bill. In appropriate situations, for good cause shown, the Authority, in its discretion, may permit payment of such amount over a period of time in monthly or other periodic installments.

13. BASIS OF DISCONTINUANCE OF SERVICE

13.1 The Authority shall, upon reasonable notice, when it can be reasonably given, have the right to suspend, curtail

STANDARD TERMS AND CONDITIONS

or discontinue service for the following reasons:

- (a) For the purpose of making permanent or temporary repairs, changes or improvements in any part of its system;
- (b) For compliance in good faith with any governmental order or directive notwithstanding such order or directive subsequently may be held to be invalid;
- (c) For any of the following acts or omissions on the part of the Customer:
 - i. Non-payment of a valid bill due for service furnished at a present or previous location;
 - ii. Tampering with any facility of the Authority;
 - iii. Misrepresentation in relation to application for, or use of service;
 - iv. Customer moving from the Premises unless the Customer requests that service be continued;
 - v. Providing Water Service to others without the approval of the Authority;
 - vi. Failure to make or increase an advance payment or deposit as provided for in the

STANDARD TERMS AND CONDITIONS

- Authority's Rate Schedules or Rules and Regulations;
- vii. Refusal to contract for service where such contract is required;
- viii. Connecting and operating in such manner as to produce disturbing effects on the service of the Authority or other Customers;
- ix. Failure to remove any temporary or permanent physical connection or interconnection to any unapproved source of supply;
- x. Maintenance of any water outlet improperly protected against back-flow or back-siphonage;
- xi. Willful waste of water through improper or imperfect pipes, connections, or fixtures owned by the Customer;
- xii. Failure to maintain, in good order, pipes, connections or fixtures owned by the Customer;
- xiii. Failure or neglect to connect to a new service pipe installed in front of a

STANDARD TERMS AND CONDITIONS

Customer's Premises;

- xiv. Failure to properly construct and maintain meter housings;
- xv. Failure to comply with the standard terms and conditions contained in the Authority's Rules and Regulations;
- xvi. Violation of any state law, or any rule, regulation, order or restriction of any governmental agency, entity, or official having jurisdiction;
- xvii. Where the condition of the Customer's installation presents a hazard to life or property;
- xviii. For refusal of reasonable access to the Customer's Premises for necessary purposes in connection with billing and/or rendering of service, including meter installation, reading or testing, or the maintenance or removal of the Authority's property.

13.2 Notice of Discontinuance of Service is to be provided as follows:

- (a) A Customer wishing to discontinue service must give

STANDARD TERMS AND CONDITIONS

notice to that effect in writing. Where such notice is not received by the Authority, the Customer shall be liable for service until the final reading of the meter is taken. Notice to discontinue service shall not relieve a Customer from any minimum or guaranteed payment under any contract or rate schedule.

- (b) The Authority may discontinue service for non-payment of bills after giving the Customer seven days written notice of its intention to discontinue. However, in case of fraud, illegal use, or when it is clearly indicated that the Customer is preparing to leave, immediate payment of accounts may be required.
- (c) The Authority will not discontinue service because of non-payment of bills in cases where a charge is in dispute, provided the undisputed charges are paid and a request is made to the Authority for an investigation of the disputed charge.
- (d) If a Customer is presently unable to pay an outstanding bill, because of specific extenuating circumstances, the Customer may contact the Authority to discuss the possibility of entering

STANDARD TERMS AND CONDITIONS

into a reasonable deferred payment agreement. Such agreements shall be reviewed and approved on a case by case basis.

- (e) Where the Authority determines that a landlord-tenant relationship exists, the notice required pursuant to this Section 13.2 shall be given to the owner of the Premises to whom the last preceding bill was rendered and to the tenant(s) at the Premises before service is disconnected. Notice to tenant(s) shall be either hand delivered, mailed or posted in a conspicuous area of the Premises such as the common area of a multifamily Premises (more than two families). In case of a single family or two family Premises, individual notice shall be hand delivered or mailed to such tenant(s). The notice shall offer the tenant(s) continued service to be billed directly to the tenant(s) unless the Authority determines such direct billing is not feasible. The continuation of service to a tenant shall be subject to payment by such tenant of the tenant's reasonably allocated share of any past due amounts but no tenant shall be required to pay any outstanding bills due on the account of or

STANDARD TERMS AND CONDITIONS

allocation to any other person. The provision of this subsection shall not apply if the existence of a landlord-tenant relationship could not reasonably be ascertained by the Authority.

13.3 Bill disputes will be handled in the following manner:

- (a) A Customer who wishes to contest a bill or any portion thereof shall contact a Customer Service Representative of the Authority who shall investigate the matter promptly and thoroughly, advise the Customer of the results of the investigation and attempt to resolve the dispute in a manner satisfactory to the Customer and the Authority.
- (b) If the Customer and Service Representative are unable to resolve the dispute in a mutually satisfactory manner, the Customer may request that the matter be reviewed by the Executive Director of the Authority. If the Customer and Executive Director are unable to resolve the matter in a mutually satisfactory manner, the Customer may request a hearing before the Members of the Authority. Pending such hearing, the Members may, in appropriate cases, require that all or a portion

STANDARD TERMS AND CONDITIONS

of the disputed charges be placed in escrow.

- (c) The Customer shall be provided with written notice of the time and place of the hearing at least seven days prior thereto.
- (d) The Customer shall be entitled to appear personally or to be represented by counsel or assisted by another person of his choice.
- (e) At the hearing, the Customer or their representative shall have the right to produce witnesses, present evidence or ask questions.
- (f) At the termination of the hearing, the Members shall render their decision. If decision is reserved, the Members shall, within 7 days after decision is rendered, notify the Customer and his/her representatives, if any, of their determination. If the Members determine that the Authority may discontinue service unless the Customer satisfies all or part of any unpaid bill or takes other corrective action as required herein, the Customer shall be notified that service will be discontinued within 7 days from such notification unless compliance or payment is made.

13.4 Service shall be restored (a) upon proper application when

STANDARD TERMS AND CONDITIONS

the conditions under which service was discontinued are corrected, (b) payment of all proper charges provided for Authority's Rate Schedules and Rules and Regulations, (c) upon direction of a court, the members, or a governmental entity having jurisdiction.

14. PUBLIC FIRE PROTECTION

14.1 Upon application of duly authorized representatives of municipalities in the territory supplied, the Authority, will install fire hydrants for purposes of public fire protection, at locations agreed upon by governmental officials of the municipalities and representatives of the Authority.

14.2 Such hydrants are owned by the Authority and subject to regular inspection and maintenance by the Authority.

14.3 Hydrants are not to be used for any purpose other than public fire protection, without the written permission of the Authority.

14.4 All municipal departments should inform the Authority promptly of any hydrant which has been used, or is leaking, or in need of attention so that such hydrant may be placed in readiness for instant operation.

14.5 Where it is necessary to use hydrants for any purpose other than public fire protection, a special permit is

STANDARD TERMS AND CONDITIONS

required. Any such permit issued by the Authority may contain restrictions or conditions imposed in the interest of the public health, safety and/or general welfare.

14.6 No wrenches of any sort, other than the one supplied with the permit shall be used for opening or closing a hydrant.

14.7 If a hydrant is to be operated under a permit, the hydrant nozzle attachment should be equipped with a suitable hand controlled shutoff valve and an approved back flow preventer to be used for controlling the supply of water. While in use, the hydrant shall be opened fully and the hand valve shall be used for turning on and shutting off the water.

14.8 No attachment of any sort shall be left connected to a hydrant except when it is in actual use. No hydrant shall be left unattended while attachments are connected during the time it is in use. Before closing time each day, the hydrant shall be shut, attachments removed, caps replaced and the hydrant left in readiness for instant use.

14.9 If payment is made for a month in advance and use of the hydrant is not required for the full time, a pro rata

STANDARD TERMS AND CONDITIONS

refund will be made, upon return of the hydrant wrench, hydrant nozzle attachment and permit.

15. LAWN SPRINKLER AND IRRIGATION SYSTEMS

15.1 All permanent lawn sprinkler or irrigation systems shall be equipped with an approved vacuum breaker and a satisfactory check valve to protect the public water supply from contamination.

15.2 Lawn sprinkler or irrigation systems, capable of using in excess of 5 gallons per minute, are subject to the following special provisions:

- (a) Water Service to all such systems shall be limited to the hours between 10:00 P.M. and 4:00 A.M. However, this rule may be relaxed in certain areas under conditions where the normal Water Service will not be affected adversely thereby.
- (b) Notwithstanding any other provision above stated, the Authority may restrict the use of this service to certain definite periods or prohibit it entirely. In such event, every endeavor will be made to notify Customers in advance by public notice.
- (c) The Authority shall have the right to discontinue

STANDARD TERMS AND CONDITIONS

service upon the failure of the Customer to comply with these provisions.

16. GENERAL RULES

16.1 The Authority reserves the right to install services and meters on the basis of the normal requirements for service. The Authority does not undertake to provide service for unduly high rates of water demand prevailing only for short periods of time and reserves the right to refuse to install over-sized services or meters to serve such high demands.

16.2 The Authority will endeavor to provide a regular and uninterrupted supply of water through its facilities, but in case service is interrupted, irregular, defective or fails because of breakdown or emergency, or from causes beyond the control of the Authority, the Authority will not be liable for damage or inconvenience resulting therefrom.

16.3

(a) The Authority does not undertake to render any special service or maintain any fixed pressure. In the event of any accident or for other reasons, the Authority may shut off the water in its mains and

STANDARD TERMS AND CONDITIONS

pipes and may restrict the use of water whenever the public welfare may require. All Customers requiring an uninterrupted supply or a uniform pressure of water for steam boilers, hot water or other apparatus, or greater pressures than supplied at the meter, or for any other purpose, shall provide their own means of obtaining such service.

- (b) All newly installed equipment required for such purposes, including pumps for maintaining or increasing pressure beyond the meter, shall be purchased, installed, maintained, repaired and/or replaced by and at the expense of the Customer. Equipment previously installed by the Authority for such shall be maintained, repaired and/or replaced by and at the expense of the Customer.

16.4 When the supply of water is to be shut off temporarily or curtailed, a notice stating the purpose and probable duration of the shutoff or curtailment will be given to Customers affected whenever practicable.

16.5 The Authority does not undertake to supply any uniform quality of water for special purposes, such as manufacturing or processing plants, laboratories, swimming pools, bleaching or dyeing plants or laundries.

STANDARD TERMS AND CONDITIONS

Customers requiring water of special quality, or water at all times free from discoloration or turbidity, shall provide their own means of filtering the water or such other protection as may be deemed necessary for the purposes required.

16.6 Neither by inspection nor non-rejection, nor in any other way does the Authority give any guarantee or assume any responsibility, express or implied, as to the adequacy, safety or characteristics of any structures, equipment, pipes, appliances or devices owned, installed or maintained by the Customer, or leased by the Customer from third parties.

16.7 The Authority will not give any guarantee or assume any responsibility, express or implied as to the adequacy, safety or characteristics of any structures, equipment, pipes, appliances or devices owned, installed or maintained by the Customer, or leased by the Customer from third parties.

16.8 Except as to the liability, if any, imposed by law, the Authority shall not be responsible for any injury, casualty, or damage resulting from the supply, or use of Water Service, or from the presence or operation of the Authority structures, equipment, pipes, appliances or

STANDARD TERMS AND CONDITIONS

other devices on the Customer's Premises.

16.9 No person, unless authorized by the Authority, is permitted to turn the water on or off at any street valve corporation stop and curb stop, or other street connection, or tamper with, disconnect or remove, any meter without the consent of the Authority. Penalties provided by law for any such action will be rigidly enforced.

16.10 No agent, representative or employee of the Authority has authority to modify any provision contained in these Rules or Regulations or to bind the Authority by any promise or representation contrary thereto.

16.11 Water Service supplied by the Authority shall not be resold by a Customer, except (a) when expressly authorized by the Authority, or (b) by a duly authorized water utility.

16.12 Developers applying for Water Service to new subdivisions within or without the District shall furnish to the Authority a copy of the preliminary site plan or other approval documentation acceptable to the Authority.

16.13 These Rules and Regulations are made a part of all

STANDARD TERMS AND CONDITIONS

agreements for the supply of Water Service unless specifically modified in a particular Rate Schedule.

16.14 The Authority reserves the right to terminate, change, revise or supplement these Rules and Regulations, to the extent permitted by law.

17. PENALTIES FOR VIOLATIONS

17.1 In the event of any violation of the Rules and Regulations of the Authority or of any improper or unauthorized use of any portion of the water system by any Customer or other person, such Customer or other person shall, in the discretion in the Authority, be fined a maximum of \$50.00 for each violation or improper or unauthorized use. Each action constituting a violation or improper or unauthorized use, as well as each property affected by the violation or improper or unauthorized use, as well as each day that the violation or improper or unauthorized use exists, shall be counted as separate violations for the purposes of determining the fine to be imposed. Any such fine shall be exclusive of and in addition to any charges that may be imposed by the Authority for (a) water usage or losses relating to the violation, and/or (b) damage to the Authority system resulting from the violation.

STANDARD TERMS AND CONDITIONS

17.2 All fines shall be paid within 15 days from the date that the violator is notified in writing of the violations charged and the fine to be imposed. In the event that any person wishes to contest the violation or the fine imposed, the aggrieved person must file with the Authority within 15 days of receipt of notification of the violation and fine imposed, a written notice that the violation and fine is being contested. A hearing shall thereafter be scheduled before the Authority at which time the Executive Director or his designee as well as the aggrieved person and/or his attorney, may present evidence regarding either the violation or the fine imposed. The fine, if any, which is imposed by the Authority after the hearing shall be paid within 15 days after the aggrieved person receives written notice of the decision of the Authority.

17.3 In the event that any fine is not paid as required under these Rules and Regulations, then the Authority, in its sole discretion, may terminate all Water Services to the violating person or entity and may terminate all agreements or contract with such person or entity subject to the terms of such agreements or contracts.

17.4 The penalties imposed in this section shall be cumula-

STANDARD TERMS AND CONDITIONS

tive to the penalties described in other sections of these Rules and Regulations and to the other remedies available to the Authority by law.

18. CONNECTION FEES; TAPPING FEES

18.1 A separate charge in respect of each connection of any service unit with the Authority's water system, representing a fair contribution to the cost of the water system, is imposed upon the owner or occupant of each service unit to be connected to the water system.

18.2 The Connection Fee is in addition to the actual cost of physical connection or "Tapping Fee" charged to Customers connecting to the water system.

18.3 The Connection Fee is calculated in accordance with the provisions of N.J.S.A. 40:14B-21 and is recomputed at the end of each fiscal year of the Authority as required by law.

18.4 The Connection Fee and Tapping Fee must be paid in full for all service units within a Premises before Water Service is provided to any part of the Premises. In the case of a development constructed in approved phases or stages, the Owner/Developer shall have the option of either (i) paying, at the time of the initial phase, the full Connection Fee for all service units within all

STANDARD TERMS AND CONDITIONS

phases or stages of the development at the rate then in effect; or (ii) deferring payment of the Connection Fee for the future phases or stages until the actual connection of service units within such phase or stage in which event the rate in effect at the time of connection shall apply.

18.5 (a) Allowances in the form of credits to Connection Fees payable by owners or developers of property may be allowed in special or unusual circumstances where the owner or developer has advanced sums to the Authority for construction of off-site improvements to become part of the Authority's water system or where such improvements are paid for by the owner or developer and contributed to the Authority. Such credits shall be allowed where it is established, to the satisfaction of the Authority, that the owner or developer has made the advance or contribution with the approval of the Authority and that the special or unusual circumstance of the particular case warrant the credit in the interest of fairness. Such credit shall be made only by resolution adopted by the Members of the Authority at a duly constituted meeting and shall be subject to such conditions and/or restriction as may be set forth in the

STANDARD TERMS AND CONDITIONS

approving resolution.

(b) A credit toward the connection fee shall also be allowed for reconnection of a disconnected property that was previously connected to the water system in situations where the property has been connected to the water system for at least 20 years and service charges have been paid for the property in at least one of the last five years; said credit to be determined and calculated as provided in P.L. 2018, c.74 (N.J.S.A. 40:14B-22.5). No such credit shall be allowed for a property that has been disconnected from the water system for more than five years.

(c) In lieu of the credit referred to in subsection (b), the Authority may, with the customer's consent, permit a single family residence disconnected from the water system for a period of more than two but less than five years, to be reconnected to the water system for use as a single family residence with the same or same size service without an additional connection fee upon payment to the Authority of an amount equal to the Facilities Charges that would have been paid during the period of disconnection had the Premises continued to be connected during such period.

STANDARD TERMS AND CONDITIONS

(d) Notwithstanding the provisions of subsections (a) and (b) above, no credit shall be allowed to any improved portion of a Premises previously connected to the water system that has been subdivided from the original connected Premises to form one or more new tax lots upon one or more new buildings or structures are constructed and connected to the water system.

18.6 (a) The Connection Fee may be waived by the Members of the Authority in connection with an application by any of its Creating Municipalities (a "Creating Municipality") for Water Service to a direct public project of a Creating Municipality. Any such waiver shall be subject to approval by the Members of the Authority at a duly constituted meeting upon written request of a Creating Municipality setting forth the nature of the public project and the reasons for the requested waiver.

(b) A "direct public project" shall mean a project owned and administered by a Creating Municipality or by a department or division thereof and which is primarily supported by tax revenues or general bond obligations of the municipality. It shall not include projects of independent authorities, agencies or commissions created by the municipality that are supported by service or

STANDARD TERMS AND CONDITIONS

user charges or revenues other than from taxes or general bond obligation of the Creating Municipality.

- 18.7 (a) No connection fee shall be charged to any Premises previously lawfully connected to the water system unless (i) additional service units are to be connected to the system; (ii) there is a material change in the nature of the service to be provided such as the use of the Premises, the size of the service, number of service lines or similar items; or (iii) such Premises has been abandoned and disconnected from the water system for a period of five years. A Premises shall be deemed to be disconnected from the water system if it is physically disconnected or if Water Service is discontinued without payments being made for twelve (12) consecutive months.
- (b) For a property connected to the water system for less than 20 years, the Authority may charge an additional connection fee for an addition, alteration or change in use that materially increases the level of use and imposes a greater demand on the water system as provided in P.L. 2018, c. 74 (N.J.S.A. 40:14B-22a). The additional connection fee shall be equal to the amount by which the increased use and demand on the water system exceeds the use and demand that existed prior to such

STANDARD TERMS AND CONDITIONS

addition, alteration or change in use. For purposes of this section, materially increases means any increase in the number of service units; or any other change which increases the level or use or demand on the water system by 15% or more over the highest annual use and demand that existed during the prior 10 year period (or lesser period of actual use if less than 10 years) immediately preceding the addition, alteration or change in use

18.8 Reduced Rate/Credit for Public Housing Authorities, Non-profit Organizations and Other Organizations Building Affordable Housing:

- (a) Effective January 26, 2005, public housing authorities and non-profit organizations building affordable housing shall be allowed a fifty percent (50%) reduction in the Connection Fee for new connections to the water system. Effective for applications received on or after August 10, 2018, the 50% credit shall be allowed to any other affordable housing, including affordable housing units in inclusionary projects. (P.L. Law 2018, c. 74; N.J.S.A 40:14B-22.5)
- (b) For units previously connected to the water system that were demolished or refurbished to allow for

STANDARD TERMS AND CONDITIONS

new affordable housing units for which a Connection Fee was previously paid, public housing authorities and non-profit organizations and, effective for applications received after August 10, 2018, other affordable housing including affordable housing units in inclusionary projects shall be entitled to a credit against the Connection Fee equal to the Connection Fee previously assessed and paid for connection to the water system for units previously connected to the water system.

- (c) The Connection Fee assessable against a public housing authority or non-profit organization and, effective for applications received on and after August 10, 2018, other affordable housing owners, for units previously connected to the water system that were demolished or refurbished to allow for new affordable housing units including affordable housing units in inclusionary projects shall be the lesser of the reduced rate provided for in Paragraph (a) above; or the current Connection Fee applicable to other types of housing developments minus the credit provided under Paragraph B above provided that the public housing authority, non-

STANDARD TERMS AND CONDITIONS

profit organization or other affordable housing owner can establish that a Connection Fee was previously assessed and paid for connecting to the water system. If the public housing authority, non-profit organization or other affordable housing owner cannot establish that a Connection Fee was previously assessed and paid for connection to the water system, the reduced rate provided for in Paragraph (a) above (i.e. fifty percent (50%) of the regular Connection Fee) shall be assessed.

The reductions set forth in Paragraphs (a) , (b) and (c) above are provided pursuant to the provisions of P.L. 2005, Chapter 29 of the Laws of the State of New Jersey adopted and effective on January 26, 2005; as amended by P.L. 2018, c. 74 (N.J.S.A. 40:14B-22.3), effective August 10, 2018 (which amendment extended the credits referred to in this section to new connections by all organizations building affordable housing including affordable housing in inclusionary projects).

19. OFF-SITE FACILITIES

19.1 In appropriate situations determined by the Authority, Customers shall be required to install and/or pay for the cost of extending water mains and appurtenant

STANDARD TERMS AND CONDITIONS

facilities and other improvements as permitted by law ("Off-Site Facilities") to or for their Premises as provided in this Section.

19.2 Any Off-Site Facilities installed pursuant to this Section shall be the sole property of the Authority notwithstanding any payment of or toward the cost of such Off-Site Facilities by or on behalf of a Customer.

19.3 The cost of the Off-Site Facilities shall be determined or approved by the Authority and shall include the actual construction cost thereof; the cost of any required Authority or Municipal performance or maintenance bonds related to the Off-Site Facilities; and reasonable professional fees paid or incurred by the Customer in connection with the construction of the Off-Site Facilities. The Customer shall provide satisfactory documentation of the payment of such costs.

19.4 The cost of the Off-Site Facilities, as determined pursuant to Section 19.3, shall be paid and, where appropriate, allocated as follows:

(a) Where the extension of Water Service to a Premises is for the sole benefit of the Premises, the owner of the Premises shall be wholly responsible for the full cost of any required Off-Site Facilities.

STANDARD TERMS AND CONDITIONS

- (b) Where the Off-Site Facilities benefit the Customer requesting the service and others who wish to connect to the water system at the same time, the cost shall be allocated among the Customers so benefited in accordance with their respective benefits as determined by the Authority pursuant to Subsection 19.6.
- (c) Where the Off-Site Facilities benefit the Customer requesting the service (the "Initial Connector") and other Premises which may in the future be connected to the Off-Site Facilities ("Future Connectors"), the full cost of the Off-Site Facilities shall be paid by the Initial Connector; provided that, upon request of the Initial Connector, the Authority shall agree to reimburse the Initial Connector from amounts collected from Future Connectors representing the Future Connectors' fair share of the cost of the Off-Site Facilities.

19.5 The amount to be reimbursed to the Initial Connector pursuant to Section 19.4(c) above shall be set forth in a formal signed agreement between the Authority and the Initial Connector (which, where deemed appropriate by

STANDARD TERMS AND CONDITIONS

the Authority, shall be the main extension agreement between the Authority and the Initial Connector); and shall as near as practicable reflect the projected respective benefits to the Initial Connector and the anticipated Future Connectors who may connect to the Off-Site Facilities as determined by the Authority pursuant to Section 19.6. The amount to be reimbursed pursuant to this Section shall be limited to amounts actually collected pursuant to this Section from the Future Connectors, if any, and in no event shall the total amount to be reimbursed exceed the total cost of the Off-Site Facilities reduced by the benefit to the Initial Connector. The agreement may also limit the time within which reimbursement shall be made to a period of years as determined by the Authority in its discretion provided that the number of years shall not be less than five unless circumstances warrant a shorter period.

19.6 In determining "benefit", "respective benefits" or a Customer's fair share of the cost of Off-Site Improvements, the Authority may consider the number of service units, size of the service, estimated water usage and/or any other relevant factors. The determination of the Authority as to benefit, respective

STANDARD TERMS AND CONDITIONS

benefits or a Customer's fair share of such costs shall be final and binding.

19.7 The costs to be assessed, allocated and collected pursuant to this Section shall be in addition to the Connection Fee referred to in Section 18 of these Rules and Regulations and all other charges for water and Water Service pursuant to said Rules and Regulations as from time to time may be amended.

19.8 The Members of the Authority shall have the right to make such exceptions and variances to the provisions of this section as may be warranted, in their sole discretion, by the special circumstances of a particular case, in the interest of fairness or for other good cause shown.

20. MULTI-USE SERVICE

20.1 Notwithstanding the provisions of Section 10.3, the Authority shall supply multi-use service (as defined below) to a customer or builder requesting same unless good cause or a compelling reason exists to refuse to supply such multi-use service. An intent to impose a higher safety standard than that set by the New Jersey Department of Community Affairs shall not constitute good cause or a compelling reason to refuse multi-use

STANDARD TERMS AND CONDITIONS

service to a customer or builder.

20.2 As used herein: (a) the term "multi-use service" is defined as Water Service that is supplied to a structure through one water line and which is used inside the structure for both domestic Water Service and fire suppression service. Such single water line shall extend from the water main to the structure except where good cause or a compelling reason (as described and limited in Section 20.1) requires otherwise; (b) the term "fire suppression service" is defined as potable water supplied for use in a fire suppression system inside a structure, such as an automatic sprinkler system.

20.3 By applying for multi-use service, the customer or builder certifies that:

- (a) The customer or builder has hydraulically calculated the demand for the customer's or builder's water system, based on the simultaneous domestic demand and fire sprinkler demand in accordance with the Uniform Construction Code as adopted by the State of New Jersey; and
- (b) The customer or builder will ensure that the system is installed in accordance with the Uniform

STANDARD TERMS AND CONDITIONS

Construction Code at N.J.A.C. 5:23; and

- (c) The customer or builder will, prior to installation of the meter, obtain a construction permit in accordance with the Uniform Construction Code from the enforcing agency having jurisdiction over the system.

20.4 By applying for multi-use service the customer agrees to be responsible for all claims, costs and liability for personal injury, death and/or property damages, resulting from the customer's individual water system; unless caused by the negligence of the Authority subject, however, to the limitations, defenses and requirements of the New Jersey Tort Claims Act, N.J.S.A. 59:1-1 et seq.

20.5 By applying for multi-use service and operating same, the customer agrees:

- (a) to include backflow prevention device(s) as defined in N.J.A.C. 7:10-1.3 and as specified at N.J.A.C. 7:10-10.3; and
- (b) to be solely responsible for all costs and expenses relating to the installation, operation, maintenance, repair and replacement of the customer's water system, including the fire

STANDARD TERMS AND CONDITIONS

suppression system and backflow prevention device(s); and

- (c) to ensure that the customer's water system complies with the applicable requirements of the Uniform Construction Code in effect at the time of system installation including any applicable building, plumbing and fire protection sub-codes; and
- (d) to ensure that the customer's water system is maintained in accordance with applicable law so as to protect against backflow, back siphonage and contamination of the potable water system.

20.6 The Authority may suspend, curtail, discontinue or terminate a customer's multi-use service for non-payment of a valid water bill or for other violations of the Authority's Rules and Regulations For Water Service governing discontinuance of service as set forth in Article XIII.

[NOTE: Applications for multi-use service shall include a provision that service is subject to the provisions of this section of the Authority's Rules and Regulations For Water Service and a copy of this section shall be annexed to and made part of the application.]

**THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY**

**SCHEDULE NO. 1
GENERAL METERED SERVICE**

Applicable to the use of water supplied through meters in the territory serviced by the Authority. The total of a customer's bill for a billing period includes consumption plus the facilities charges.

CONSUMPTION CHARGE

**RESIDENTIAL RATE
(BILLED QUARTERLY)**

<u>Quantity Used Quarterly (CCF)</u>		RATE (per 100 Cubic Feet)
Conservation Rate	0-30	\$4.909
High Usage Rate	31-60	\$7.361
Incentive Rate	61 & Over	\$9.817

**REGULAR INDUSTRIAL AND COMMERCIAL RATE
(BILLED QUARTERLY)**

\$6.813 per 100 Cubic Feet

**LARGE INDUSTRIAL AND COMMERCIAL RATE
(BILLED MONTHLY)**

\$6.813 per 100 Cubic Feet

NOTE: One consumption unit (1 CCF) = 100 cubic feet = 748 gallons

Residential customers are services to single family residences.

Regular Industrial and Commercial Customers are all industrial and commercial customers who are not Large Industrial and Commercial Customers.

Large Industrial and Commercial Customers are monthly-billed industrial and commercial customers with 1-inch meters or greater whose annual usage is 1,200 consumption units (120,000 cubic feet) or more.

THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY

SCHEDULE NO. 2
GENERAL METERED SERVICE

Applicable to the use of water supplied through meters in the territory serviced by the Authority. The total of a customer's bill for a billing period includes consumption plus the facilities charges.

QUARTERLY FACILITIES CHARGE
ALL WATER EXTRA (SEE SCHEDULE NO. 1)

<u>Meter Size</u>	<u>Charges</u>
5/8 Inch	\$33.73
3/4 Inch	\$41.31
1 Inch	\$67.72
1 1/2 Inch	\$103.72
2 Inch	\$145.93
3 Inch	\$243.23
4 Inch	\$376.64
6 Inch	\$706.14
8 Inch	\$1,097.51
10 Inch	\$1,550.61

MONTHLY FACILITIES CHARGES
ALL WATER EXTRA (SEE SCHEDULE NO. 1)

<u>Meter Size</u>	<u>Charges</u>
5/8 Inch	\$11.27
3/4 Inch	\$13.77
1 Inch	\$40.18
1 1/2 Inch	\$52.22
2 Inch	\$66.33
3 Inch	\$98.59
4 Inch	\$143.17
6 Inch	\$253.03
8 Inch	\$383.49
10 Inch	\$534.52

DEFINITIONS

CONSUMPTION CHARGE: This charge includes the cost of treating the water and pumping it to the customers.

FACILITIES CHARGE: This charge covers the cost of water service lines, meter installation, meter reading, billing costs and other expenses. This does not change with consumption.

THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY

SCHEDULE NO. 3
PRIVATE FIRE PROTECTION

Applicable to customers within and outside the District for Private Fire Protection.

<u>Size of Service</u>	<u>Charges per Quarter</u>
2 Inch	\$123.15
3 Inch	\$163.53
4 Inch	\$244.37
6 Inch	\$404.05
8 Inch	\$677.27
10 Inch	\$967.80

THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY

SCHEDULE NO. 4
PRIVATE FIRE PROTECTION SERVICE (HYDRANTS)

Applicable to customers within and outside the District for Private Fire Protection.

<u>Private Fire Hydrants</u>	<u>Charges per Quarter</u>
4 Inch	\$105.81
4 1/4 – 4 1/2 Inches	\$132.77
5+ Inches	\$157.76

NOTE: Private Fire Hydrants are those provided by customers pursuant to Section 10A of the Authority's Rules and Regulations for Water Service.

**THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY**

**SCHEDULE NO. 5
NON-METERED SERVICE**

Applicable to the entire territory service by the Authority.

RATE

Annual Charge \$148.13 (outdoor drinking fountain)

THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY

SCHEDULE NO. 6
MISCELLANEOUS SERVICE

Applicable to the entire territory serviced by the Authority for charges not involving the use of water.

Resumption of service after discontinuance due to non-payment of bills, or violation of the Rules, and delivery of 24-hour notice of discontinuance of service except that the charge for delivery of the 24-hour notice of discontinuance of service shall be waived in the case of senior citizens over the age of 65 years (upon request).

Meters up to and including 1 Inch	\$67.36
Meters larger than 1 Inch	\$109.68

Any other turn-offs and turn-ons regardless of reason of any service.

Meters up to and including 1 Inch	\$67.36
Meters larger than 1 Inch	\$109.68

TAPPING FEES

	<u>NEW</u>	<u>RENEWAL</u>
5/8 x 3/4 Inch	\$960.11	\$719.61
3/4 Inch	\$1,063.99	\$823.47
1 Inch	\$1,539.22	\$1,077.47
1 1/2 Inch	\$1,641.21	\$1,196.76
2 Inch	\$2,356.96	\$1,877.87

WET CUT FEES

Sizes

4 Inch	\$823.47
6 Inch	\$938.93
8 Inch	\$1,017.84
10 Inch	\$1,298.72

OTHER SERVICES

Pumping Out Meter Pit	\$134.68
Annual Backflow/Detector Check	\$134.68
Locate and Clean Curb Box per Hour*	\$67.36

*One hour minimum.

LABOR AND MATERIALS

Any labor performed and all materials furnished by the Authority will be charged to the customers, at cost, unless otherwise provided in these schedules.

**THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY**

**SCHEDULE NO. 7
SERVICE TO OTHER WATER SUPPLY SYSTEMS
(Non-retail service)**

Applicable outside the District of the Authority.

TERMS OF PAYMENT

Net cash on presentation of the bill.

BULK RATE PER 100 CU. FT.
\$3.96

MISCELLANEOUS APPLICATION FEES

<u>TYPE OF APPLICATION</u>	<u>FEES*</u>
A. Service Connection Outside District (Excludes new Main Extensions)	
1. Residential (per connection/unit)	\$55.80
2. Commercial or Industrial (single unit and accessory use)	\$563.75
3. Industrial Park or Commercial Complex	\$1,383.37
B. New Main Extension Outside District For purpose of providing service solely to persons or property within District	
1. Residential	\$292.46
2. Commercial or Industrial	\$563.75

C. All Other New Main Extensions Outside District

1. Residential Development (per connection/unit)	\$55.80 (Min. fee \$1,722.03)
2. Commercial or Industrial (single use and accessory use including fire service)	\$3,738.40
3. Industrial Park or Commercial Complex (two or more units) (per connection/ unit)	\$3,224.82

*Preliminary Fee intended to defray the cost to the Authority of processing the initial application and making written requests (when required) to the Authority. The Authority may require a supplemental fee, cash deposit or other security in the event additional costs are incurred in connection with the application. Such fees are in addition to the connection fee required pursuant to Schedule 13.

**THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY**

**SCHEDULE NO. 8
APPLICATION FOR WATER MAIN EXTENSION**

Applicable within the District of the Authority to cover engineering, inspection, legal, etc., costs incurred relating to application.

Application Fee
\$938.93

Deposit: \$894.69 plus \$6.72 per foot of water main extension

Application fee and deposit listed above are non-refundable. Additional cash deposits may be required to cover actual costs incurred in connection with the application. The unused portion of the additional deposit will be refunded after all requirements are completed.

**THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY**

**SCHEDULE NO. 9
UNCOLLECTIBLE CHECK CHARGE**

If a customer or applicant for service submits an uncollectible check in payment of a bill, deposit or any service rendered, the Authority may charge a handling fee of \$57.73 plus any penalties the Authority may incur from its bank handling the uncollectible check.

THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY

SCHEDULE NO. 10
SCHEDULE OF DEPOSITS

- Omitted -

**THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY**

**SCHEDULE NO. 11
HYDRANT PERMIT FEES**

Applies to the entire territory serviced by the Authority to persons obtaining permits from the Authority to use Public Hydrants for purposes other than Fire Protection.

Deposit Required for borrowed wrench and adapter (deposit refunded when returned)	\$296.31
Monthly charge for unmetered water (payable in advance)	\$190.47

THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY

SCHEDULE NO. 12
WATER SEARCH SERVICE CHARGE

- Omitted -

THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY

SCHEDULE NO. 13
CONNECTION FEE

Any applicant for potable water supplied through an Authority Line shall be required to pay a connection fee pursuant to Section 18 of the Authority's Rules and Regulations for Water Service as follows:

Connection Fee

(Per Equivalent Dwelling Unit)

\$ 5,240.00

An equivalent dwelling unit is defined as usage of 193.944 gallons per day.

Reduced rates, credits and allowances regarding connection fees, including (but not limited to) reduced rates for affordable housing, shall be allowed as provided in Section 18 of the Authority's Rules and Regulations for Water Service and as otherwise required by applicable laws as such laws shall be amended or supplemented from time to time.

THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY

SCHEDULE NO. 14
IRRIGATION SERVICE

Flat Rate per 100 cubic feet	\$9.85
Seasonal on/off; drain meter charge	\$202.04