

DEVELOPER AGREEMENT
FOR EXTENSION OF WATER SERVICE

THIS AGREEMENT dated the _____ day of _____, 20____ 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;

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

Subdivision:_____ **Section:**_____ **Phase:**_____ **# of Lots:**_____ (the "Property").

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/townhome) 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 nonrefundable 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/unit).

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, 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 providing water service to the 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 development plans and specifications.

8. The Developer will obtain or grant to the District free and unencumbered easements of sufficient size and in a form acceptable to the District within District's sole discretion 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 thirty (30) feet wide easement parallel and adjoining both sides of road rights-of-way. Developer will also grant or obtain such

temporary construction easements which District determines in District's reasonable discretion are needed for the construction of water utilities to or within the Property wherein the system is to be located.

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. With regard to any paved areas in which valves are to be installed, District requires the asphalt binder to be installed before District will release any building permits to allow construction of homes off the paved areas.

12. Developer is responsible to repair any damage to District's utilities caused by construction in regards to the development of the Property.

13. For a period of one (1) year from the date that District inspects and accepts the water lines and appurtenances to serve the Property ("Warranty Period"), Developer warrants that all water utilities and appurtenances thereto installed in regards to the Property are constructed in accordance with the District's approved plans and specifications within the boundaries of the easements conveyed to the District for water service to the Property and shall be free of defects. In the event the water utilities or appurtenances thereto are not so constructed or free of defects within the Warranty Period, Developer shall be required to promptly repair the same to the satisfaction of the District within District's sole discretion and pay the District for any costs the District incurs as a result of the breach of the warranty.

14. 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. In the event the District brings legal action to enforce the terms of this Agreement and in addition to any other remedies to which the District is entitled, District shall be entitled to the costs District incurs in regards to said action, including, but not limited to attorney fees. DEVELOPER AND DISTRICT KNOWINGLY AND VOLUNTARILY WAIVE ANY RIGHTS TO A JURY TRIAL in regards to any matters related to this Agreement.

(EXECUTION ON FOLLOWING PAGE)

THE CONSOLIDATED UTILITY
DISTRICT OF RUTHERFORD
COUNTY, TENNESSEE:

By: _____
General Manager or
Authorized Representative

STATE OF TENNESSEE
COUNTY OF RUTHERFORD

Before me, the undersigned, a Notary Public within and for the State and County aforesaid, personally appeared _____, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged ___self to be the _____ of The Consolidated Utility District of Rutherford County, Tennessee, and _____ as such _____, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of The Consolidated Utility District of Rutherford County, Tennessee by ___self as such _____.

WITNESS MY HAND and official seal at my office on this the _____ day of _____, 20__.

NOTARY PUBLIC

My commission expires: _____

DEVELOPER:

By: _____
Printed name: _____
Title: _____

STATE OF TENNESSEE

COUNTY OF RUTHERFORD

Before me, the undersigned, a Notary Public within and for the State and County aforesaid, personally appeared _____, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged ___self to be the _____ of _____, the within Developer, and _____ as such _____, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of _____ by ___self as such _____.

WITNESS MY HAND and official seal at my office on this the _____ day of _____, 20__.

NOTARY PUBLIC

My commission expires: _____