DEVELOPER AGREEMENT
FOR EXTENSION OF WATER SERVICE

THIS AGREEMENT dated the _____ day of _____ 2010 by and between _____ hereinafter called "Developer" and the CONSOLIDATED UTILITY DISTRICT OF RUTHERFORD COUNTY, TENNESSEE, hereinafter called "District":

WITNESSETH

WHEREAS, the Developer desires the extension of the water distribution system of the District to or within property owned by the Developer or to be developed by the Developer as agent for a third party owner for the benefit of Developer and/or owner;

WHEREAS, the property which is to be served by said water line distribution system is generally described as follows:

Subdivision: _____ Section: _____ Phase: _____ # of Lots: _____

WHEREAS, the District is willing to enter into a contract for the extension of said system at the expense of the Developer provided said system will be owned by the District upon completion;

NOW, THEREFORE, in consideration of the promises and mutual agreements and conditions hereafter set forth, it is agreed between the District and the Developer as follows:

1. The District will cause the necessary plans and specifications to be prepared for the extension of the water distribution system to or within the above described property.
2. In accordance with District policies, with the signing and acceptance of the preliminary plat by Consolidated Utility District, the Developer agrees to automatically pay a non-refundable engineering fee (currently $45.00 per lot for single family or $20.00 per unit for apartment complexes) or an amount charged to the District by the engineer on projects other than a residential subdivision development, for the cost of said plans and specifications. The Developer shall also pay a non-refundable state review fee as determined by Department of Energy & Conservation. Upon approval of Preliminary Construction Plans by the District, the Developer agrees to automatically pay a water line inspection fee as listed below:

   $25.00 per Lot\Unit Single Family Residential

   40% of Water Line Engineering for Apartment Complex

   40% of Water Line Engineering for Commercial

   In addition to water line inspection fees property's which are to be served by a STEP sewer system, the developer agrees to automatically pay an inspection fee (currently $100.00 per lot).

   Consolidated Utility District assesses and/or bills miscellaneous charges/reimbursements to outside parties through a separate financial system. These charges include, but are not limited to, tap, growth, engineering, inspection, and state review fees. A finance charge will be assessed on the first day of each month for any amount outstanding greater than 30 days past the invoice issue date. The finance charge will be assessed at a rate of one and one-half percent (1 ½%) per month, not to exceed eighteen percent (18%) per annum.
3. The Developer may select the contractor to perform the work in accordance with the plans and specifications subject, however, to the written approval of said contractor by

the District, it being understood the District shall in all cases have the right to disapprove a contractor suggested by the Developer. The contractor shall be appropriately licensed and bonded for the work being performed. The Developer is to furnish and install all water mains and appurtenances including service taps and service lines up to and including curb stops, and also furnish to the District a drawing showing location of all service lines.

4. The District will obtain the approval of the Tennessee Department of Environment and Conservation (TDEC), Division of Water Supply, and other regulatory bodies, if any, exercising jurisdiction over said system with respect to the proposed location, size of proposed pipe lines, and appurtenances thereto. Construction shall not begin until such plans are approved by the Division of Water Supply. The Developer agrees to reimburse the District the review fee as charged by the TDEC, Division of water Supply.

5. Prior to the commencement of performance of any work by the contractor, the District shall first give a written Construction Start Notification letter to the contractor.

6. If in the determination of the District the existing water line distribution system up to or within the above described property requires expansion, upsizing or upgrading in order to accommodate Developer's property, Developer agrees to expand, upsize, or upgrade the existing water line distribution system according to the District's specifications and plans at the Developer's expense.

7. The District will inspect the installation of the pipe lines and appurtenances in accordance with the developed plans and specifications.

8. The Developer will obtain or grant to the District free and unencumbered easements of sufficient size as determined by the District for the extension of said system to or within the property wherein the system is to be located. The subdivision or development plat is to show the District's twenty (20) feet wide easement parallel and adjoining both sides of road rights-of-way.

9. Meters will be installed by the District upon receipt of its regular tap fee from and upon application by the proposed user.

10. Upon completion of the extension of said system, Developer shall provide to District a cost of the water system installed. All water distribution lines, appurtenances, and meters shall be and shall remain together with the easements relative thereto, the property of the District

11. Upon completion of the extension of the said system and when subject project has valve boxes that are located within a paved area the developer is required to post a bond on the valve boxes located within the pavement at a rate of $250.00 for each valve box or a minimum bond of $2000.00 (whichever is greater).

12. This agreement is further subject to the Rules and Regulations of the District, as now adopted or hereafter amended from time to time, to the extent the same are not in conflict herewith. Said Rules and Regulations are by reference hereto incorporated herein by reference as if set forth herein at length verbatim.

THE CONSOLIDATED UTILITY DISTRICT
OF RUTHERFORD COUNTY, TENNESSEE

By:_____
General Manager or Authorized Representative

DEVELOPERS:

1._____

2._____