



# **Cabot WaterWorks Operating Policy**

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## **1. Utility Operations**

### **1.1 Authority of the Cabot Water and WasteWater Commission**

- 1.1.1 Under the authority granted by Ark. Code Ann. §14-234-116, authorizing the creation of a joint water & sewer commission to function in place of separate water and sewer commission's, and Ordinance No 32 of 2005 the City of Cabot, Arkansas, creating the Cabot Water and WasteWater Commission (the "Commission"), as modified by Ordinance No 101 of 2005 of the City of Cabot, Arkansas, the Commission adopts these Operating Policies which supersedes any past Operating Policies, or guidelines issued or any past practices.
- 1.1.2 The Commission shall be the sole interpreter of these Operating Policies. No employee or agent of the Commission shall have the right or authority to bind it by any promise, agreement or representation contrary to the letter or intent of these Operating Policies.
- 1.1.3 These Operating Policies shall be in effect until amended or changed by the Cabot Water & Wastewater Commission.
- 1.1.4 These Operating Policies may be revised, amended, supplemented or have the same force as the Operating Policies contained herein. If any part of these Operating Policies is declared invalid or unconstitutional, it shall not affect the validity of the remaining part. Adopted July 20, 2006

### **1.2 Cabot Water and WasteWater Commission (DBA) Cabot Waterworks**

- 1.2.1 The Commission shall operate and do business as Cabot WaterWorks. Adopted July 20, 2006

### **1.3 Cooperation with Water Utilities**

- 1.3.1 Cabot WaterWorks supports the participation of and the cooperation with other water utilities for the exploration and development of future high-quality long-term water sources to meet the needs of Central Arkansas. Adopted July 20, 2006

### **1.4 Organization and Management**

- 1.4.1 Cabot WaterWorks will be operated on a sound financial and business-like basis. The Commission will provide policy, direction and guidance, will evaluate utility service and progress, and will approve utility budgets and financing proposals. The Commission will employ dedicated professionals to supervise the day-to-day operations and develop Cabot WaterWorks' short and long range plans. Cabot WaterWorks will employ an operational staff that is sufficient in size to assure that the service needs of the customers are fulfilled in an effective and timely manner. Adopted July 20, 2006

### **1.5 Mission Statement/Goals**

- 1.5.1 The mission of Cabot WaterWorks is total customer service and competitive rates with a passion for excellence, relentless improvement, respect for our

environment, and exemplary regulatory compliance using state-of-the-art methods and technology. Adopted July 20, 2006

## **1.6 Procurement Policy**

1.6.1 The table below provides authorization levels to sign purchase orders for materials and services in the approved annual budget.

Department Managers - up to \$2,000.00

General Manager - up to \$5,000.00

Commission - over \$5,000.00

1.6.2 The General Manager is authorized to sign contract amendments in cumulative amounts up to 10% of the original contract price not to exceed Twenty-five Thousand Dollars (\$25,000), without referral to the Commission, provided that materials and services to be purchased are included in the annual budget approved by the Commission.

1.6.3 The General Manager is authorized to waive competitive procurement requirements for emergency contracts and purchase orders with the approval of the Chairperson of the Commission, or in his/her absence, the Vice-Chair, provided that funds are available in the annual budget approved by the Commission. “Emergency” contracts are defined as a contract necessary to deal with Acts of God or other threats of public safety or well being when the delay caused by waiting for the next meeting of the Commission would increase that threat. Any contract or purchase order in excess of Ten Thousand Dollars (\$10,000) shall be approved by the Commission at the next regular meeting.

1.6.4 Procedures for procurement for materials and services greater than Five Thousand Dollars (\$5,000) shall be approved by the Commission.

- a). Commission members or Cabot WaterWorks Staff can present to the full Commission procurement items over Five Thousand Dollars (\$5,000).
- b). Cabot WaterWorks Staff will prepare appropriate procurement documents and submit to legal counsel for review prior to approval by the Commission.
- c). Upon approval by Legal Counsel, procurement documents may be presented to the Commission for final approval.
- d). Upon approval by the Commission, procurement documents will be placed in public print media by the General Manager or his/her Staff designee.
- e). After advertised in public print media, the General Manager or his/her Staff designee will submit all bids and/or proposals to the Commission with a recommendation for procurement award.
- f). The Commission will take Staff recommendation under advisement and make final decision.

- g). All final decisions by the Commission involving contracts will be submitted for legal review to legal council to insure proper protocols of state, federal laws and statues have been followed.
- h). Upon approval by legal counsel the contract will be awarded.
- i). This Operating Policy shall be in effect until amended or changed by the Cabot Water & Wastewater Commission. Adopted July 20, 2006

## **1.7 Fixed Asset Capitalization Policy**

- 1.7.1 All purchases of a capital nature (items having a useful life exceeding one year) and greater than One Thousand Dollars (\$1000) shall be capitalized.
- 1.7.2 Certain items, such as water meters, may be capitalized regardless of the dollar amount expended. Additionally, certain projects comprised of numerous component expenditures under One Thousand Dollars (\$1000) may be aggregated into a project and capitalized if the life of an asset or a group of assets is extended beyond one year as a result of the project.
- 1.7.3 Capital Assets shall be retired from property records when taken out of service.
- 1.7.4 Leasing versus purchase decision - all leasing agreements shall be formally supported by a lease vs. purchase financial analysis that demonstrates the economic benefit of leasing vs. purchasing for the particular leased item. Leasing contracts shall be reviewed by legal council and the finance department. Conversely, all 'purchase' decisions shall be logically and economically substantiated. Adopted September 29, 2006

## **1.8 Management**

- 1.8.1 Financial reporting to Commission
  - a). By the second Commission meeting of every month the General Manager or his/her designee will present Balance Sheet and Income Statement to the Commission for review of previous Month and Year to Date Cabot WaterWorks financial status. The General Manager shall be available to answer any of the Commission's questions.
  - b). A year to date monthly financial report shall be made available to the City Council of the City of Cabot Arkansas (the "City Council") after it is reviewed and adopted by the Commission. **Adopted July 20<sup>th</sup>,2006**

## **1.9 Communication of Issues to Cabot Water & Wastewater Commission**

- 1.9.1 All issues concerning normal daily operations of Cabot WaterWorks are to be handled by the General Manager. Any daily issues that need Commission action should be presented at regular meetings.
- 1.9.2 All issues which involve contracts or legal agreements shall be submitted in a timely manner to legal council for review and approval prior to submittal to the Commission for consideration.

- 1.9.3 Issues which involve contracts or agreements between Cabot WaterWorks and outside vendors will be presented to the Commission for approval. **Adopted July 20<sup>th</sup>,2006**

**1.10 Credit Card Policy**

1.10.1 Cabot WaterWorks Credit Card (Credit Card) is the preferred tool to purchase and pay for low cost materials and services. Use of Credit Cards enables authorized Cabot WaterWorks employees to purchase materials and services up to a pre-determined limit.

- a). Credit Cards reduce the number of credit accounts and provide greater flexibility to shop for the best price on purchases. Vendors benefit by typically receiving payment within two business days.
- b). Credit Cards simplify and reduce the number of invoices processed by the A/P Department, one monthly invoice is paid to the bank versus handling large volumes of low dollar invoices.
- c). Credit Card purchases include supplies for office and operations, materials, small tools, books, subscriptions, and other small items from local vendors or vendors not frequented on a regular basis.

1.10.2 The credit limit for each Credit Card will be set initially as follows:

Water & WasteWater Crewleaders	\$500.00
Department Managers	\$1000.00
General Manager	\$1000.00

1.10.3 Credit Cards will be issued with the Employee’s name and Cabot WaterWorks embossed on it.

1.10.4 Cabot WaterWorks may preset MCC numbers (Merchant Category Code) to allow purchases from a designated type of vendor. For example, the Credit Card may be coded to permit purchases from hardware stores, plumbing and pipe suppliers and home improvement stores while excluding all other businesses such as restaurants, hotels, airlines and clothing stores.

1.10.5 Employee Guidelines and Responsibilities

- a). Credit Cards are not to be used for employee personal expenses. Employees that accidentally use Cabot Waterworks Credit Cards for personal expenses shall reimburse Cabot WaterWorks upon receipt of the monthly statement.
- b). Employees shall, within seven (7) days of receipt of the monthly statement, attach all receipts and give to the General Manager for approval.
- c). Employees shall code all purchases to the appropriate account on the statement.

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- d). If a receipt can not be obtained after a reasonable effort, you should note “No Receipt” on the statement next to the item.
  - e). Upon approval by the General Manager, the statement will be forwarded to Accounts Payable.
- 1.10.6 Credit Cards remain the property of the issuing bank. It may not be transferred to, assigned to, or used by anyone other than the designated employee.
- 1.10.7 Employees will surrender the Credit Card immediately upon request to Cabot WaterWorks or any authorized agent of the issuing bank.
- 1.10.8 Employees are also required to return the Credit Card should he or she transfer to another location or department, retire, or their employment be terminated.
- 1.10.9 Cabot WaterWorks retains the right to cancel an employees Credit Card privileges at any time for any reason, including but not limited to misuse or non-compliance of procedures.
- 1.10.10 When shipping to other Cabot WaterWorks locations the employee ordering items is responsible for obtaining the Credit Card receipt, packing list, and any other documentation.
- 1.10.11 Shipments to employee’s home are not permitted.
- 1.10.12 Ensure that you receive all of the items in the quantities that are specified on Credit Card receipt. Do not allow the vendor to back order any balance not in stock at the time of order and charge you for the total quantity, with the back order to be picked-up or shipped to you at a later date.
- 1.10.13 Insist the vendor enclose a copy of the Credit Card receipt with each shipment.
- 1.10.14 The Employee shall settle any disputes, clear erroneous charges and request a credit for returned merchandise directly with the vendor or issuing bank.
- 1.10.15 Employees shall report a stolen, lost, or misplaced Credit Card immediately by phone to the issuing bank.
- 1.10.16 Employees may be subject to disciplinary action, which may include, depending upon the seriousness of the offense, reprimand, probation, suspension, or dismissal. Cabot Waterworks reserves the right to seek recovery from the Cardholder for any unauthorized or personal use of the Credit Card.
- 1.10.17 Employees receiving Credit Cards are required to sign the following agreement. Adopted July 20, 2006

**AGREEMENT TO ACCEPT A CABOT WATERWORKS CREDIT CARD**

Cabot WaterWorks is pleased to issue to you a Cabot WaterWorks Credit Card (Credit Card). It represents trust in you as a responsible agent to safeguard and protect Company assets.

I, \_\_\_\_\_, hereby agree to accept a Cabot WaterWorks Credit. I acknowledge receipt of a copy of this Agreement, the Cabot WaterWorks Credit Card Policy, and the physical Credit Card.

Card, number \_\_\_\_\_ Credit Limit \_\_\_\_\_

I confirm that I have read and understand the Employee Guidelines and Responsibilities in the Cabot WaterWorks Credit Card Policy. I agree to comply with the conditions of this Agreement and the procedures contained in the Cabot WaterWorks Credit Card Policy.

I agree to use the Cabot WaterWorks Credit Card for approved purchases only and will not use it for personal purchases. I understand that Cabot WaterWorks will audit the use of this Credit Card and I will maintain the required proof of all purchases.

I further understand that improper use of this Credit Card may result in disciplinary action, up to and including termination of employment. Should I fail to use this Credit Card properly, I authorize Cabot WaterWorks to deduct from my salary the amount equal to the total of such improper use.

I understand that Cabot WaterWorks may terminate my right to use this Credit Card at any time for any reason. I agree to return the Credit Card to Cabot WaterWorks immediately upon request or upon termination of employment.

Applicant Name: \_\_\_\_\_ SSN: \_\_\_\_\_

Dept.: \_\_\_\_\_ Birthdate: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Supervisor:**

\_\_\_\_\_  
Supervisor name – printed

\_\_\_\_\_  
Supervisor signature

**Adopted July 20, 2006**

## **1.11 Employee Training & Travel Policy**

- 1.11.1 Cabot WaterWorks will pay related training expenses required for an employees' position with the utility. Travel and training expenses shall be approved by the General Manager in advance.
- 1.11.2 The following will be required of the employee for training & travel activities:
- a). Requests to attend training programs during normal work hours shall be scheduled with the Department Manager. The Department Manager may limit training schedules due to having adequate manpower to operate.
  - b). Approval of overnight stays in hotels will be determined by the lesser of mileage reimbursement cost for commuting each day versus the cost of a hotel room for multiple day training programs.
  - c). Required training programs are offered by different organizations. The cost of each training program and the related travel cost shall be reviewed by the employee and Department Manager for cost effective alternatives, scheduling conflicts may be taken into consideration when selecting training programs.
  - d). The employee shall submit receipts for reimbursement of training and travel expenses. Adopted July 20, 2006

## **1.12 Record Retention Policy**

- 1.12.1 Cabot WaterWorks has established the following record retention policy in accordance with Arkansas Code § 14-237-112 and guidelines based on the statute of limitations.
- 1.12.2 Cabot WaterWorks records consist of: Accounting records, Human Resource Documents, Customer Service Agreements and Regulatory Requirements of the Arkansas Department of Health and the Arkansas Department of Environmental Quality.
- 1.12.3 **ACCOUNTING RECORDS:**
- a). The following Support Documents shall be maintained for a period of at least three (3) years after which the records may be destroyed pending an audit.
    - i. Canceled checks
    - ii. Invoices (Customer Billing records)
    - iii. Bank statements
    - iv. Expense Reports
  - b). Permanent records shall be maintained by the water and sewer department for a period of not less than seven (7) years, after which the permanent records may be destroyed pending an audit of the records.
    - i. journals
    - ii. ledgers
    - iii. subsidiary ledgers

- iv. minutes
- v. fixed assets and equipment detail records

**1.12.4 HUMAN RESOURCE DOCUMENTS**

- a). Human resource documents will be maintained based on the “Arkansas General Record Retention Schedule”
  - i. Training and Education Records (Period of Employment + 4 yrs.)
  - ii. Discrimination Complaint (Period of Employment + 3 yrs.)
  - iii. Benefit Records (Period of Employment + 5 yrs.)
  - iv. Personnel Records (Period of Employment + 5 yrs.)
  - v. Employment History Records (Permanent)
  - vi. Employee Wage and Hour Records (Until authorized by the legislative auditor)
  - vii. Grievance Records and Reports (Period of Employment + 3 yrs after closure)
  - viii. Recruitment, Hiring, Interview and Selection (3 yrs from date position filled)
  - ix. Unemployment Insurance Records and Reports (+ 5 yrs.)
  - x. Workers Compensation Accident Reports (3 yrs. from date of injury)
  - xi. Workers Compensation Illness Reports (6 yrs. From the date incident occurred.)

**1.12.5 CUSTOMER SERVICE AGREEMENTS**

- a). “Contracts,” including water and wastewater service agreements shall be maintained for at least (5) five years after the account / contract is terminated.

**1.12.6 ARKANSAS DEPARTMENT OF HEALTH RECORDS**

<b>Record Type</b>	<b>Ret. Time</b>
Bacteriological Monitoring Records	5 years <sup>a</sup>
Treatment Operation Reports	10 years
Chemical Analysis Records	10 years <sup>a</sup>
Written reports such as sanitary surveys and Engineering Reports	10 years <sup>b</sup>
Variances or exemptions	5 years <sup>c</sup>
Action taken to correct violation	3 years <sup>d</sup>
Public Notices	3 years
Consumer Confidence Reports	5 years
Lead and Copper Rule analysis, reports, surveys, letters, etc.	12 years
Optimal Corrosion Control Records	Indefinitely

<sup>a</sup> Including supporting operational records.

<sup>b</sup> Following completion of surveys and reports.

<sup>c</sup> Following expiration of variance or exemption.

<sup>d</sup> After last action with respect to violation.

**1.12.7 ARKANSAS DEPARTMENT OF ENVIRONMENTAL QUALITY (ADEQ) RECORDS pertaining to NPDES Permit requirements**

- a). The permit tee shall retain records of all monitoring information, including all calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation, copies of all reports required by this permit, and records of all data used to complete the application for this permit for a period of at least 3 years from the date of the sample, measurement, report, or application.
- b). Adopted 10-23-08

**1.13 Identity Theft Prevention Program**

1.13.1 The purpose of this Article is to comply with 16 CFR § 681.1 and 681.2 in order to: (i) establish a process by which Cabot WaterWorks will be able to form a reasonable belief that a consumer report relates to the consumer about whom it has requested a consumer credit report when Cabot WaterWorks has received a notice of address discrepancy; and (ii) detect, prevent and mitigate Identity Theft by identifying and detecting Identity Theft Red Flags and by responding to such Red Flags in a manner that will prevent Identity Theft.

**1.13.2 For Purposes of this Program the following definitions apply:**

- a). “Cabot WaterWorks” means the Commission and the water and wastewater utilities operated by the Commission.
- b). ”Commission” means the Cabot Water and Wastewater Commission.
- c). “Covered Account” means (i) any Customer account maintained by Cabot WaterWorks primarily for personal, family, or household

purposes; and (ii) any other Customer account that Cabot WaterWorks maintains for which there is a reasonably foreseeable risk to Customers or to the safety and soundness of Cabot WaterWorks from Identity Theft, including financial, operational, compliance, reputation, or litigation risks.

- d). “Customer” means a person that has a Covered Account with Cabot WaterWorks.
- e). “Identity Theft” means a fraud committed or attempted using identifying information of another Person without authority.
- f). “Manager” means the manager of Cabot WaterWorks.
- g). “Notice of Address Discrepancy” means a notice sent to Cabot WaterWorks by a consumer reporting agency pursuant to 15 U.S.C. § 1681(c)(h)(1) that informs Cabot WaterWorks of a substantial difference between the address for the applicant or Customer that Cabot WaterWorks provided to request the consumer report and the address(es) in the agency’s file for the applicant or Customer.
- h). “Person” means a natural person, a corporation, government or governmental subdivision or agency, trust, estate, partnership, cooperative, or association.
- i). “Personal Identifying Information” means information maintained by Cabot WaterWorks such as a person’s credit card account information, debit card information, bank account information, drivers’ license information, tax identification number, social security number, mother’s birth name, or date of birth.
- j). “Red Flag” means a pattern, practice, or specific activity that indicates the possible existence of Identity Theft.
- k). “Service provider” means a person that provides a service directly to Cabot WaterWorks.

### 1.13.3 Findings.

- a). The processes of opening a new Covered Account, restoring an existing Covered Account, and posting payments on such accounts have been identified as potential processes in which Identity Theft could occur.
- b). Cabot WaterWorks limits access to Personal Identifying Information to those employees responsible for or otherwise involved in opening or restoring Covered Accounts or accepting payment for use of Covered Accounts. Information provided to such employees is entered directly into Cabot WaterWorks’ computer system and is not otherwise recorded.

### 1.13.4 Process of Establishing a Covered Account.

- a). As a precondition to opening a Covered Account, each applicant shall provide Cabot WaterWorks with a valid government issued

identification card containing a photograph of the applicant. Such applicant shall also provide any additional information necessary for Cabot WaterWorks to open the Covered Account. Any Personal Identifying Information shall be entered directly into Cabot WaterWorks' computer system and shall not otherwise be recorded.

- b). Each Covered Account shall be assigned an account number which shall be unique to that account.

**1.13.5 Access to Covered Account Information.**

- a). Access to Covered Accounts shall be password protected and shall be limited to authorized Cabot WaterWorks personnel.
- b). Such password(s) shall be changed on a regular basis, shall be at least 8 characters in length and shall contain letters, numbers and symbols.
- c). Any unauthorized access to or other breach of a Covered Account shall be reported immediately to the Manager and further access shall be limited until the breach or other unauthorized access to prohibited.
- d). Personal Identifying Information included in a Covered Account is considered confidential and any request or demand for such information shall be immediately forwarded to the Manager and Cabot WaterWorks' attorney.

**1.13.6 Credit Card Payments.**

- a). In the event that credit card payments that are made over the Internet are processed through a third party service provider, such third party service provider shall certify that it has an adequate Identity Theft prevention program in place that is applicable to such payments.
- b). All credit card payments made over the telephone or Cabot WaterWorks' website shall be entered directly into the customer's account information in the computer data base.
- c). Account statements and receipts for Covered Accounts shall include only the last four digits of the credit or debit card or the bank account used for payment of the Covered Account.

**1.13.7 Sources and Types of Red Flags.**

- a). All employees responsible for or involved in the process of opening a Covered Account, restoring a Covered Account or accepting payment for a Covered Account shall check for Red Flags as indicators of possible Identity Theft and such Red Flags may include:
- b). Suspicious documents. Examples of suspicious documents include:
  - i. Documents provided for identification that appear to be altered or forged;
  - ii. Identification on which the photograph or physical description is inconsistent with the appearance of the applicant or customer;

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- iii. Identification on which the information is inconsistent with information provided by the applicant or customer;
  - iv. Identification on which the information is inconsistent with readily accessible information that is on file with the financial institution or creditor, such as a signature card or a recent check; or
  - v. An application that appears to have been altered or forged, or appears to have been destroyed and reassembled.
- c). Suspicious personal identification, such as suspicious address change. Examples of suspicious identifying information include:
- i. Personal Identifying Information that is inconsistent with external information sources used by Cabot WaterWorks. For example:
    - 1. The address does not match any address in the consumer report; or
    - 2. The Social Security Number (SSN) has not been issued, or is listed on the Social Security Administration’s Death Master File.
  - ii. Personal Identifying Information provided by the Customer is not consistent with other Personal Identifying Information provided by the Customer, such as a lack of correlation between the SSN range and date of birth.
  - iii. Personal Identifying Information or a phone number or address, is associated with known fraudulent applications or activities as indicated by internal or third-party sources used by Cabot WaterWorks.
  - iv. Other information provided, such as fictitious mailing address, mail drop addresses, jail addresses, invalid phone numbers, pager numbers or answering services, is associated with fraudulent activity.
  - v. The SSN provided is the same as that submitted by other applicants or Customers.
  - vi. The address or telephone number provided is the same as or similar to the account number or telephone number submitted by an unusually large number of applicants or Customers.
  - vii. The applicant or Customer fails to provide all required Personal Identifying Information on an application or in response to notification that the application is incomplete.
  - viii. Any new Personal Identifying Information provided by the customer is not consistent with the Personal Identifying Information that is on file with Cabot WaterWorks.

- ix. The applicant or Customer cannot provide authenticating information beyond that which generally would be available from a wallet or consumer report.
- d). Unusual use of or suspicious activity relating to a Covered Account. Examples of suspicious activity include:
  - i. Shortly following the notice of a change of address for an account, Cabot WaterWorks receives a request for the addition of authorized users on the account.
  - ii. A Customer Account is used in a manner that is not consistent with established patterns of activity on the account. There is, for example:
    - 1. Nonpayment when there is no history of late or missed payments;
    - 2. A material change in usage;
  - iii. An account that has been inactive for a long period of time is used (taking into consideration the type of account, the expected pattern of usage and other relevant factors).
  - iv. Mail sent to the Customer is returned repeatedly as undeliverable although transactions continue to be conducted in connection with the Customer's account.
  - v. Cabot WaterWorks is notified that the Customer is not receiving paper account statements.
  - vi. Cabot WaterWorks is notified of unauthorized charges or transactions in connection with a Customer's account.
  - vii. Cabot WaterWorks is notified by a Customer, law enforcement or another person that it has opened a fraudulent account for a Person engaged in Identity Theft.
- e). Notice from Customers, law enforcement, victims or other reliable sources regarding possible Identity Theft or phishing relating to Covered Accounts.

**1.13.8 Prevention and Mitigation of Identity Theft.**

- a). In the event that any Cabot WaterWorks employee responsible for or involved in restoring an existing Covered Account or accepting payment for a Covered Account becomes aware of Red Flags indicating possible Identity Theft with respect to existing Covered Accounts, such employee shall use his or her discretion to determine whether such Red Flag or combination of Red Flags suggests a threat of Identity Theft. If, in his or her discretion, such employee determines that Identity Theft or attempted Identity Theft is likely or probable, such employee shall immediately report such Red Flags to the Manager. If, in his or her discretion, such employee deems that Identity Theft is unlikely or that reliable information is available to reconcile Red Flags, the employee

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shall convey this information to the Manager, who may in his or her discretion determine that no further action is necessary. If the Manager in his or her discretion determines that further action is necessary, a Cabot WaterWorks employee shall perform one or more of the following responses, as determined to be appropriate by the Manager:

- i. Contact the Customer;
  - ii. Make the following changes to the account if, after contacting the Customer, it is apparent that someone other than the Customer has accessed the Customer's Covered Account:
    1. change any account numbers, passwords, security codes, or other security devices that permit access to an account; or
    2. close the account;
  - iii. Cease attempts to collect additional charges from the Customer and decline to sell the Customer's account to a debt collector in the event that the Customer's account has been accessed without authorization and such access has caused additional charges to accrue;
  - iv. Notify the attorney for Cabot WaterWorks within twenty-four (24) hours of the discovery of likely or probable Identity Theft relating to a Customer account that has been sold to such debt collector in the event that a Customer's account has been sold to a debt collector prior to the discovery of the likelihood or probability of Identity Theft relating to such account;
  - v. Notify law enforcement, in the event that someone other than the Customer has accessed the Customer's account causing additional charges to accrue or accessing Personal Identifying Information; or
  - vi. Take other appropriate action to prevent or mitigate Identity Theft.
- b). In the event that any Cabot WaterWorks employee responsible for or involved in opening a new Covered Account becomes aware of Red Flags indicating possible Identity Theft with respect an application for a new account, such employee shall use his or her discretion to determine whether such Red Flag or combination of Red Flags suggests a threat of Identity Theft. If, in his or her discretion, such employee determines that Identity Theft or attempted Identity Theft is likely or probable, such employee shall immediately report such Red Flags to the Manager. If, in his or her discretion, such employee deems that Identity Theft is unlikely or that reliable information is available to reconcile Red Flags, the employee shall convey this information to the Manager, who may in his or her discretion determine that no further action is necessary. If the Manager in his or her discretion determines that further action is necessary, a Cabot WaterWorks employee shall perform one or more of the following responses, as determined to be appropriate by the Manager:

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- i. Request additional identifying information from the applicant;
- ii. Deny the application for the new account;
- iii. Notify law enforcement of possible Identity Theft; or
- iv. Take other appropriate action to prevent or mitigate Identity Theft.

### 1.13.9 **Policy.**

- a). In the event that Cabot WaterWorks receives a Notice of Address Discrepancy, the Cabot WaterWorks employee responsible for verifying applicant or Customer addresses for the purpose of providing the municipal service on account sought by the applicant or Customer shall perform one or more of the following activities, as determined to be appropriate by such employee:
  - i. Compare the information in the consumer report with:
  - ii. Information Cabot WaterWorks obtains and uses to verify an applicant's or Customer's identity in accordance with the requirements of the Customer Information Program rules implementing 31 U.S.C. § 5318(l);
  - iii. Information Cabot WaterWorks maintains in its own records, such as applications for service, change of address notices, other Customer account records or tax records; or
  - iv. Information Cabot WaterWorks obtains from third-party sources that are deemed reliable by the relevant city employee; or
- b). Verify the information in the consumer report with the applicant or Customer.

### 1.13.10 **Furnishing Customer's Address to Consumer Reporting Agency.**

- a). In the event that Cabot WaterWorks reasonably confirms that an address provided by a Customer to Cabot WaterWorks is accurate, Cabot WaterWorks is required to provide such address to the consumer reporting agency from which Cabot WaterWorks received a Notice of Address Discrepancy with respect to such applicant or Customer. This information is required to be provided to the consumer reporting agency when:
  - i. Cabot WaterWorks is able to form a reasonable belief that the consumer report relates to the applicant or Customer about whom Cabot WaterWorks requested the report;
  - ii. Cabot WaterWorks has or creates a continuing relationship with the applicant or Customer; and
  - iii. Cabot WaterWorks regularly and in the ordinary course of business provides information to the consumer reporting agency from which it received the Notice of Address Discrepancy.

- b). Such information shall be provided to the consumer reporting agency as part of the information regularly provided by Cabot WaterWorks to such agency for the reporting period in which Cabot WaterWorks establishes a relationship with the Customer.

**1.13.11 Methods of Confirming Customer Addresses.**

- a). The Cabot WaterWorks employee charged with confirming applicant or Customer addresses may, in his or her discretion, confirm the accuracy of an address through one or more of the following methods:
  - i. Verifying the address with the Customer;
  - ii. Reviewing Cabot WaterWorks' records to verify the applicant's or Customer's address;
  - iii. Verifying the address through third party sources; or
  - iv. Using other reasonable processes.

**1.13.12 Updating the Program.**

- a). The Cabot Water and Wastewater Commission (the "Commission") shall annually review and, as deemed necessary by the Commission, update the Identity Theft Prevention Program along with any relevant Red Flags in order to reflect changes in risks to Customers or to the safety and soundness of Cabot WaterWorks and its Covered Accounts from Identity Theft. In so doing, the Commission shall consider the following factors and exercise its discretion in amending the program:
  - i. Cabot WaterWorks' experiences with Identity Theft;
  - ii. Updates in methods of Identity Theft;
  - iii. Updates in customary methods used to detect, prevent, and mitigate Identity Theft;
  - iv. Updates in the types of accounts that Cabot WaterWorks or maintains; and
  - v. Updates in service provider arrangements.

**1.13.13 Program Administration.**

- a). The Human Resources Manager is responsible for oversight of the program and for program implementation. The Manager is responsible for reviewing reports prepared by staff regarding compliance with Red Flag requirements and with recommending material changes to the program, as necessary in the opinion of the Manager, to address changing Identity Theft risks and to identify new or discontinued types of Covered Accounts. Any recommended material changes to the program shall be submitted to the Commission for consideration.
  - i. The Human Resources Manager will report to the Manager at least annually, on compliance with the Red Flag requirements. The report

1. The effectiveness of the policies and procedures of Cabot WaterWorks in addressing the risk of Identity Theft in connection with the opening of Covered Accounts and with respect to existing Covered Accounts;
  2. Service provider arrangements;
  3. Significant incidents involving Identity Theft and management’s response; and
  4. Recommendations for material changes to the Program.
- ii. The Human Resources Manager is responsible for providing training to all employees responsible for or involved in opening a new Covered Account, restoring an existing Covered Account or accepting payment for a Covered Account with respect to the implementation and requirements of the Identity Theft Prevention Program. The Human Resources Manager shall exercise his or her discretion in determining the amount and substance of training necessary.

**1.13.14 Outside Service Providers.**

- a). In the event Cabot WaterWorks engages a service provider to perform an activity in connection with one or more Covered Accounts the Human Resources Manager shall exercise his or her discretion in reviewing such arrangements in order to ensure, to the best of his or her ability, that the service provider’s activities are conducted in accordance with policies and procedures, agreed upon by contract, that are designed to detect any Red Flags that may arise in the performance of the service provider’s activities and take appropriate steps to prevent or mitigate Identity Theft.”
- b). Adopted 10-23-08

## **Customer Service Policy**

### **1.14 Definitions**

- 1.14.1 AWWA: American Water Works Association.
- 1.14.2 Applicant: A person, firm or corporation who applies for water and wastewater service.
- 1.14.3 Customer: A person, firm or corporation who applies for or currently has water and wastewater service with Cabot WaterWorks. Customer's that have a master meter for multiple housing units will be billed the minimum charge for water and wastewater for every unit.
- 1.14.4 Multiple Housing units: Apartments, Mobile home parks, Condominiums or Town-homes.
- 1.14.5 Developer: A person, firm or corporation who constructs any type of building and/or who sales land which has been subdivided for sale, lease or rent.
- 1.14.6 Subdivision: The legal dividing of a tract of land into two or more tracts, lots or parcels. Adopted July 20, 2006
- 1.14.7 A "Wholesale" customer is defined as any "commercial" customer who is party to a current water service agreement with Cabot WaterWorks designating such customer as a wholesale customer. Upon termination of such water service agreement, whether by act of law or in accordance with its terms, unless extended by mutual agreement of the parties or the execution of a new water service agreement, the wholesale customer shall cease being a wholesale customer and shall become a commercial customer. Adopted August 13, 2008.

### **1.15 General**

- 1.15.1 Applicants for water and wastewater service shall apply at Cabot WaterWorks' Billing Office in form as outlined below.
  - a). Applicants for service shall be 18 years old or older.
  - b). Applicants for service shall provide two forms of identification acceptable to Cabot WaterWorks.
  - c). Applicants that have previous outstanding account debt will be denied service until the outstanding account(s) are paid in full.
  - d). Applicants will be required to pay account deposits prior to receiving service. Deposit amounts are set forth in City Ordinance 102 of 2005 according to size of meter and customer class.

Account No. \_\_\_\_\_

Water Service:        Yes    No

Wastewater Service: Yes    No

(Circle appropriate answer)

## Cabot WaterWorks Customer Service Agreement

Customer requests the services indicated above at the address indicated below. The services provided pursuant to this Agreement shall continue until cancelled by Cabot WaterWorks or until Customer notifies Cabot WaterWorks billing office of Customer’s desire to have such services discontinued.

Customer agrees to abide by Cabot WaterWorks’ published policies, rules and regulations governing the consumption of water and disposal of wastewater. Customer further agrees to accept water service at the pressure and quantity available from Cabot WaterWorks’ mains and service lines without claim for damages because of pressure or stoppage of flow. Customer further agrees that water or wastewater services supplied through the lines supplying this address shall be used only on the premises in accordance with the law. No water shall be sold by Customer or allowed to be taken through the meter servicing this premises for use on any other premises and no wastewater from another premises shall be deposited into the Cabot WaterWorks system through this premises.

Customer acknowledges that Cabot WaterWorks bills for water, wastewater and sanitation service on the last business day of the month. Bills are due the 15<sup>th</sup> of each month unless the 15<sup>th</sup> falls on a weekend or official Cabot WaterWorks Holiday in which the due date shall be the next business day.

**Customer shall be responsible for the timely payment of each monthly bill whether it is actually received or not.** If Customer has not received a bill by the 5<sup>th</sup> day of any month, Customer should call the Billing Office at 501-843-4654 and request a replacement bill and the amount currently due by the Customer so the bill can be paid in a timely manner. Customer bills not paid by the close of business on the 15<sup>th</sup> day of the month, the Due Date, will be assessed a 10% penalty and a \$1.00 rebilling fee. Customer bills not paid by the close of business on the 25<sup>th</sup> day of the month, the Cut-off Date, will be assessed a re-connect fee and the meter will be disconnected or locked off. The re-connect fee during regular business hours is \$25.00, after regular business hours the fee is \$50.00. All past due amounts plus penalties and fees must be paid before water service will be restored.

After Customer notifies Cabot WaterWorks of Customer’s desire to discontinue service, Cabot WaterWorks will prepare and send Customer a final bill. Customer should pay the final bill within five (5) days from the date it is mailed by Cabot WaterWorks. If Customer should fail to make such final payment in a timely manner, Customer’s deposit shall be applied against the final bill and service shall be discontinued at any new account opened by Customer until the deposit has been restored to the required amount. Deposits remaining on the books of Cabot WaterWorks for more than sixty days after the closing of an account, provided such deposit is not “moved” to another account at the request of Customer, shall be refunded to Customer by mail; except, refunds for less than \$1.00 Customer will have to come to the Billing Office within sixty days of closing the account to pickup the refund or the remaining deposit shall become the property of Cabot WaterWorks.

Customer questions regarding Trash pickup, please call IESI at 1-800-383-7422.

\_\_\_\_\_  
Customer signature

\_\_\_\_\_  
Service Address

\_\_\_\_\_  
Phone

\_\_\_\_\_  
2-forms of ID

## Cabot WaterWorks – Operating Policy

- 1.15.2 Water service shall only be turned on by an agent of Cabot WaterWorks. A licensed plumber may request to turn on a water service and only upon Cabot WaterWorks approval, to enable him to test his work, and provided it shall be turned off immediately after the test is made.
  - 1.15.3 The authorized agents of Cabot WaterWorks shall have the right of access, at all reasonable hours, to the premises supplied with water for the purpose of reading meters, examining pipes and fixtures observing manner of using water, and for any other purpose which is proper and necessary in the conduct of Cabot WaterWorks' business. Such agents shall carry proper credentials evidencing their employment by Cabot WaterWorks.
  - 1.15.4 Cabot WaterWorks will not be liable for any claim or damage arising from a shortage of water, the breaking of machinery or other facilities, or for any other cause.
  - 1.15.5 As necessity may arise in the case of a pipe break, emergency or other similar cause, Cabot WaterWorks shall have the right temporarily to cut off the water supply in order to make necessary repairs, connections, etc. Cabot WaterWorks shall use all reasonable and practicable measures to notify the customer, in advance, of such discontinuance of service. Cabot WaterWorks shall not be liable for any damage or inconvenience suffered by the customer, or for any claim for interruption in service, lessening of supply, inadequate pressure, poor quality of water, or any other cause. Cabot WaterWorks may restrict or regulate the quantity of water used by customers in case of scarcity or whenever the public welfare may require it.
  - 1.15.6 No customer shall open or close any of Cabot WaterWorks' curb stops or valves on any public or private water line. This is in accordance with the state law on meter tampering. Adopted July 20, 2006
- 1.16 Water & Wastewater Bills**
- 1.16.1 Each customer is subject to charges, the amount of which is set forth in City Ordinance 102 of 2005 according to size of meter and customer class.
  - 1.16.2 Bills for water and wastewater service will be rendered and are due and payable on the 15<sup>th</sup> day of each month.
  - 1.16.3 Fire Hydrant meters shall be billed monthly as commercial service and are due and payable on the 15<sup>th</sup> day of each month.
  - 1.16.4 The presentation or non-presentation of bill shall not be held to be a waiver of any of the rules or regulations.
  - 1.16.5 Customers that have not paid bills by the 25<sup>th</sup> of the billing month will have service discontinued on the next business day. Service will not be discontinued on Fridays or on days proceeding holidays observed by Cabot WaterWorks.
  - 1.16.6 Water & Wastewater service will not be discontinued on accounts with a balance less than \$15.00 as of 25<sup>th</sup> of the billing month. Adopted June 26, 2008

**1.17 Extended Due Dates for Bills**

- 1.17.1 Customers requesting extended due dates shall make arrangements at the Cabot WaterWorks Billing Office at One City Plaza, Suite B prior to the 25<sup>th</sup> of the billing month.
- 1.17.2 Cabot WaterWorks will permit extended due dates for current month bills up to the first Friday of the following month.
- 1.17.3 Customer's that fail to pay 100% of the bill by the extended due date will not be permitted another extended due date for 12 months. Adopted July 20, 2006

**1.18 Water Leak Adjustment Policy**

- 1.18.1 Cabot Waterworks will investigate a customer's high usage and check for a leak. If the leak is observed, the customer will be notified.
- 1.18.2 The customer shall repair leaks promptly and may request an adjustment to a bill prior to the due date of the bill with the high usage.
- 1.18.3 The customer's usage shall be at least one hundred percent (100%) above normal usage (Determined by meter readings) before a leak adjustment can be considered.
- 1.18.4 The customer shall provide documentation such as receipts for plumbing work or materials or a written report of corrective action.
- 1.18.5 Cabot Waterworks must verify that the leak has been eliminated. If this requires more than one trip, additional trip fees will be charged. The trip fee will be a service charge of fifteen dollars (\$15).
- 1.18.6 A leakage adjustment is usually made on the basis of two (2) months usage, as an undetectable leak will overlap two (2) billing periods. However, the adjustment may be made for only one (1) month if there is negligence in making the leakage repair.
- 1.18.7 The customer's normal usage is determined by averaging the prior two (2) months; or usage for the same month of the prior year during the summer period. If the customer has no prior usage history, the normal usage will be determined from average customer usage for the customer classification, (i.e. commercial, residential). The adjustment shall be made for half the leakage amount above the normal usage. For example, if normal usage is ten thousand (10,000) gallons and the total usage including leakage is fifty thousand (50,000) gallons. The leakage amount is forty thousand (40,000) and the adjustment shall be made for half or twenty thousand (20,000) gallons and the customer shall pay for the adjusted usage of thirty thousand (30,000) gallons (Normal usage plus half (1/2) of the leak). Adjustments will be made to water volume charges. Sewer charges will be adjusted if the leak did not flow into the sewer system.
- 1.18.8 Customers may request an adjustment to sewer charges for filling swimming pools if the customer notifies CWW prior to filling the pool. Customers must

provide CWW documented dimensions or volume of the swimming pool for the adjustment.

- 1.18.9 Only one (1) leak or swimming pool adjustment shall be made for a customer in a calendar year. Adopted April 8, 2008.

### **1.19 Water Service Connection**

- 1.19.1 Each customer shall be supplied through a separate service line.
- 1.19.2 Cabot WaterWorks will make all connections to its existing mains and will furnish, install and maintain all service lines from the water main to the water meter. Exception: Developers shall install and connect service lines to water mains in new subdivisions.
- 1.19.3 Service lines shall be the property of Cabot WaterWorks and shall be accessible to, and under its control at all times.
- 1.19.4 All service lines from the water meter to the customer's building or place of consumption shall be approved by Cabot WaterWorks as to size, type of pipe, and installation and shall be installed and kept in good repair at customer's expense. All such service lines shall be placed at least two feet below the surface of the ground.
- 1.19.5 No service lines shall be laid in the same trench with sewer pipe.
- 1.19.6 All leaks in service lines from the water meter to the customer building and on the customer's property shall be promptly repaired by the customer. Failure to make such repairs and reasonable dispatch, Cabot WaterWorks may turn off the water and will not permit water to be turned on until the repairs are completed and Cabot WaterWorks has been reimbursed, for expense incurred in reconnecting the water.
- 1.19.7 Cabot WaterWorks shall not be responsible for maintenance of, (or for damage caused by the water leaking from) the service line or any other pipe or fixture on the outlet side of the water meter. The customer shall comply with the Arkansas State Plumbing regulations and shall make any changes which may be required because of a change in grade, relocation of mains or otherwise.
- 1.19.8 The use of water service by a customer shall be in accordance with the class, scope and type of use, and for the purpose stated in his application and service agreement. A customer shall not use, or allow use of water through his service facilities, for others, or for purposes other than those covered by his application. To make service available for other purposes or character of use, a new application and agreement is required. Adopted July 20, 2006

### **1.20 Water Meters**

- 1.20.1 All meters will be furnished by, and remain the property of Cabot WaterWorks.

## Cabot WaterWorks – Operating Policy

- 1.20.2 All water service, except water for fire fighting purposes, will be rendered only through water meters.
  - 1.20.3 Each customer's service shall have a separate meter to register the amount of the water consumed. The quantity of water recorded by the meter shall be conclusive for both the customer and Cabot WaterWorks, except when the meter has been found to be registering inaccurately or has ceased to register. Cabot WaterWorks will promptly repair or replace meters that register inaccurately or that have ceased to register. In either of such cases, the quantity of water consumed shall be estimated by the average registration of the meter on previous corresponding periods.
  - 1.20.4 In case of a disputed bill involving the accuracy of a meter, such meter shall be tested, (upon request of the customer), in accordance with AWWA standards.
  - 1.20.5 If the meter tested is found to have an error in registration of less than three percent (3%), Cabot WaterWorks will charge the customer the actual cost for such test. Customer charges for meter testing shall be added to customers service account with Cabot WaterWorks. If the error in registration is found to be greater than three percent (3%) then the cost of the test shall be paid by Cabot WaterWorks.
  - 1.20.6 The customer shall notify Cabot WaterWorks if a meter stops registering as soon as it comes to his knowledge.
  - 1.20.7 Cabot WaterWorks shall approve the size and location of meter(s) required by each customer.
  - 1.20.8 All meters shall be set at convenient locations, accessible to Cabot WaterWorks, and subject to its control. The meter will normally be placed in a meter box between the curb and customers property line. Each meter box shall be approved by Cabot WaterWorks.
  - 1.20.9 Meters may only be placed inside the building when required by Cabot WaterWorks.
  - 1.20.10 Developers shall furnish and install meter boxes for all meters. Meter boxes and covers shall conform to Cabot WaterWorks Standard Construction Specifications.
  - 1.20.11 To prevent heat damage to the meter where steam or hot water under pressure is used (other than for normal residential use) an approved backflow assembly and a pressure relief valve shall be installed at the expense of the customer on the discharge side of the meter, and before any outlets are taken off the service line. Adopted July 20, 2006.
- 1.21 Damages to Cabot Waterworks Property**
- 1.21.1 Every customer is responsible for all damage to Cabot WaterWorks property, water and wastewater pipes, service lines, water meters, meter boxes and appurtenances caused by the customer or individuals performing work for or

on behalf of the customer. The repair or replacement costs of all such damage shall be paid by the customer; it shall be added to the customers service account with Cabot WaterWorks. Adopted July 20, 2006

## **1.22 Relocation of Cabot WaterWorks Pipes and Services**

- 1.22.1 Customers that request Cabot WaterWorks to relocate services and/or pipelines will be required to pay all costs associated with the relocation. Adopted July 20, 2006.

## **1.23 WasteWater Service Lines**

- 1.23.1 Except as otherwise permitted below, every building, dwelling unit, commercial or industrial establishment, or other source of wastewater with plumbing fixtures (except where these units are connected by a single common vertical stack) shall have a separate connection to Cabot WaterWorks sewer system.
- a). Exception: In certain instances where there are or could be multiple tenants or occupants of a single building (such as a strip mall) and the entire building is and shall be at all times located on a single parcel or lot and owned by a single owner, a common sewer service line may be used to connect to the sewer main. If at any time ownership of portions of the building, other than airspace, is divided between multiple owners, then, at that time, the sewer service for the building will have to be reconfigured to provide a separate sewer connection for each portion of the building owned by the different owners. In addition, in the event the single lot is ever subdivided, each lot will require separate sewer service for the respective portion of the building.
- 1.23.2 Building sewer service lines connecting to Cabot WaterWorks sewer system shall be installed in accordance with the Arkansas Plumbing Code and all connections to Cabot WaterWorks sewer system shall be accomplished in accordance with Cabot WaterWorks Standard Construction Specifications. Cabot WaterWorks shall be notified prior to any connection to the Cabot WaterWorks sewer system. All building sewer service lines and connections to Cabot WaterWorks sewer system shall be inspected by CWW prior to covering or backfilling the connection.
- 1.23.3 City of Cabot Ordinance 43 of 2005 requires wastewater customers to install back flow prevention devices in their wastewater service lines by July 1, 2006. From and after July 1, 2006, Cabot WaterWorks will no longer pay for damages caused by sewer backflow. Backflow valves, (Backwater valves) shall conform to requirements of the Arkansas Plumbing Code.
- 1.23.4 Customers are responsible for any service line blockage that occurs on the customer's property. Cabot WaterWorks cannot perform maintenance to clear service line blockages on a customer's property.

- 1.23.5 Cabot WaterWorks will perform maintenance on service line blockages in street right-of-ways. The customer will be charged the actual cost to Cabot WaterWorks to remove blockages which are the result of improper materials disposed in the customer’s household plumbing.
- 1.23.6 Service line blockages in street right-of-ways which result from collapsed pipes will be repaired by Cabot WaterWorks at no cost to the Customer. Adopted July 20, 2006.
- 1.23.7 **Grease Trap Maintenance:** Customers that operate facilities that are required to have grease traps and grease interceptors shall have the units cleaned on a regular basis so that fats oil or grease are not released into Cabot WaterWorks wastewater collection system.
- a). Cabot City Ordinance 38 of 1992 states “Grease, oil and sand interceptors shall be provided where in the opinion of the Superintendent, they are necessary for the proper handling of wastewater containing excessive amounts of grease, oil, or sand. ...Such interceptors shall be inspected, cleaned, and repaired regularly, as needed, by the owner at his expense.”
  - b). Cabot WaterWorks will require Customers that operate facilities with grease traps and grease interceptors to have the units cleaned when one of the following conditions are met:
    - ❖ Fats, oil or grease are visible in the secondary chamber of the trap or interceptor.
    - ❖ Fats, oil or grease are visible in the service line or manhole downstream of the facility.
    - ❖ Laboratory tests confirm that fats, oil or grease are in excess of 50mg/l in the waste stream leaving the interceptor or trap.

## **1.24 Household Grinder Pumps for WasteWater Disposal**

- 1.24.1 Cabot WaterWorks provides wastewater Service to some subdivisions through a Pressure Sewer System that requires a grinder pump to be installed at each house. In an effort to prevent undesirable wastewater service, Cabot WaterWorks requires grinder pumps to conform to minimum specifications.
- 1.24.2 Customers are required to purchase grinder pumps directly from an approved vendor and install the pump basin as outlined in the “Cabot WaterWorks - Customer Grinder Pump Procurement and Installation Guide”, see below.
- 1.24.3 In addition to the cost of the grinder pump, Cabot WaterWorks charges a three hundred (\$300) connection fee for each pump. Adopted July 20, 2006.

## **Cabot WaterWorks Customer Grinder Pump Procurement and Installation Guide**

Obtaining a Grinder Pump to connect to the Cabot WaterWorks sewer system is a multi-step process and we have developed this Guide in an effort to assist you through the process.

### **STEP ONE**

First you must pay Cabot WaterWorks a connection fee of \$300.00 and acknowledge receipt of this Guide from us. Cabot WaterWorks charges the \$300.00 connection fee pursuant to City Ordinance No. 28, 1998. This fee must be paid at the Cabot WaterWorks Billing Office before you proceed to purchase your new Grinder Pump from our “approved” vendor.

### **STEP TWO**

After you have paid the connection fee and acknowledged receipt of this Guide, you should contact Jack Tyler Engineering of Arkansas, Inc. (“Jack Tyler”) to purchase your Grinder Pump Station. Any Cabot WaterWorks customer who requires a Grinder Pump for sewage disposal must purchase the Grinder Pump Station from Jack Tyler. The contact information for Jack Tyler is as follows:

Jack Tyler Engineering of Arkansas, Inc. (JTEAR)	Questions or problems:
6112 Patterson Ave, Little Rock, AR 72209	Steve Cooper, General Manager
E-ONE Desk 501-562-2296 Fax; 562-4273	501-562-2296 CELL: 501-590-3094

As a Cabot WaterWorks customer, you must use the following E/ONE Grinder Pump Station to connect with our sewer system.

#### **E/ONE MODEL 1010-74 STATION**

Consisting of:

E/ONE Grinder Pump MODEL 1010  
30 x 74” HDPE Basin with Stainless Steel Band Clamp  
Model SENTRY Simplex Alarm Panel  
32’ of Power Cable with EQD  
Redundant Check Valve

The price for the complete Grinder Pump Station will be \$2,948.00 (plus applicable sales taxes).

### **STEP THREE**

The Grinder Pump Station, consisting of the basin, alarm panel, power cable and check valve must be installed and inspected before Jack Tyler will install the actual Grinder Pump. **Only Jack Tyler can install the actual Grinder Pump.**

You (or your plumber or electrician) may pickup the Grinder Pump Station from Jack Tyler. You must pay for the Grinder Pump Station when you pick it up from Jack Tyler or you must have approved credit with Jack Tyler. Cabot WaterWorks has no control or authority with respect to whom Jack Tyler issues or approves credit.

Alternatively, Jack Tyler will deliver the Grinder Pump Station to the installation address within four (4) working days after receipt of payment for the Grinder Pump Station (or approved credit) at no cost to you. For an additional \$75.00 fee + applicable sales taxes, Jack Tyler will deliver the Grinder Pump Station on the next business day. If you decide to use Jack Tyler’s delivery service, you, or your authorized representative, must be present at the time of delivery to sign for the Grinder Pump Station. The customer shall be responsible for any damage to the Grinder Pump Station after taking delivery, including once it is in the ground.

## Cabot WaterWorks – Operating Policy

### STEP FOUR

The Grinder Pump Station must be installed in strict accordance with E/ONE installation instructions, included with the Grinder Pump Station, and the additional requirements of Cabot WaterWorks below. **The Customer will be held responsible for damage to the basin and all equipment furnished with the Grinder Pump Station.**

- a.) Do not install the Grinder Pump Station until the building construction process is complete or near completion, i.e. sheetrock finished, painting complete, tile floors complete, etc. Should necessity require that the Grinder Pump Station be installed at an earlier time, i.e. retaining wall landscape issue, etc., the four inch (4”) sewer connection between the house and Grinder Pump Station shall be made just prior to Grinder Pump start-up or you will invalidate the sixty (60) month warranty.
- b.) Install the basin at a depth so the finished grade will not be above the level marked on the basin, in strict accordance with E/ONE installation instructions
- c.) Pour 2.7 cubic feet of concrete ballast around the base of the basin, in strict accordance with E/ONE installation instructions.
- d.) All plumbing connections shall be performed by a licensed plumber. Plumbers must be certified by Jack Tyler Engineering to install a Grinder Pump. The sewer pipe from the building to the basin shall be 4” DWV. The discharge pipe from the basin to the street service shall be 1 ¼” schedule 40 PVC, with a minimal number of 90 degree elbows. The redundant check valve shall be installed at the property line as close as possible to the connection to the Cabot WaterWorks sewer service valve box.
- e.) A Cabot WaterWorks Inspector must be present during final connection to the sewer system. Call Cabot WaterWorks Inspection Department at 605-1740 to request final connection.
- f.) Install a 14 gauge green color tracing wire in the bottom of the trench below the 1 ¼” discharge pipe. Tracing wire shall be extended into the top of the service valve box.
- g.) Before you (or your plumber, electrician, or contractor) backfills around the basin and pipe, you must contact the City of Cabot, Public Works Department Plumbing Inspector. **Request “a plumbing inspection of piping and concrete ballast for a grinder pump basin”**. The City of Cabot Public Works Department’s phone number is 843-4819. We have no control or authority over how quickly or when the Cabot Public Works Department will be able to inspect plumbing to the basin, but Jack Tyler can not install the actual Grinder Pump until this inspection is complete. Therefore, Cabot WaterWorks suggests that you contact the Cabot Public Works Department as soon as possible.

### STEP FIVE

Even after the Grinder Pump Station has been installed and Cabot Public Works Department has inspected the plumbing to it, there is some additional work that must be performed before Jack Tyler can install the actual Grinder Pump. Cabot Public Works Department inspects only the plumbing to the Basin and the Electrical disconnect specified below.

Before Jack Tyler can install the actual Grinder Pump, you (or your electrician or contractor) must complete the following items:

- a.) You must furnish and install a 240v, 30 amp, double pole electric disconnect outside the building four feet six inches (4’-6”) above finished grade and within 20 feet of the basin. The electric disconnect shall be wired with 10-3 wire w/ground and the power turned on to the Disconnect. All wiring shall be installed by a licensed electrician and shall conform to the National Electrical Code. Electrical wiring to the Disconnect must be inspected by Cabot Public Works Department, Electrical Inspector. Call Public Works Department at 843-4819. **Request “an electrical inspection of wiring to the grinder pump basin”**.

## Cabot WaterWorks – Operating Policy

- b.) You shall install the E/ONE alarm panel supplied with the Grinder Pump Station next to the Disconnect at the same height and wire the disconnect with 10-3 wire, in conduit, to the E/ONE Alarm Panel.
- c.) You must supply and install a 1¼” electrical conduit from the bottom of the alarm panel to 6” below finished grade.
- d.) You must install the Power Cable, supplied with the Grinder Pump, between the basin and the E/ONE Alarm panel and make final connections to the Alarm panel per E/ONE’s installation instructions. The power cable shall be installed in the electrical conduit and sealed at the base with silicone caulking.
- e.) You shall have water service turned on to the building.
- f.) You shall make sure the basin is pumped out and that all debris is removed from inside the basin. The basin shall remain clean and dry.
- g.) You shall have the sewer valve inside the service valve box, located at the street, uncovered and the valve turned on.
- h.) Once all of the items above are completed (and not before), you may call Cabot WaterWorks Inspection Department at 605-1740 to request installation of the actual Grinder Pump. After Cabot WaterWorks Inspectors verify all items above are complete, Jack Tyler will be notified in writing by Cabot WaterWorks to install the Pump. Jack Tyler will install the pump within three (3) working days of the written request.
- i.) A Certificate of Occupancy for the building will not be issued by Cabot Public Works until a Grinder Pump is installed. Once Jack Tyler installs the pump a decal will be placed on the EONE control panel that is signed by a Jack Tyler representative with a date the pump was installed.

### **ADDITIONAL CUSTOMER RESPONSIBILITIES**

Even after all of the inspections have been completed by Cabot Public Works and Cabot WaterWorks, you must make sure that the Grinder Pump Station remains in good condition for installation of the actual Pump by Jack Tyler. Specifically, between the inspections and installation, the basin must remain pumped out, dry, clean and free of all debris. In the event the Grinder Pump Station is not pumped out, dry, clean and free of all debris, or in the event it is damaged between the time of the last inspection and the time Jack Tyler arrives to install the pump, Jack Tyler will not install the pump and may charge you a return trip fee of \$250.

**WARNING: Grinder Pump Stations are easily susceptible to damage during the construction process once they are installed in the ground. Building contractors are notorious for damaging them with construction equipment. You are responsible for the replacement costs of any Grinder Pump Station or Grinder Pump damaged by any person or equipment, including damage caused by debris in the sewer lines.**

### **CUSTOMER WARRANTY**

In most instances, Cabot WaterWorks, and not the customer, is responsible for replacement of any Grinder Pump that ceases to operate as designed. The customer, and not Cabot WaterWorks, is responsible for all damage caused to the Grinder Pump Station or the Grinder Pump by the deliberate or negligent actions of others, including, but not limited to, the customer and the customer’s family, agents, invitees, and contractors.

**In addition, the customer, and not Cabot WaterWorks, is responsible for any damage to a Grinder Pump or Grinder Pump Station caused by the introduction of any of the following into the sewer system:**

Glass	Diapers, socks, rags or cloth	Stones, rocks, gravel or concrete
Metal	Plastic objects (toys, utensils, etc.)	Seafood shells
Kitty litter	Sanitary napkins or tampons	

Cabot WaterWorks – Operating Policy

**Cabot WaterWorks also reminds you that you must never introduce any of the following into the sewer system:**

Explosives	Gasoline	Strong chemicals
Flammable material	Lubricating oil and/or grease	

**Once the Grinder Pump Station is operational, if the alarm activates or a sewer overflow occurs, the Customer should immediately call Cabot WaterWorks Wastewater department at 843-1226 or 743-1428.**

\_\_\_\_\_  
Customer signature

\_\_\_\_\_  
Customer's printed name

\_\_\_\_\_  
Phone

\_\_\_\_\_  
Service Address

Short Guide to Expenses and Charges:

Required:

Cabot WaterWorks Connection and Inspection Fee	\$ 300.00
Purchase Grinder Pump Station and Grinder Pump	\$2,948.00 + applicable sales taxes

Optional:

Jack Tyler Overnight Delivery of Grinder Pump Station	\$ 75.00 + applicable sales taxes
Jack Tyler Return Trip Fee (per trip)	\$ 250.00

\_\_\_\_\_  
CWW Billing Representative

\_\_\_\_\_  
Date \$300 CWW fee paid

## 1.25 Theft of Water Utility Service Policy

- 1.25.1 Un-metered water use, such as the unauthorized pulling water from a fire hydrant, service line, water main or blow-off assembly, is not permitted. Un-metered water use can seriously endanger water quality within the system via backflow. In addition, any un-metered water use will be considered theft of service.
- 1.25.2 Accordingly, Cabot Waterworks wants to remind you that theft of water is:
  - a). A crime punishable by law,
  - b). A contributing factor to higher water rates; and,
  - c). A dangerous practice that can result in property damage and/or loss of life.
- 1.25.3 Cabot Waterworks is committed to combating theft of water using every available means and to recovering lost revenues when a theft is detected. Repeat offenders or persons who blatantly engage in water theft will be referred to legal council for civil action and/or the local prosecuting attorneys for criminal prosecution. In short, Cabot Waterworks will take the necessary steps to ensure that the integrity of the distribution system will be maintained. Moreover, Cabot Waterworks will seek full restitution for stolen water and the cost of repair of any damage to utility property.
- 1.25.4 Cabot Waterworks requires contractors to apply for fire hydrant water service at our Billing Office and to use the fire hydrant meter provided. Cabot Waterworks wants to further advise you that closing a fire hydrant or water valve too rapidly will generate a pressure surge that can exceed the bursting pressure of water pipe. Cabot Waterworks will seek restitution for all repair cost from closing a fire hydrant or water valve too rapidly.
- 1.25.5 If you need any additional information about the procedure for obtaining a fire hydrant meter, and/or its proper operation, please do not hesitate to contact our Billing Office, at (501)843-4654.
- 1.25.6 **If you witness theft of water, please contact our Billing Office, at (501)843-4654. Adopted July 20, 2006**

## 1.26 Property Restoration Policy

- 1.26.1 If the ground on your real property must be disturbed for by or for the benefit of the Cabot Water and Waste Water Commission (the “Commission”), then this policy may apply. It applies to property disturbed by employees or contractors of the Commission during the installation or maintenance of water or waste water mains owned and operated by the Commission (“Construction Activity”).
- 1.26.2 This policy does not apply to property damage or personal injury caused by ruptured water or waste water mains, a sewer back-up, or any activities other than Construction Activity. If your property has been damaged as a result of a ruptured water or waste water main or by a sewer back-up you may be entitled

## Cabot WaterWorks – Operating Policy

to make a claim for compensation to the Commission pursuant to Resolution 2007-03, adopted June 14, 2007.

- 1.26.3 In the event you believe the ground on your real property has been disturbed by Construction Activity, you should write down the details of when and how the disturbance occurred; include the date, time and location. If possible, identify the company, equipment or event that caused the disturbance. Also, if possible, take photographs and keep any damaged property available for inspection. Contact your insurance provider and Cabot WaterWorks.
- 1.26.4 The Commission strives to make sure every contractor who performs work on behalf of the Commission accepts responsibility for and repairs, to the extent practicable and feasible, property damage caused by such contractor. If a contractor is responsible for damage to your property, we will work with you to address any concerns with such contractor, but the Commission is not, and shall not be, financially responsible for any actions or damages caused by any contractor. You may have to pursue a private cause of action against such contractor.
- 1.26.5 If employees of Cabot WaterWorks disturb the ground of your real property in the course of Construction Activity, Cabot WaterWorks will:
  - a). grade and sod all disturbed lawn areas (you will be responsible for watering and maintaining the sod once it is installed); and
  - b). replace all public or private sidewalks, driveway and street pavements that are damaged and/or removed by the Construction Activity (entire sidewalks and driveways will not be replaced – patches will be installed).
- 1.26.6 Cabot WaterWorks will not restore any landscaping other than sod, be financially responsible for damage to landscaping other than sod, repair any damage caused by the disturbance of underground irrigation systems, or be responsible for replacement or repair or any concrete or asphalt other than that portion actually removed or damaged.
- 1.26.7 This policy shall not be construed as imposing upon the Commission, or upon its commissioners, officers or employees, any liability or responsibility for damage except to the very limited extent set forth herein for damage caused to property by Construction Activity. In no event shall the Commission, or its employees, agents or contractors, have any liability for any special, indirect, incidental, consequential or punitive damages resulting from the provision of or failure to provide services under this policy, or from any fault, failure, defect or deficiency in any service, labor, material, work, or product furnished in connection with this policy. These limitations of and exclusions from liability shall apply regardless of the nature of the claim or of the remedy sought.
- 1.26.8 Except as provided herein, the Commission does not waive any privilege or immunity provided it by the laws of the United States of America, and the laws of the State of Arkansas. Adopted June 14<sup>th</sup>, 2007

**RESOLUTION 2007-03**

WHEREAS, pursuant to Ark. Code Ann. § 21-9-301, the Board of Commissioners of the Cabot Water and Wastewater Commission (the "Board") is immune from liability and from suit for damages, and no tort action can lie against the Board because of the acts of its agents and employees; and

WHEREAS, pursuant to Ark. Code Ann. § 21-9-302, without waiving its governmental immunity, the Board is authorized to provide for hearing and settling tort claims against it; and

WHEREAS, it is the desire of the Board to establish a procedure whereby claimants may submit certain claims to be considered by the Board;

NOW, THEREFORE, be it resolved by the Board of Commissioners of the Cabot Water and Wastewater Commission that a claims procedure is hereby established for Cabot WaterWorks, subject to the terms and conditions set forth herein:

1. All claims shall be limited to damages proximately caused by a break in Cabot WaterWorks' facilities resulting in the escape of water or wastewater from Cabot WaterWorks' facilities. The Board shall consider only claims based on negligence and the Board shall not consider claims based on strict liability. The Board shall not consider damages for pain and suffering, lost profits or other consequential damages.
2. Claims shall be limited to uninsured claims. The Board shall not consider subrogation claims by insurance companies, or any person other than the real party in interest. Payment for claims shall not exceed \$10,000.
3. A claimant shall prove that the claim is uninsured by submitting affidavits satisfactory to Cabot WaterWorks establishing that (1) the claimant has no insurance; (2) claimant's insurer has denied coverage; or (3) if requested by Cabot WaterWorks, the claimant has exhausted all remedies against insurers.
4. All claims shall be submitted within six months after the date of the event resulting in the alleged claim, even if remedies against insurers have not been exhausted as provided in paragraph 3.
5. A claimant shall submit the claim in writing to the General Manager, Cabot WaterWorks, P.O. Box 1287, Cabot, Arkansas, 72023. All claims shall be submitted on the form attached hereto as Exhibit "A" but additional documentation may be submitted to support the claim.
6. Initially, the General Manager shall investigate the claim and determine whether or not such claim is subject to payment pursuant to this Resolution. In addition to relying on his or her own technical and factual knowledge, the General Manager may accept and weigh any information that will assist him or her in determining the factual basis of the claim, and in administering the provisions of this

claims procedure, and shall submit his or her findings in writing to the Board. If the total amount of the claim is equal to or less than \$5,000, the General Manager may approve payment of such claim without Board approval. If the total amount of the claim exceeds \$5,000, Board approval is required.

7. In the event the General Manager denies a claim, the claimant shall be entitled to appeal the General Manager's decision to the Board. A claimant may appear in person before the Board. The decision of the Board regarding the claim shall be final, and shall not be appealable. Exparte communication with any Commissioner by a claimant or any person on the claimant's behalf is prohibited, and shall be grounds for denial of a claim.

8. If a claim involves an "emergency situation," the General Manager may, at his or her discretion approve payment thereof without (i) conducting a full investigation and (ii) waiting for a determination of coverage by any applicable insurance carriers. For purposes of this claims procedure, "emergency situation" shall mean circumstances where the claimant, as the proximate result of the event resulting in the claim as described in paragraph 1, shall continue to incur additional damages or extraordinary expenses, whether insured or not, and the emergency nature of the damages or expenses could be stopped by the expenditure of a small amount not exceeding \$2,500, whether insured or not. If damages are paid pursuant to this paragraph, the payment shall not be evidence of any responsibility or liability for payment of any other damages, and the remaining damages alleged in the claim, if any, shall be considered under the procedure set out herein.

9. Upon, and as a condition to, payment of any damages pursuant to a claim, or payment of damages in an emergency situation, the Board shall be entitled, at its option, to (1) be subrogated to the claimant's claim against any third party, including but not limited to an insurer denying policy coverage, or (2) be assigned claimant's claim with the agreement of full cooperation by the claimant, and the right to enforce the claim in claimant's name. A claimant shall execute all documents necessary to carry out this provision upon receipt of any payment by Cabot WaterWorks.

10. Upon receipt and acceptance of any payment from Cabot WaterWorks by claimant, claimant shall execute a full and complete release of the Board, acknowledging satisfaction of and release of any and all claims against the Board.

11. Except as provided herein, the Board does not waive any privilege or immunity provided it by the laws of the United States of America, and the laws of the State of Arkansas.

EXHIBIT "A"

**DAMAGE CLAIM FORM**

NOTICE: Cabot WaterWorks is, by law, exempt from tort liability. As a courtesy to its customers, Cabot WaterWorks will review the attached claim, but does not accept liability, real or implied.

DATE: \_\_\_\_\_

NAME: \_\_\_\_\_

HOME # \_\_\_\_\_

ADDRESS: \_\_\_\_\_

BUSINESS # \_\_\_\_\_

\_\_\_\_\_

INCIDENT DATE: \_\_\_\_\_

INCIDENT TIME: \_\_\_\_\_

INCIDENT ADDRESS: \_\_\_\_\_

DESCRIPTION AND LOCATION OF DAMAGE: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

REASON YOU FEEL CABOT WATERWORKS IS RESPONSIBLE: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

TOTAL AMOUNT OF CLAIM: \$ \_\_\_\_\_

\_\_\_\_\_  
SIGNATURE

COMPLETE THIS FORM AND RETURN WITH RECEIPTS/ESTIMATES TO:

Cabot WaterWorks  
Attention: Tim Joyner  
P.O. Box 1287  
Cabot, Arkansas, 72023  
(501) 605-1740

**2. Developer Policy - Water and WasteWater – Effective as of 1/1/07**

**2.1 Definitions:**

- 2.1.1 AWWA: American Water Works Association.
- 2.1.2 Commission: Cabot Water & WasteWater Commission.
- 2.1.3 Customer: A person, firm or corporation who applies for or currently has water service with Cabot WaterWorks.
- 2.1.4 CWW: Cabot WaterWorks.
- 2.1.5 Developer: A person, firm or corporation who constructs any type of building and/or who sales land which has been subdivided for sale, lease or rent.
- 2.1.6 Subdivision: The legal dividing of a tract of land into two or more tracts, lots or parcels. Adopted Oct 25<sup>th</sup>, 2006.

**2.2 Submission of Subdivision Design Plans and Specifications**

- 2.2.1 Developers shall prepare at Developer’s expense, design plans, specifications, and cost estimates for water and wastewater extensions to serve new subdivisions.
- 2.2.2 Developers shall submit to CWW three (3) sets of plans, at a suitable scale, showing the land use, street and lot layouts, adjoining subdivisions, proposed water and sewer line layout, topographic contours, and relative elevation of the various parts of the area to be developed.
- 2.2.3 Developers shall submit to CWW design calculations for all proposed water and sewer improvements in accordance with generally accepted engineering practices and as specified in this Policy. Needed Fire Flow calculations shall be submitted to CWW for Commercial Buildings in accordance with the Arkansas Fire Prevention Code.

**2.3 General:**

- 2.3.1 Developers requesting water and wastewater service to a subdivision shall enter into an agreement with CWW in form as outlined below.
- 2.3.2 The terms of water and wastewater extension agreements shall be negotiated on an individual basis.
- 2.3.3 Cabot WaterWorks shall be the final authority as to the adequacy of any water and wastewater main extension and appurtenances.
- 2.3.4 Each separate water and wastewater main extension for service to and/or within a subdivision shall be subject to a separate agreement. Cabot WaterWorks Management will review plans and negotiate an agreement with the Developer that outlines requirements to connect to Cabot WaterWorks system.
- 2.3.5 A summary report for Developer agreements reached will be presented to the Commission at regular Commission meetings
- 2.3.6 When an agreement can not be reached between Developer and Cabot WaterWorks’ General Manager the Developer may ask to be put on the

agenda at a regular or specially scheduled Commission meeting and present its issues. Commission decision will be final.

- 2.3.7 General Manager or his/her designee will communicate to the City of Cabot staff regarding Developer plans pertaining to water and wastewater issues. Adopted Oct 25<sup>th</sup>, 2006.

**CABOT WATERWORKS  
DEVELOPER AGREEMENT FOR WATER  
AND WASTEWATER FACILITIES**

This Agreement, dated \_\_\_\_\_, 200\_\_, is by and between Cabot WaterWorks and the developer identified below (“Developer”) as evidenced below by the signatures of their duly authorized representatives.

WHEREAS, Developer desires to construct certain water and/or wastewater improvements as more particularly described in Exhibit “A” attached hereto and incorporated herein by this reference (the “Facilities”) to provide water and/or sewer services to the property more particularly described in Exhibit “B” attached hereto and incorporated herein by this reference (the “Property”), and connect the Facilities to the water and/or sewer system operated by Cabot WaterWorks (the “System”); and

WHEREAS, Cabot WaterWorks will assume responsibility for maintenance of that part of the Facilities dedicated to the public so long as such Facilities are constructed in accordance within the terms of this Agreement and the Plat (as hereinafter defined) Plans and Construction Specifications (as hereinafter defined); and

WHEREAS, Cabot WaterWorks will (i) permit the Facilities to be connected to the System and (ii) provide water and/or sewer services to the Property pursuant to and in accordance with the terms of this Agreement and its standard customer service rates and policies for connections of this type;

NOW THEREFORE, for and in consideration of the mutual covenants, agreements and conditions contained herein, intending to be legally bound, the parties agree as follows:

1. Before Cabot WaterWorks informs Cabot Public Works that all items have been completed and building permits can be issued for the Subdivision, Developer shall pay a fee to Cabot WaterWorks. Cabot WaterWorks agrees that it shall use such sum to improve the System to provide additional capacity within the System for the additional water and/or sewage volume from the Facilities. If the Developer is providing water improvements, the Developer shall pay an amount equal to \$\_\_\_\_\_ (specify cost per service connection and number or service connections). If the Developer is providing wastewater improvements, the Developer shall pay an amount equal to \$\_\_\_\_\_ (specify cost per service connection and number or service connections). Cabot WaterWorks also agrees that so long as Developer pays the sum specified herein and Developer has constructed the Facilities in accordance with the Plans and Construction Specifications, Cabot WaterWorks will not oppose the connection of the Facilities to the System.

## Cabot WaterWorks – Operating Policy

2. If the scope of the Facilities varies from the aforesaid provision, the amount of Developer's contribution will be adjusted accordingly. If it is necessary to adjust the amount of Developer's contribution, a supplemental memorandum will be prepared setting forth the "cost" and shall be attached hereto and made a part hereof.
3. In addition to the agreed supplemental connection fees referred to in paragraph 1 above, Developer agrees to pay all charges submitted by Cabot Waterworks to Developer for re-inspection, testing and other services provided by Cabot WaterWorks to Developer during the construction, testing, and connection of the Facilities. Developer shall be responsible for all costs incurred for disinfection of the Facilities, including the collecting and testing of samples.
4. Developer shall file with Cabot Public Works a plat (the "Plat"), to be approved by Cabot Public Works, Cabot WaterWorks, the Cabot Planning Commission, and the Cabot City Council, where applicable. Furthermore, Developer shall file with Cabot Public Works detailed plans and specifications for the Facilities (the "Plans") which shall comply with all applicable material and installation requirements of Cabot WaterWorks.
5. It is Developer's responsibility to assure that all Plats and Plans conform with and comply with all requirements of other governmental agencies, including but not limited to the Arkansas Department of Health and the Arkansas Department of Environmental Quality, and any other federal, state, county or local governmental agency responsible for the regulating or construction of water and wastewater facilities. It is understood and agreed that Cabot WaterWorks' agreement to approve the Facilities and abide by this Agreement is subject to the public officers or public bodies having jurisdiction over or lawful interest in any of the subject matters contained herein.
6. Developer will furnish to Cabot Public Works copies of all approvals obtained by Developer pursuant to paragraph 4 above.
7. Developer shall not begin installation of the Facilities until (i) Cabot WaterWorks has provided written approval of the Plans to Developer, and (ii) Cabot WaterWorks has received approval of the Facilities from the Arkansas Department of Health.
8. Developer shall not begin installation of the Facilities without notifying Cabot WaterWorks 24 hours prior to starting construction work.
9. Developer shall permit Cabot WaterWorks representatives to inspect all Facilities prior to covering finished work. Finished work that is covered prior to inspection will be required to be uncovered at Developer's cost.
10. At all times during construction and prior to completion of the Facilities, Developer shall furnish Cabot WaterWorks with every reasonable opportunity and method for ascertaining whether construction of the Facilities is being performed in accordance with the requirements and intent of the Plat, Plans and Cabot WaterWorks' Standard Construction

## Cabot WaterWorks – Operating Policy

Specifications, attached hereto as Exhibit “C” and incorporated herein by this reference (“Construction Specifications”).

11. Cabot WaterWorks’ written approval of the Plans will be based upon and made in reliance upon the statements and representations made in the engineer’s report, plans, drawings and specifications. If any statement or representation is found to be incorrect, Cabot WaterWorks reserves the right to revoke approval of the Facilities at any time prior to their acceptance by Cabot WaterWorks.

12. After Cabot WaterWorks has approved the Plans, the Plans shall become part of this agreement, and Developer agrees to perform the work and construct the Facilities in strict accordance therewith. In addition, Developer shall construct the Facilities in accordance with Cabot WaterWorks’ Standard Construction Specifications attached hereto as Exhibit “C” and incorporated herein by this reference.

13. Developer will construct the Facilities so that they will not interfere with any existing or proposed street, highway, drainage structure, or water and wastewater facility.

14. Prior to the commencement of any construction work on the Facilities, Developer shall clearly indicate upon the ground by means of stakes or in some other equally positive manner the exact alignment and grades to which the street, highway, easement, or right-of-way in which the Facilities are to be laid is to be finally built. Developer shall provide top of manhole or water line elevations that are relative to the final grade prior to commencing work on installation of any pipes constituting the Facilities. Water and Wastewater mains shall have a minimum 3’ cover and water mains a maximum of 4’ of cover below final grade. Moreover, Developer agrees that Cabot WaterWorks shall approve the alignment and grades marked as set forth above prior to any construction or installation of the Facilities.

15. If Developer is required to change, move, relocate or otherwise alter any Facilities constructed in or adjacent to any street or highway before such street or highway is dedicated to and accepted by the appropriate public entity, then the expense of such change or moving the Facilities, and any other expenses incidental thereto, shall be borne by Developer.

16. Developer has acquired, or will acquire prior to commencing construction of the Facilities, all easements that are necessary for that portion of the Facilities located on private property on which maintenance is to be assumed by Cabot Waterworks and Developer shall convey such easements to Cabot WaterWorks. Developer shall obtain such easements at no cost to Cabot WaterWorks. Such easements, duly executed and acknowledged in proper form for recording, shall be exclusive and irrevocable, providing Cabot WaterWorks with unfettered ingress, egress and access for the installation, maintenance, operation, repair and replacement of said Facilities. Such easements shall also be of sufficient width and on terms satisfactory to Cabot WaterWorks, in Cabot WaterWorks’ sole and absolute discretion.

17. Developer is responsible for determining exact locations of all other existing utilities.

18. Developer shall not build and shall not permit to be built at anytime hereafter any structure on, in or over any easement conveyed to Cabot WaterWorks in accordance with this Agreement. No other pipes, conduits or utilities shall be laid within three feet (3'), measured horizontally, from the water or wastewater pipes installed as part of the Facilities, except pipes crossing the Facilities at right angles in which case a minimum vertical distance of six inches (6") shall be maintained between the pipes.
19. Developer shall prepare and submit any revisions to the Plat or Plans to Cabot WaterWorks and such revisions shall be approved by Cabot WaterWorks, in its sole and absolute discretion pertaining to Cabot WaterWorks water and wastewater facilities.
20. Developer, at Developer's sole costs and expense, will construct the Facilities as shown on the Plat in accordance with the Plans.
21. Developer will prepare, obtain and pay the costs of all fees, bonds and other expenses associated with obtaining permits required for the construction of the Facilities. Developer shall prepare all permits for Water and Wastewater utilities within Arkansas Highway and Transportation Department right-of-ways via Cabot WaterWorks.
22. During construction of the Facilities, Developer or his agent shall continually maintain a set of legibly marked up prints, drawings and sketches showing any changes made during the construction process to the Plat and/or Plans.
23. Developer may, at Developer's sole cost and expense, obtain a water meter from Cabot WaterWorks to enable Developer to use and pay for water during construction. Such water connection shall be a temporary source of water until construction has been completed, provided that Developer will accept water service at the pressure and quantity available from Cabot WaterWorks without claim for damage due to pressure or stoppage of flow. Should Developer seek temporary water service for construction purposes, Developer must apply for such water service and pay for the water usage in a timely manner as billed by Cabot WaterWorks. Developer agrees that Cabot WaterWorks may discontinue water service, without notice, if Developer fails to comply with this Agreement or pay for the water use billed to Developer in timely manner.
24. Upon completion of the Facilities, Developer shall submit to Cabot WaterWorks an itemized cost of all work related to the Facilities, including the quantity of each type of material used to construct the Facilities.
25. Upon completion of the Facilities, Developer will deliver to Cabot WaterWorks "as-built drawings" and AUTOCAD electronic files of the Facilities located in Arkansas State Plane South coordinates. The drawings shall include the actual in-place alignment and grade of the water and wastewater lines, manholes, valves, service lines, meter boxes and lift stations with tie down measurements, not to exceed a distance of 100 feet, as necessary to assure easy location of all critical elements of the Facilities. Each change in direction of pipe with bends shall be reflected on record drawings with a minimum of two tie-down measurements, from street curb line and a second tie-down acceptable to Cabot WaterWorks.

As-Built drawings shall include road and street right-of-ways and utility easements. Developer shall provide a copy of court recorded final plats and easements.

26. Developer acknowledges and agrees that Cabot WaterWorks shall not permit connection of the Facilities to the System or provide water and/or sewer services to the Facilities until Developer fulfills its obligations as outlined in this Agreement, including payment of any and all money due Cabot WaterWorks, and the delivery of all permits, plats, plans and as-built drawings. Specifically, all connection and service valves shall remain fully closed until Cabot WaterWorks acknowledges in writing that Developer has fully complied with all requirements of this Agreement and Construction Specifications. Failure to comply with the terms of this paragraph shall constitute theft of service by Developer and shall be grounds for termination of this Agreement in addition to any other remedies or penalties provided by law.

27. Developer warrants the engineering design, capacity and the proper construction of the Facilities, including any and all defects in Engineering design, capacity, materials or workmanship, for a period of one year following acceptance of the Facilities by Cabot WaterWorks and issuance of a Certificate of Completion. Cabot WaterWorks may perform follow-up inspections during the warranty period to verify facilities installed under this agreement are operating in accordance with AWWA and ASTM standards.

28. During the one-year warranty period set forth in paragraph 27 above, Cabot WaterWorks has the option of performing work to remedy defects at Developer's expenses if Developer does not remedy such defects in a timely manner. Moreover, Cabot WaterWorks has the right to bring an action at law, or in equity, for damage resulting from any violations regarding quality of work, labor, materials, equipment or performance, whether initial or corrective, at any time after their discovery until the expiration of the one year warranty period provided in paragraph 27 above.

29. Upon completion of the construction of the Facilities and acceptance of the Facilities by Cabot WaterWorks, Cabot WaterWorks shall become the owner of the Facilities without any other conveyance and the Facilities shall become a part of the water distribution system or the wastewater collection system (as appropriate) of Cabot WaterWorks. Specifically, Developer agrees that all Facilities within the limits of the streets, avenues, roads, right-of-ways, or easement areas, whether or not attached to or serving customers but constructed as part of the Facilities, shall be and remain the property of Cabot WaterWorks, its successors and assigns. Cabot WaterWorks shall have the right to extend any Facilities installed by Developer pursuant to the terms of this Agreement in or to other land, streets, or avenues. Developer acknowledges and agrees that Cabot WaterWorks has the right to connect to and make extension from the Facilities, and the right to permit any other person or entities to connect to and make extensions from the Facilities after Cabot WaterWorks accepts the Facilities from Developer, without payment to Developer of any fee or connection charge.

30. Developer shall be responsible for any damage to any public and/or privately owned property, including the Facilities, city and state roads, sidewalks, driveways, fences, lawns and private property vegetation, resulting from any work being performed under this

Agreement by Developer or Developer’s employees, agents or contractors, or their subcontractors.

31. This Agreement contains many separate provisions and outlines separate obligations; and if any provision conflicts with, violates or is invalid under the federal, state, or any other court of law, only the specific provisions declared invalid shall be invalid. The rest of the Agreement will be considered valid. The rights and obligations of the parties shall be explained and enforced. All prior negotiations along with all written addenda to this Agreement constitute the entire Agreement of the parties.

32. This Agreement does not cover water and wastewater service charges such as connection charges, deposits or other fees applicable to water or wastewater services provided by Cabot WaterWorks.

33. This Agreement does not constitute an agreement to provide water or wastewater disposal services.

This agreement will be interpreted under the laws of the State of Arkansas.

Cabot WaterWorks

By \_\_\_\_\_  
Tim Joyner, General Manager

DEVELOPER

Entity: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

Phone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

**EXHIBIT A (attach) – DESCRIPTION OF IMPROVEMENTS**

Water and sewer improvements as indicated on Plans, Drawings and Specifications for «Enter Development Project Description» prepared by «Engineering\_Firm».

**EXHIBIT B – REAL PROPERTY DESCRIPTION**

Plat for «Enter Development Project Description» sub-division prepared by «Engineering\_Firm».

**EXHIBIT C – CABOT WATERWORKS STANDARD CONSTRUCTION SPECIFICATIONS**

## CABOT WATERWORKS Certificate of Completion

In accordance with the Developer Agreement (“Agreement”), dated \_\_\_\_\_, 200\_, between Cabot WaterWorks and \_\_\_\_\_ (Developer), Cabot WaterWorks accepts the project described in Exhibit “A” of the Agreement as complete.

1. Developer warrants the engineering design and the proper construction of the Facilities, including any and all defects in engineering design, capacity, materials or workmanship, for a period of one year following the date of this Certificate of Completion.
2. During the one-year warranty period set forth in paragraph 1 above, Cabot WaterWorks has the option of performing work to remedy defects at Developer’s expenses if Developer does not remedy such defects in a timely manner. Moreover, Cabot WaterWorks has the right to bring an action at law, or in equity, for damage resulting from any violations regarding quality of work, labor, materials, equipment or performance, whether initial or corrective, at any time after their discovery until the expiration of the one year warranty period.
3. In accordance with paragraph 27 of the Agreement, the Facilities now belong to Cabot WaterWorks.

CABOT WATERWORKS

Completion Date

By \_\_\_\_\_  
Tim Joyner, General Manager

\_\_\_\_\_

DEVELOPER

Entity: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

Phone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

## **2.4 Water & Wastewater Infrastructure Improvements:**

- 2.4.1 Developers of proposed subdivisions shall submit an engineering report to Cabot WaterWorks as outlined in the “**Recommended Standards for WasteWater Facilities**”, Great Lakes-Upper Mississippi River Board of State and Public Health and Environmental Managers, Section 11.13, “Impact on Existing Wastewater Facilities”.
- 2.4.2 Cabot WaterWorks may require, based on location and existing infrastructure conditions, the Developer’s engineer to address the impact of the proposed project on all existing wastewater facilities, including gravity sewers, lift stations and documented Sanitary Sewer Overflows (SSO) in the basin serving the project.
- 2.4.3 The Developer shall propose infrastructure improvements to address deficiencies in existing wastewater facilities.
- 2.4.4 Cabot WaterWorks requires a minimum 45 day review of proposed subdivisions from the submission of a sketch plat to determine impacts on existing water and wastewater infrastructure and improvements needed.
- 2.4.5 Infrastructure improvements shall include source of supply, storage, pumping facilities, wastewater lift stations, and replacement of water and wastewater distribution pipes with larger diameter pipe as may be required to render adequate water and wastewater service and fire protection to Developer’s property.
- 2.4.6 Cabot WaterWorks will require existing water mains to be replaced supplying new subdivisions with larger diameter pipe where fire flows do not meet requirements outlined in paragraph 2.5.
- 2.4.7 In the event a Developer proposes a development that requires infrastructure improvements, the Developer shall contribute the cost of and/or construct said infrastructure improvements prior to construction of any new subdivision.
- 2.4.8 Cabot WaterWorks shall be the sole judge as to the design of, the time of construction and/or installation of any infrastructure improvements so that adequate water and wastewater service and fire protection is maintained to existing customers. Adopted Oct 25th, 2006.

## **2.5 Requirements for Water Main Extensions**

- 2.5.1 Water facilities shall be designed and constructed in accordance with recommendations in the most current edition of “Recommended Standards for Water Works”, Great Lakes-Upper Mississippi River Board of State and Public Health and Environmental Managers and the minimum requirements outlined in this policy.
- 2.5.2 All water distribution systems shall be constructed in accordance with Cabot WaterWorks Standard Construction Specifications for Water & Wastewater Facilities.

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2.5.3 Water and sewer line separation shall conform to requirements of the Arkansas Department of Health.

2.5.4 Minimum Design Flow Requirements for Water Facilities:

- a). The design of water distribution systems shall be based on the following water demands plus fire flow requirements.
- b). Water distribution systems shall be designed to maintain 60psi residual pressure during peak flows except where grade elevations will not permit 60 psi residuals. Cabot WaterWorks will accept the static system pressure for that elevation. Cabot WaterWorks has two primary pressure planes:

Main Pressure Plane, South of US Hwy 89 and Hwy 67/167- Hydraulic Grade - 430'

Intermediate Plane, North of US Hwy 89 and Hwy 67/167- Hydraulic Grade - 590'

- c). Minimum Water and Wastewater Demands for Proposed Land Use shall be as follows:

<u>Land Type</u>	<u>Average Day Demand</u>	<u>Peak Hourly Factor</u>
Single Family Residential	300 gpd/unit	4.0
Multi-Family Residential	300 gpd/unit	4.0
Commercial (up to 4000sf)	600 gpd/unit	4.0
Restaurant (up to 4000sf)	1,500 gpd/unit	4.0

AWWA Manual M22- Fixture Value Method shall be used for peak demands on commercial buildings greater than 4000sf.

- d). Fire protection requirements shall conform to the International Fire Code requirements and Insurance Services Organization (ISO) requirements for Needed Fire Flow (NFF)
- e). The table below provides NFF for 1 and 2-family dwellings not exceeding 2 stories in height. Water Mains shall be designed for a NFF with a residual pressure of 20 psi during peak demand periods.

<u>Distance between Buildings</u>	<u>Needed Fire Flow (NFF)</u>
More than 11'	1,000 gpm
10' or less	1,500 gpm

- f). Appendix B of the International Fire Code requires a minimum fire flow requirement of 1,000 gpm for 1 and 2-family dwellings not exceeding 3,600 square feet.
- g). For buildings other than 1 and 2-family dwellings, fire flow requirements are specified in table B105.1 in Appendix B of the International Fire Code. The City of Cabot Fire Department will allow

up to a 50% reduction in fire flow requirement with an approved automatic sprinkler system though not less than 1500 gpm.

- h). Fire hydrant locations and spacing shall be reviewed and approved by the City of Cabot Fire Department.
  - i). Fire hydrants shall be installed within 500 feet of any residential building.
  - j). Fire Hydrants shall be installed at street intersections and spaced 600 feet measured along centerlines of streets.
  - k). Fire hydrant spacing for Commercial, Multi-Family and Industrial developments shall be in accordance with the International Fire Code, Fire Flow Requirements, table C105.1. Water mains supplying fire hydrants in Commercial, Multi-Family and Industrial developments shall be designed for Fire Flow Requirements with a residual pressure of 20 psi during peak demand periods.
- 2.5.5 Water main extensions shall extend to the extreme property lines of the development.
- 2.5.6 Normal routing for water main extensions shall be in alignment with the outer 4 feet of street right-of-way. Water lines shall have a minimum clearance of 3' (feet) from all other utilities, in accordance with Arkansas Department of Health rules and regulations.
- 2.5.7 Water mains shall have a minimum 3' and a maximum of 4' of cover below final grade.
- 2.5.8 The minimum size of water main to be installed under this policy shall be 8" diameter where fire flows are necessary and 6" when no fire flows are necessary except on a cul-de-sac less than 500 feet 4" diameter may be installed.
- 2.5.9 Dead ends shall be minimized by looping whenever possible. Water mains at ends of cul-de-sacs shall be looped along lot lines on dedicated easements to adjacent streets.
- 2.5.10 The minimum size for water service lines for long services defined as service on the opposite side of street as water main line shall be 1.5" diameter, except on individual metered apartments. 1.5" service lines will allow for future irrigation meters.
- 2.5.11 Short services defined as services on the same side of street as water main shall be a minimum of 1 inch diameter. Adopted Oct 25<sup>th</sup>, 2006.

## **2.6 Water Pipe Line Materials and Installation**

- 2.6.1 All water pipe shall be installed in accordance with AWWA Standard 605 "Underground Installation of Polyvinyl Chloride (PVC) Pressure Pipe and Fittings for Water", and Cabot WaterWorks Standard Construction Specifications for Water & Wastewater Facilities.

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- 2.6.2 PVC Pressure Pipe 4”-12” diameter for Water Transmission and Distribution shall conform to AWWA C900, DR18 or DR14 The maximum working pressure of the pipe shall conform to the table below and upon approval of Cabot WaterWorks.

	Pressure Class	Maximum Working Pressure
AWWA C900, DR18 Blue Pipe	235	200
AWWA C900, DR14 Blue Pipe	305	265

The maximum working pressure shall be determined by AWWA Standard C900 section 4.7. The maximum working pressure shall account for water temperature, occasional surge pressure, and recurring surge pressure.

- a). ASTM D2241 Pressure-Rated Pipe (Commonly referred to as SDR21 Class 200) is not permitted for water distribution.
- 2.6.3 Ductile-Iron Pipe Mechanical Joint and Push-on joint, For Water: AWWA C151/A21.51w/ 1mil asphaltic coating inside and outside, Class 50, with Polyethylene Encasement installed conforming to AWWA C105
- 2.6.4 Optionally, Ductile Iron water pipe (flanged, mechanical joint and push-on joint) shall be epoxy coated on both interior and exterior surfaces. The epoxy coating shall conform to AWWA C116
- 2.6.5 Ductile Iron and Gray Iron water pipe fittings: AWWA C110/A21.10, Pressure rating 250 psi
- 2.6.6 Rubber-Gasket Joints For Ductile-Iron Pressure Pipe and Fittings: AWWA C111/A21.11
- 2.6.7 Flanged Ductile-Iron Pipe with Ductile-Iron or Gray-Iron Threaded Flanges: AWWA C115/A21.11, thickness class 53, 250 psi working pressure
- 2.6.8 Ductile-Iron Compact Fittings (Mechanical Joint): AWWA C153/A21.53
- 2.6.9 Double Check Valve Backflow-Prevention Assembly: AWWA C510
- 2.6.10 Gate Valves: AWWA C509
- 2.6.11 Fire Hydrants: AWWA C502
- 2.6.12 Reduced Pressure Principle Backflow-Prevention Assembly (RPZ): AWWA C511
- 2.6.13 Service Line Valves and Fittings AWWA C800.
- 2.6.14 Polyethylene (PE) Pressure Pipe and Tubing, ½” through 3” diameter, for Water Service: AWWA C901
- 2.6.15 Polyethylene (PE) Pressure Pipe and Fittings 4 inch through 63 inch for Water Transmission and Distribution: AWWA C906, DR11, Pressure Class 160 PE3408, Ductile Iron OD (DIOD).

- 2.6.16 **PVC Water Service Lines 1” through 2” diameter** - ASTM D 1785, Schedule 40 PVC PVC1120 or 1220 or 2120.
- 2.6.17 Tracer Wire: A continuous 14-gauge copper wire (insulation color blue), shall be installed with all pipe including service lines. The wire shall be installed in the bottom of the pipe trench. The wire shall be looped up to the top of valve boxes, and around valves and other appurtenances in such manner that there is no interference with the operation of the valve or appurtenance. Cast Iron Valve boxes or Cast Iron tracer wire access boxes shall be used to provide a connection point to tracer wires on long pipe runs every 1000’.
- 2.6.18 Marking Tape: All water mains and service lines shall have a detectable metallic marking tape, "Terra Tape" or equal installed 18" above the top of pipe or service line and labeled “Water”. At the end of each service location, the Marking Tape shall be extended into meter boxes or up to finish grade for sewer services. The tape shall be in addition to the tracer wire.
- 2.6.19 Fiberglass Post Markers shall be installed every 1000 feet and at highway crossings, creek crossings, and changes in direction, railroad crossings or other areas of concern. Markers shall be a minimum 60” tall, labeled “Water Pipeline” blue colored. Post Markers shall not be disturbed during construction. Adopted June 14<sup>th</sup>, 2007.

## **2.7 Fire Protection Systems**

- 2.7.1 Water from fire hydrants or other fire fighting facilities shall be used only for fire fighting purposes.
- 2.7.2 The customer shall maintain all fire lines between the valve on Cabot WaterWorks water main and the customer’s structure.
- 2.7.3 Domestic water taps and/or irrigation taps will be not allowed on fire lines unless approved by Cabot WaterWorks.
- 2.7.4 Plans for construction of private fire protection systems shall be submitted to and approved by the Arkansas Department of Health, Cabot WaterWorks, and Cabot Fire Department prior to any construction.
- 2.7.5 Cabot WaterWorks shall have no greater duty, with regard to fire hydrant service or private fire fighting service, than to supply only such volumes of water at such pressures as may be available in the normal operation of the waterworks facilities.
- 2.7.6 Cabot WaterWorks shall not be considered an insurer of property or persons, or to have undertaken to extinguish fire or to protect persons or property, against loss or damage by fire or otherwise. In consideration of the level of charges for public fire hydrant service and for private fire fighting service, Cabot WaterWorks shall not be held liable because of any claim based upon a loss resulting from failure to supply water or pressure or for any other cause.
- 2.7.7 Where metered service is provided to any customer, Cabot WaterWorks shall not be responsible for the quantities or pressures of water, which may be

available for any fire fighting facilities (or purposes where the customer installs such facilities, or makes connections to his water system for such purposes on the discharge side of the meter in his service line), and shall not be held liable for any claims based upon loss due to fire or fire fighting.

- 2.7.8 The Customer shall pay all cost associated with the installation of private fire service lines, which include all costs of material, labor, equipment, supervision, engineering, legal expenses and overheads to install the private fire service lines from Cabot WaterWorks' water main to the Customers property line.
- 2.7.9 Cabot WaterWorks requires a Double Check Detector Valve assembly (DCDV) on all PRIVATE FIRE SERVICE water lines.
- 2.7.10 If fire hydrants are to be connected to the private fire service line, the DCDV shall be located above ground on outer edge of street right of way and shall be protected from freezing with an approved enclosure (i.e. Hot-Box) on a concrete slab. The Customer shall pay all costs associated with the DCDV and enclosure. The DCDV shall conform to the Arkansas Department of Health and American Water Works Association standard "C510" for backflow prevention. Cabot WaterWorks shall approve the DCDV and the weather enclosure prior to installation. Where no fire hydrants are connected to the private fire service line, the DCDV may be installed inside the building.
- 2.7.11 The Arkansas Department of Health may require the customer to install a Reduced-Pressure principle Backflow Prevention Assembly on Fire Service lines depending on the fire protection system installed.
- 2.7.12 Backflow devices shall be tested within 10 days of placing a fire sprinkler system in service and annually thereafter by Arkansas Department of Health certified personnel. A copy of the test report shall be sent to Cabot WaterWorks. Adopted September 29, 2006

## **2.8 Requirements for WasteWater Collection Systems and Force Mains**

- 2.8.1 All requirements of section 2.1.6, 2.2.3, and 2.4 shall apply also for WasteWater extensions.
- 2.8.2 WasteWater Facilities shall be designed and constructed in accordance with requirements outlined below and the most current edition of "Recommended Standards for WasteWater Facilities", Great Lakes-Upper Mississippi River Board of State and Public Health and Environmental Managers.
- 2.8.3 All wastewater collection systems shall be constructed in accordance with Cabot WaterWorks Standard Construction Specifications for Water & Wastewater Facilities.
- 2.8.4 Water and sewer line separation shall conform to requirements of the Arkansas Department of Health.

- 2.8.5 Normal routing for Wastewater main extensions shall be in alignment with the outer 4 feet of street right-of-way. Wastewater lines shall have a minimum clearance of 3' (feet) from all other utilities.
- 2.8.6 All sewer pipe shall be installed in accordance with AWWA Standard 605 "Underground Installation of Polyvinyl Chloride (PVC) Pressure Pipe and Fittings for Water", Type 5 Bedding if under roadbed and Type 3 Bedding for other locations. All pipe shall be bedded in accordance with Type 3 or 5 bedding details.
- a). If the native excavated material contains rock or unyielding material larger than  $\frac{3}{4}$ " or organic material then pipe bedding material shall conform to "Granular Bedding Material" specified in Cabot WaterWorks Standard Construction Specifications for Water and Wastewater facilities.
  - b). Unyielding material is defined as any material that cannot be crushed or deformed with a bare hand.
  - c). Native material excavated during trenching that is free from rocks and unyielding material larger than  $\frac{3}{4}$ " may be used for bedding.
  - d). Pipe trenches shall be prepared to provide a 6" embedment cushion on each side and below the pipe. Projecting rocks and unyielding material shall be removed from the trench.
- 2.8.7 Sewer pipe materials shall conform to the following:
- a). Sewer Pipe: **ASTM D3034, SDR-26, Green Pipe** (4" through 15" pipe) and ASTM F679 (18" through 48" pipe) Type PSM PVC Sewer Pipe. The fittings and pipe shall be of a gasket push on joint type meeting ASTM D3212. Fittings shall conform to the requirements of ASTM D3034.
  - b). Sewer Pipe: **ASTM F949, PVC Corrugated Sewer Pipe** with smooth interior and Fittings.
  - c). Sewer Force Main Pipe: **ASTM D2241, SDR-21** pressure rating of 200 psi or **ASTM D1785 Schedule 40** for size 1-4" diameter.

## **2.9 Wastewater Gravity Collection Mains**

- 2.9.1 WasteWater Collection Mains shall be sized for all future tributary population to be served though not less than the following:
- a). 8" Diameter and;
  - b). A maximum flow depth of one-half of full pipe during peak flows.
- 2.9.2 Wastewater main extensions shall extend to the extreme property lines of the development.

- 2.9.3 Wastewater Collection Mains shall be installed in straight alignment between manholes and have a detectable metallic marking tape labeled “Sewer” buried 18” above the pipe.
- 2.9.4 Tracer Wire: A continuous 14-gauge copper wire (insulation color green for sewer), shall be installed with all non-metallic pipe including service lines. The wire shall be installed in the bottom of the pipe trench. The wire shall be extended up to finish grade outside of manholes.
- 2.9.5 Top of manholes shall be constructed 1 foot above finished grade; 1 foot above flood elevation and/or 1 foot above peak storm flow elevation when located adjacent to open storm drainage channels.
- a). Cabot Waterworks will consider bolted water tight manhole lids as an option to constructing manholes above grade as required above.
- b). Exception: If the Developer can demonstrate that manholes will not collect storm water runoff, Cabot WaterWorks will allow the top of manhole to be located 2” above finished grade without a watertight lid. Finish grade shall slope away from Manholes located in paved surfaces.
- 2.9.6 Manholes shall be installed at the end of each line and spaced at distances no greater than 600 feet, where approved by the Arkansas Department of Health.
- 2.9.7 Manholes may be constructed of cast-in-place concrete or pre-cast concrete. Concrete manhole construction shall conform to ASTM Designation C478.
- 2.9.8 Manhole Rings and Lids shall be a minimum of 250 pounds combined weight, 24” diameter. Manhole lids shall have 2 inch tall, raised letters reading “SANITARY SEWER” cast into the lid. Lids shall have two **pick bars** cast in the lid. Manhole lids with city names or any other lettering cast into the lid will not be accepted.
- 2.9.9 Gravity Collection Mains shall pass a pressure test in accordance with ASTM Designation F1417. CWW may require smoke testing subsequent to pressure test to verify water tight seal of pipe.
- 2.9.10 Manholes shall pass a vacuum test in accordance with ASTM Designation C1244
- 2.9.11 Gravity Collection Mains shall be hydro-jet cleaned to have all debris removed from the pipe and manholes. CWW will inspect sewer mains with video camera to verify all debris is removed.

## **2.10 Wastewater Service connections**

- 2.10.1 Except as otherwise permitted below, every building, dwelling unit, commercial or industrial establishment, or other source of wastewater with plumbing fixtures (except where these units are connected by a single common vertical stack) shall have a separate connection to Cabot WaterWorks sewer system.

- a). Exception: In certain instances where there are or could be multiple tenants or occupants of a single building (such as a strip mall) and the entire building is and shall be at all times located on a single parcel or lot and owned by a single owner, a common sewer service line may be used to connect to the sewer main. If at any time ownership of portions of the building, other than airspace, is divided between multiple owners, then, at that time, the sewer service for the building will have to be reconfigured to provide a separate sewer connection for each portion of the building owned by the different owners. In addition, in the event the single lot is ever subdivided, each lot will require separate sewer service for the respective portion of the building.
- 2.10.2 Building sewer service lines connecting to Cabot WaterWorks sewer system shall be installed in accordance with the Arkansas Plumbing Code and all connections to Cabot WaterWorks sewer system shall be accomplished in accordance with Cabot WaterWorks Standard Construction Specifications. Cabot WaterWorks shall be notified prior to any connection to the Cabot WaterWorks sewer system. All building sewer service lines and connections to Cabot WaterWorks sewer system shall be inspected by CWW prior to covering or backfilling the connection.
- 2.10.3 Developer shall install 4” service taps or wyes and stub-out sewer service lines to every building lot.
- 2.10.4 Service stub-outs shall be capped with water tight caps. No plugs will be permitted.
- 2.10.5 All service taps shall be inspected by Cabot Waterworks before covering.
- 2.10.6 The end of Service line stub-outs shall be marked with a green steel fence post with a 2 ½” PVC pipe slipped over the post with “Sewer Pipeline” stenciled on the PVC pipe in green color. Alternatively a 66” tall, green colored fiberglass marker labeled “Sewer Pipeline” maybe installed at the end of the service stub-outs. The markers shall not be disturbed during construction on the lot.

## **2.11 Wastewater Lift Stations**

- 2.11.1 Wastewater Lift Stations shall be sized for all future tributary population to be served in the collection basin. Cabot WaterWorks will have final approval of any Lift Station design flow rate and force main size and shall determine the criteria which shall be used for collection basin area.
  - a). On developments of 30 connections or less Developers will install a Grinder pump system or gravity sewer to Cabot WaterWorks existing wastewater collection system.
- 2.11.2 Top of Lift Stations shall be constructed 1 foot below the finished floor elevation of all buildings to be served by the station and 1 foot above finished grade; 1 foot above Flood Elevation and/or 1 foot above peak storm flow elevation when located adjacent to open storm drainage channels.

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- 2.11.3 Lift Station Plans shall include, but not be limited to, design capacity of the station, size and type of pumps, type of pipe material, elevations of the bottom and top of the wet well, elevation of influent pipe, “level controls”, dimensions of the wet well and wall thickness, size and type of material of the vent pipe with insert screen; Pump curves.
- 2.11.4 Lift Stations shall be equipped as follows.
- a). Onsite Automatic auxiliary generator with automatic transfer switch will be required on lift stations above 250 GPM. Auxiliary generators shall be sized to operate all pumps and equipment installed at the station. Fuel tanks for generators shall be sized for 24hour continuous operation of the lift station. For stations of less than 250 GPM a portable auxiliary generator connection will be supplied by developer to meet Cabot WaterWorks standards.
  - b). Pump discharge piping inside the wet well shall be stainless steel.
  - c). All materials and equipment exposed to sewer gas shall be corrosion resistant.
  - d). Discharge piping outside of wet well shall have isolation valves and check valves installed in a concrete vault with adequate space to permit maintenance.
  - e). Emergency pump connection shall be provided for bypass of pump station and fitted with male Kamlock adapter with cap. Bypass shall be located in valve vault down stream of pump isolation valves and extend 2 feet above valve vault.
  - f). Flow metering equipment installed that provides total and current flow rate.
  - g). Supervisory Control and Data Acquisition (SCADA) equipment that monitors pump operation and wet well level alarms and shall be compatible with Cabot WaterWorks’ existing SCADA system.
  - h). Paved access road.
  - i). Security fencing, 6 foot high 9 gauge galvanized chain link with 3 strands barbed wire. Two access gates one 12’ wide and one 4’ wide. Developer may install a UV resistant vinyl screen fence.
  - j). Outside lighting with photo cell control.
  - k). Location of control panel shall provide 3 feet of clearance from wet-well or other structures.
  - l). Stainless steel lifting chain and guide rails.
  - m). Float system or transducer controlled operation.
  - n). Alarm light to be visible above security fencing.

- o). Public notice sign (12" X 18") stating "If alarm sounds or light is flashing, please call 743-1428," to be installed on outside of security fence for visibility of public.
- p). Pump hoist with permanently mounted base plate.
- q). Guard rails installed around openings of wet wells that conform to OSHA – 29 Code of Federal Regulations, Subpart M, Fall Protection, 1926.502(k). The top edge height of top rails, must be 42 inches plus or minus 3 inches. Midrails must be installed at a height midway between the top edge of the guardrail system. The guardrail system must be capable of withstanding a force of at least 200 pounds applied within 2 inches of the top edge in any outward or downward direction. When the 200 pound test is applied in a downward direction, the top edge of the guardrail must not deflect to a height less than 39 inches
- r). Automatic locking wet well hatch large enough to accommodate pump removal without encumbrance.
- s). A separate electrical conduit shall be installed for each pump power cord and large enough in diameter to easily remove and replace power supply cord. Electrical conduits shall be sealed inside control panel to prevent corrosion caused by sewer gas, (No expanding foam may be used).
- t). Continuous ventilation of 12 complete air changes per hour. Explosion proof pumps will be required in-lieu of ventilation.
- u). Electric main disconnect prior to control panel.
- v). 4-110 V outlets on side of control panel.
- w). Discharge valves to be located in a covered valve vault large enough for maintenance/repair and equipped with a drain.
- x). Liquid Filled Discharge pressure gauges on each discharge line (of proper range) complete with isolation valves for ease of cleaning/repair.
- y). 3-phase power operation, if available from Power Company.
- z). Landscaping and finished grading shall be designed to prevent storm run-off from collecting at the lift station.

## **2.12 Wastewater Force Mains**

- 2.12.1 Force mains shall be sized at design pumping rates for a cleansing velocity of 2 feet per second. Minimum force main diameter shall be four inches.
- 2.12.2 Force mains shall extend to the extreme property lines of the development.
- 2.12.3 All Force Mains shall be constructed in accordance Cabot WaterWorks Standard Construction Specifications.
- 2.12.4 Tracer Wire: A continuous 14-gauge copper wire (insulation color green for sewer), shall be installed with all non-metallic pipe including service lines. The wire shall be installed in the bottom of the pipe trench. The wire shall be

looped up to the top of valve boxes, and around valves and other appurtenances in such manner that there is no interference with the operation of the valve or appurtenance. Cast Iron Valve boxes or Cast Iron tracer wire access boxes shall be used to provide a connection point to tracer wires on long pipe runs every 1000’.

- 2.12.5 Marking Tape: All wastewater force mains and service lines shall have a detectable metallic marking tape, "Terra Tape" or equal installed 18" above the top of pipe or service line and labeled "SEWER". At the end of each service location, the Marking Tape shall be extended into meter boxes or up to finish grade for sewer services. The tape shall be in addition to the tracer wire.
- 2.12.6 Fiberglass Post Markers will also be installed every 1000 feet and at highway crossings, creek crossings, and changes in direction, railroad crossings or other areas of concern. Markers shall be a minimum 60" tall, labeled "Sewer Pipeline", green colored. Post Markers shall not be disturbed during construction.
- 2.12.7 Automatic (ARI, D-025, or better) reinforced nylon, air/vacuum relief valves designed for use with sewage shall be installed at high points on the force main. Air/Vacuum Relief valve assemblies shall include carbon filters, inlet and outlet ports for back flushing, and stainless steel isolating valves to facilitate inspection and repair and be installed in a valve box of adequate size to accommodate maintenance and repair.

## **2.13 Low Pressure Grinder Pump Systems**

- 2.13.1 Grinder pumps shall be E/ONE Series 1010, positive displacement pumps rated for 14gpm @ 0’ TDH and 9gpm @ 138’ TDH and shall consist of:
  - E/ONE Grinder Pump MODEL 1010
  - 30 x 74" HDPE Basin with Stainless Steel Band Clamp
  - Model SENTRY Simplex Alarm Panel
  - 32’ of Power Cable with EQD
  - Redundant Check Valve
- 2.13.2 Grinder pump piping systems shall be sized to maintain flow between 2 and 3fps velocity based on the number of pumps operating simultaneously in the table below.
- 2.13.3 Grinder Pump Service Lines shall have individual shut off valves and check valves located at the property line to each Building lot. Shut-off valves shall be installed 1’ below final grade.
- 2.13.4 Low pressure sewer system valve boxes shall be constructed with 18" Diameter SDR35 PVC pipe with a cast iron lid. The Cast Iron lid shall have "Sewer" cast into the lid with raised letters. The Cast Iron lid shall have a inner ring on the bottom that will fit the inside diameter of a SDR35 PVC pipe. The SDR-35 pipe shall extend above grade 2’ until completion of all construction and final grading on each lot.

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Number of Grinder Pumps in system	Pumps Operating Simultaneously	Nominal Pipe Dia. (in.)	Flow (gpm)	ASTM 2021 (SDR 21)			H/L (ft/100ft.)	Velocity (fps)
				Outside Dia.	Wall Thickness	Inside Dia.		
1	1	1 1/4	11	1.660	0.079	1.5	1.74	2.0
4-9	3	2 1/2	33	2.875	0.113	2.6	0.84	1.9
10-18	4	2 1/2	44	2.875	0.137	2.6	1.57	2.7
31-50	6	3	66	3.500	0.167	3.2	1.28	2.7
51-80	7	3	77	3.500	0.167	3.2	1.70	3.1
81-113	8	4	88	4.500	0.214	4.1	0.64	2.2
114-146	9	4	99	4.500	0.214	4.1	0.80	2.4
147-179	10	4	110	4.500	0.214	4.1	0.97	2.7
180-212	11	4	121	4.500	0.214	4.1	1.15	3.0
213-245	12	5	132	5.563	0.265	5.0	0.48	2.1
246-278	13	5	143	5.563	0.265	5.0	0.56	2.3
279-311	14	5	154	5.563	0.265	5.0	0.64	2.5
Greater than 311	4% of total							

2.13.5 Customers are required to purchase Grinder Pumps from a Cabot WaterWorks approved vendor. **Adopted Oct 25<sup>th</sup>, 2006.**

## **2.14 Developer Reimbursement Policy**

- 2.14.1 Purpose: This policy is intended to ensure adequate water and sewer infrastructure to serve new customers in the growth corridors of the Cabot WaterWorks service area. In most instances, developers of new areas are simply required to install the new water and sewer infrastructure at their expense, connect the new infrastructure to existing Cabot WaterWorks facilities, and donate the new infrastructure to Cabot WaterWorks in exchange for service by Cabot WaterWorks in accordance with the Cabot WaterWorks Developer Policy. In limited instances, however, Cabot WaterWorks recognizes that the entire cost of the new infrastructure should not be borne by the developer and in these limited instances part of the costs of the infrastructure should be paid by future customers of Cabot WaterWorks connecting to the infrastructure previously installed by a developer. This policy is to be used in conjunction with the Cabot WaterWorks Developer Policy and the Developer Reimbursement Agreement attached hereto as Schedule 1.
- 2.14.2 Developer Reimbursement: In certain instances a developer will install infrastructure that will benefit third parties. In most instances this will occur in either of two ways (or both). In some instances the area of new development is not adjacent to existing Cabot WaterWorks infrastructure. As a result, a developer will be required to run new water and sewer lines from the existing infrastructure across areas not currently served by Cabot WaterWorks to the area of new development. In other instances, a developer may be required to install new infrastructure or upgrade the existing infrastructure to enable the developer to obtain sufficient sewer or water capacity and/or pressure for the uses planned in the geographic area controlled by the developer and in the surrounding geographic areas not controlled by the developer. In such instances, for a period of ten (10) years after acceptance of such improvements from the developer, Cabot WaterWorks will charge a “Developer Reimbursement Fee” to each new customer connecting to the improvements installed by the developer and will submit all Developer Reimbursement Fees collected by Cabot WaterWorks to the developer in accordance with the Developer Reimbursement Agreement.
- 2.14.3 Geographic Area & Amount of Developer Reimbursement Fee: The geographic area to be assessed the Developer Reimbursement Fee and the amount of the Developer Reimbursement Fee will be determined by the Cabot WaterWorks Commission. In making a determination of the dollar amount of the Developer Reimbursement Fee and the geographic area upon which the Developer Reimbursement Fee is to be imposed, the Commission may consider the recommendation of the Developer and the extent of benefits to existing customers and future customers.
- 2.14.4 Required Payment of Developer Reimbursement Fee: All new customers applying for water or sewer service within the geographic area to which a Development Reimbursement Fee applies shall not receive water or sewer

service until they have paid the applicable Developer Reimbursement Fee in full.

2.14.5 No Guarantee of Collection: In no instance will Cabot WaterWorks guarantee the collection of a minimum amount of Developer Reimbursement Fees.

2.14.6 Limitation on Collection of Developer Reimbursement Fees: In no event will a developer be entitled to collect Developer Reimbursement Fees in excess of that portion of the initial costs of the infrastructure installed by the developer to which the Developer Reimbursement Fee applies. Adopted December 14, 2006

Schedule 1 to Developer Reimbursement Policy

**Developer Reimbursement Agreement**

Project Name: \_\_\_\_\_ Developer: \_\_\_\_\_

Engineer: \_\_\_\_\_

This Agreement is made this \_\_\_ day of \_\_\_\_\_, \_\_\_\_, between the Cabot Water and Wastewater Board of Commissioners (CWW) and Developer as named above.

1. A plat of the Project, with a complete drawing and legal description of the “Geographic Area” to be served by the Project, prepared by Engineer (as named above) and dated \_\_\_\_\_, is attached hereto as Exhibit A and incorporated in this Agreement by this reference.

2. CWW and Developer have entered into a Cabot WaterWorks Developer Agreement For Water and Wastewater Facilities (“Developer Agreement”). Developer agrees to furnish all labor and materials for completion of the Project in accordance with the Developer Agreement.

3. CWW will, in accordance with its Operating Policies then in effect, under current rules, and except as otherwise provided in paragraph 4 hereof, levy the amount of the Developer Reimbursement Fee upon new CWW customers or developers who tie-in, tap, extend, or connect to the infrastructure capital improvements contemplated by the Project

(the “Improvements”) and assess the amount of the Developer Reimbursement Fee upon any property directly served by the Improvements within the Geographic Area.

4. CWW will not collect Developer Reimbursement Fees for connections to the Improvements to serve any land owned by Developer as of the date of this Agreement provided such land is distinctly marked on the Plat referenced in paragraph 1 hereof and the legal description of such land is excepted from the legal description of the Geographic Area.

5. With regard to Improvements for water, CWW and Developer agree that the Developer Reimbursement Fee for a single connection to the Improvements which will serve a single meter shall be equal to \$\_\_\_\_\_ per 5/8” or 3/4” meter installed, payable upon installation of the meter, with appropriate adjustments being made in accordance with American Water Works Association standards for larger meters. For a connection to the Improvements which will serve multiple meters, the Development Reimbursement Fee shall be calculated at the same rate provided for in the previous sentence for each meter reasonably anticipated to be connected in the foreseeable future, payable upon the initial connection to the Improvements.

6. With regard to Improvements for sewer, CWW and Developer agree that the Developer Reimbursement Fee for sewer connections shall be equal to \$\_\_\_\_\_, based on a 5/8” or 3/4” water meter serving the property, payable as if such fee was a connection for water service, with appropriate adjustments being made in accordance with American Water Works Association Standards for larger water meter connections.

7. In no event shall CWW be liable to Developer for illegal or unauthorized connections made to the Improvements.

## Cabot WaterWorks – Operating Policy

8. Prior to the end of the first quarter of each calendar year, CWW will prepare for Developer a statement showing the number of new tie-ins, taps, extensions, or connections for which Developer Reimbursement Fees have been collected during the previous year and the amount of such collections. CWW shall mail such statement and a check for payment of all Developer Reimbursement Fees collected by CWW due Developer, without interest, no later than the 15<sup>th</sup> day of April of each year.

9. CWW will remit such Developer Reimbursement Fees to Developer for a period not to exceed the longer of ten (10) years after the date of this Agreement or until Developer has recovered an amount equal to \$\_\_\_\_\_, whichever occurs first. CWW shall only be responsible for payment of Developer Reimbursement Fees actually paid to and collected by CWW; CWW does not assume risk of collection.

10. CWW reserves the right to add additional Developer Reimbursement Fees within the Geographic Area if needed, but Developer agrees that Developer will not participate in the additional Developer Reimbursement Fees unless CWW and Developer enter into another Developer Reimbursement Agreement for such fees.

11. The parties agree that in the event any term or provision of this Agreement shall be held to be invalid, illegal or unenforceable, all other terms and provisions of this Agreement shall remain in full force and effect, and this Agreement shall be construed as if not containing the particular provision or provisions held to be invalid. Notwithstanding anything contained in the previous sentence, this Agreement shall be null and void and CWW shall not be liable for the collection or payment of any Developer Reimbursement Fees in the event such charges are declared to be unlawful by a court of competent jurisdiction, the State of Arkansas, or the Cabot City Council. Moreover, in the event CWW

is required to repay or disgorge any Developer Reimbursement Fees previously collected by it and paid to Developer, Developer agrees to return those funds, with interest if CWW is required to pay interest on such funds.

12. Developer may not assign its rights under this Agreement except with the express written consent of CWW, which shall not be unreasonably withheld, except CWW may withhold its consent to assign Developer's rights under this Agreement to a current or future creditor of Developer for any reason in CWW's sole and absolute discretion.

13. CWW reserves the right to waive, in its sole and absolute discretion, the imposition or collection of Developer Reimbursement Fees on 5/8" and 3/4" connections to serve single family residential customers [who resided at the address to be served prior to installation of the Improvements], provided such new customer constitutes a "low-income household." A low-income household is defined as a domestic/residential customer whose total income for all persons living within the household falls within the guidelines established by the U.S. Department of Housing and Urban Development for its Community Development Block Grant Program, as amended from time to time. Cabot WaterWorks reserves the right to require such information, affidavits, or reports as it deems necessary (including copies of federal or state income tax returns) for determination of eligibility for assistance as a low-income household. CWW's determination that a customer constitutes a low-income household shall be final and Developer shall have no right to challenge or otherwise question such decision.

14. Except as otherwise provided herein, the parties shall not amend, modify or waive any provision of this Agreement without written consent of both parties hereto. This amendment may not be orally modified or amended.

15. This Agreement may be executed in multiple counterparts, each of which shall be considered an original and all of which constitute one and the same instrument.

16. Except as otherwise provided herein, this Agreement embodies the entire agreement and understanding of the parties hereto relating to the subject matter thereof and supersedes all prior agreements, understandings, representations and discussions. Notwithstanding anything contained herein, this Agreement does not alter, amend or supersede any Developer Agreement entered into between CWW and Developer.

17. This Agreement shall be construed and interpreted in accordance with the laws of the State of Arkansas.

18. Nothing contained in this Agreement shall constitute CWW as a joint venture, partner or agent of Developer, or render CWW liable for any debts, obligations, acts, omissions, representations, or contracts of Developer.

19. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon, or to give to, any person, other than CWW and Developer, any right, remedy or claim under or by reason hereof, and any covenants, stipulations, obligations, promises and agreements in this Agreement shall be for the sole and exclusive benefit of CWW and Developer.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date referred to in the opening paragraph.

BOARD OF COMMISSIONERS

Attest: CABOT WATERWORKS

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Chair

DEVELOPER

\_\_\_\_\_  
Authorized Representative

**2.15 Developer Project Participation Policy**

2.15.1 Purpose. In certain limited instances, Cabot WaterWorks may require a developer to “upsized” certain improvements and Cabot WaterWorks will agree to participate in the costs of such upsizing by either paying the direct costs associated with the upsizing to the developer when the work is completed or by crediting such amount to any Capital Improvement Charges or other fees due by developer to Cabot WaterWorks. Developer should realize that in most instances Cabot WaterWorks will require the developer to install the upsized mains and other infrastructure and then developer will recover the additional costs by utilization of the Developer Reimbursement Policy. But, in limited instances, when Cabot WaterWorks has the available funds and the upsizing is consistent with Cabot WaterWorks’ planned capital investment program, Cabot WaterWorks may participate in such expenses. In the event Cabot WaterWorks agrees to participate in any infrastructure project, developer and Cabot WaterWorks will enter into a Participation Agreement, the form of which is attached hereto as Schedule 1.

2.15.2 Credit for Capital Improvement Charges. Cabot WaterWorks, in its discretion, may offset any amounts due by it pursuant to a Participation Agreement with amounts due by the developer or future customers to be served by the area under development by the developer pursuant to any Capital Improvement Charge assessed against the area pursuant to the Capital Improvement Charge Policy. Adopted December 14, 2006

Schedule 1 to Project Participation Policy

**Participation Agreement**

Project Name: \_\_\_\_\_ Developer: \_\_\_\_\_

Engineer: \_\_\_\_\_

This Agreement is made this \_\_\_ day of \_\_\_\_\_, \_\_\_\_, between the Cabot Water and Wastewater Board of Commissioners (CWW) and Developer as named above.

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1. A plat of the Project prepared by Engineer (as named above) and dated \_\_\_\_\_ is attached hereto as Exhibit A and incorporated in this Agreement by this reference.

2. CWW and Developer have entered into a Cabot WaterWorks Developer Agreement For Water and Wastewater Facilities (“Developer Agreement”). Developer agrees to furnish all labor and materials for completion of the Project in accordance with the Developer Agreement.

3. Attached hereto as Exhibit B, and incorporated in this Agreement by this reference, is a list of the additional improvements CWW has agreed to participate in the cost of completing (collectively, the “Improvements”) and the estimated cost of each of the Improvements.

4. Upon completion of the Improvements, and Developer’s full compliance with the terms and conditions of the Developer Agreement, Developer shall submit a detailed accounting of the cost of the Improvements, complete with all documentation necessary for verification of such detailed accounting by CWW (collectively, the “Final Statement”). Within thirty (30) days of the receipt of the Final Statement, CWW will either (i) pay to Developer an amount equal to \$\_\_\_\_\_, or \_\_\_ percent of the costs of the Improvements as shown on the Final Statement, whichever is less; or (ii) return the Final Statement to Developer with an explanation of the necessary information required by CWW to payment. If CWW does not pay on the Final Statement as submitted, Developer may resubmit the Final Statement, with the additional documentation requested by CWW, at any time, and such resubmitted Final Statement shall be considered by CWW as if it was the initial submission.

5. Developer may not assign its rights under this Agreement except with the express written consent of CWW, which shall not be unreasonably withheld, except CWW may withhold its consent to assign Developer's rights under this Agreement to a current or future creditor of Developer for any reason in CWW's sole and absolute discretion.

6. The parties agree that in the event any term or provision of this Agreement shall be held to be invalid, illegal or unenforceable, all other terms and provisions of this Agreement shall remain in full force and effect, and this Agreement shall be construed as if not containing the particular provision or provisions held to be invalid.

7. Except as otherwise provided herein, the parties shall not amend, modify or waive any provision of this Agreement without written consent of both parties hereto. This amendment may not be orally modified or amended.

8. This Agreement may be executed in multiple counterparts, each of which shall be considered an original and all of which constitute one and the same instrument.

9. This Agreement embodies the entire agreement and understanding of the parties hereto relating to the subject matter hereof and supersedes all prior agreements, understandings, representations and discussions. This Agreement shall have no effect on any other contract between the parties unless such contract is specifically referred to and amended by this Agreement.

10. This Agreement shall be construed and interpreted in accordance with the laws of the State of Arkansas.

11. Nothing contained in this Agreement shall constitute CWW as a joint venturer, partner or agent of Developer, or render CWW liable for any debts, obligations, acts, omissions, representations, or contracts of Developer.

12. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon, or to give to, any person, other than CWW and Developer, any right, remedy or claim under or by reason hereof, and any covenants, stipulations, obligations, promises and agreements in this Agreement shall be for the sole and exclusive benefit of CWW and Developer.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date referred to in the opening paragraph.

BOARD OF COMMISSIONERS  
CABOT WATERWORKS

Attest:

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Chair

DEVELOPER

\_\_\_\_\_  
Authorized Representative

## **2.16 Capital Improvement Charge Policy**

- 2.16.1 Purpose. In limited circumstances, Cabot WaterWorks will agree to make certain capital improvements to its water or sewer transmissions systems and Cabot WaterWorks may charge all customers benefiting from such improvements a Capital Improvement Charge (“CIC”).
- 2.16.2 Implementation. At times, real estate developers, improvement districts, property owners, or customers (“Beneficiaries”) may request Cabot WaterWorks to invest in certain capital improvements, or Cabot WaterWorks may make such improvements on its own initiative (collectively, “Requested Capital Improvements”), including but not limited to pumping stations, water storage tanks, sewer and water mains or other improvements. In most instances the Requested Capital Improvements will be necessary to enable Beneficiaries to obtain sufficient sewer or water capacity and/or pressure for the uses planned in the geographic area to be served by the Requested Capital Improvements. If Cabot WaterWorks makes the Requested Capital Improvements at its expense, Cabot WaterWorks may assess Capital Improvement Charges in the geographic area served by the Requested Capital Improvements. The geographic area to be assessed Capital Improvement Charges will be determined by the Cabot WaterWorks Commission. In

making a determination of the dollar amount of the Capital Improvement Charges and the geographic area served by the Requested Capital Improvements, the Commission may consider the recommendation of the Beneficiaries, the potential economic impact of the Requested Capital Improvements, and the extent of benefits to existing customers and future customers.

- 2.16.3 Approval. All CICs initially imposed after the date of the adoption of this policy must be approved by the Board of Commissioners of the Cabot WaterWorks and the Cabot City Council.
- 2.16.4 Segregation of Funds. In the event Cabot WaterWorks begins the collection of any Capital Improvement Charge prior to incurring costs for such project, Cabot WaterWorks will establish a separate book-entry account for each Requested Capital Improvements project and the monies collected pursuant to the applicable Capital Improvement Charges shall be allocated to the appropriate Requested Capital Improvements account. The funds in each account shall only be used to pay costs associated with the appropriate Requested Capital Improvements. Interest earned on monies allocated to each account shall be considered funds of the account and shall be used solely for the appropriate improvements. Cabot WaterWorks shall establish adequate financial and accounting controls to ensure that the funds disbursed from the account are utilized solely for the purposes authorized. Adopted December 14, 2006

## **2.17 Cross-Connection Control and Back-flow Prevention Program**

- 2.17.1 The purpose of this policy is to establish an enforceable cross-connection control and backflow prevention program to preserve safe potable water and to prevent contamination of the public water system by any customer or another water system.
- 2.17.2 Definition: Cross connection is any connection or structural arrangement between Cabot WaterWorks' Public water supply and any nonpotable source or system through which backflow can occur. Bypass arrangements, jumper-connections, removable sections, swivel or changeover devices, and other temporary or permanent devices through which, or because of which, backflow can occur are considered cross connections.
- 2.17.3 No person or potential customer shall be given a service connection of any type until the water plumbing system has been approved as having complied with all requirements of the City Plumbing Inspector and Arkansas Department of Health.
- 2.17.4 No Person or customer shall be permitted to install or maintain a cross-connection to CWW water supply.
- 2.17.5 Backflow is defined as a flow of any foreign liquids, gases or other substances into Cabot WaterWorks' public water supply from any source.
- 2.17.6 An approved backflow prevention device shall be installed on each customer service line where, in the judgment of Cabot WaterWorks, City Plumbing

Inspector or Arkansas Department of Health, there exist a potential of contamination to Cabot WaterWorks' public water supply.

2.17.7 An approved backflow prevention device shall be installed on each customer service line serving premises where the conditions exist as outlined below:

- a). Premises on which any substance is found which may create an actual or potential hazard to Cabot WaterWorks' public water supply.
- b). Premises where, because of security requirements or other prohibitions or restrictions, it is impossible or impracticable to make a complete cross-connection survey.
- c). Premises where cross-connections are found after having been ordered to be disconnected.
- d). Premises having fire protection systems utilizing storage tanks, pumps antifreeze, an auxiliary supply of water or Siamese connections.
- e). Premises having an irrigation system or where the outlet end of the fixture or hose may be submerged.
- f). Premises having the types of facilities or processes listed below. This list is not intended to be all inclusive (see the Arkansas State Plumbing Code):
  - Hospitals, mortuaries, clinics, nursing homes;
  - Laboratories;
  - Piers, docks, waterfront facilities
  - Sewage treatment plants, sewage pumping stations, or storm water pumping stations;
  - Food and beverage processing plants;
  - Chemical plants, dyeing plants;
  - Metal plating industries;
  - Petroleum processing or storage plants;
  - Radioactive material processing plants or nuclear reactors
  - Car washes;
  - Slaughter houses and poultry processing plants
  - Farms where the water is used for other than household purposes.

2.17.8 Backflow Prevention Devices

- a). Backflow prevention devices shall be installed meeting all requirements of the Arkansas State Plumbing Code.
- b). A back flow prevention device shall be installed in accordance with the recommendations and specifications of the manufacturer of the device.

**2.17.9 Responsibility of the Customer**

- a). When the customer requests water service, the customer shall advise Cabot WaterWorks in writing as to: (1) Any alternate source of water which may be used in the customer's facility; 2) the type of fire protection system to be utilized, if any; and 3) the type of facility or process to be utilized.
- b). The customer shall submit two copies of certified plans for fire service connections, lawn irrigation systems and other facilities requiring approved backflow prevention devices to Cabot WaterWorks and the Arkansas Department of Health for approval prior to construction.
- c). Backflow prevention devices shall be inspected and tested as required by the Arkansas Department of Health. Adopted July 20, 2006