



Friendsville Utility Department

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Policy 1

Account Collection

Accounts cut off for non-payment or discontinued accounts shall be subject to this policy.

1. Within thirty (30) days after an account has been discontinued or removed for non-payment, Friendsville Utility, referred to as the "Utility," shall institute its collection procedure. That procedure shall include the following:

If the Utility does not receive payment within:

- Seven (7) business days after discontinuance of service
- By the next billing cycle, the account will be placed in collection.
- The Utility shall turn the account over to an outside agent or agency for collection.
- The Utility determines that collection is not feasible and writes off the account.

2. The Board shall approve or disapprove any determination that an account shall be written off. Until payment has been made, no further service at this service address will be rendered to the person(s) whose name appears on the account or to the person(s) who received service from this account.
3. If a complaint has been filed per the established Complaint Procedure, contesting the propriety of the charges on such account. Collection of such an account may only be pursued once the Governing Board has taken final action on the complaint.
4. Any person(s) on whose account collection procedures have been instituted who has made full restitution to the Utility and/or its agents will not be refused service. However, per the utility's policy, the person(s) may be required to pay an additional particular deposit or service charge before service is provided.
5. Any fees or additional costs to the Utility for collection of an account shall be borne by the person(s) whose name(s) appears on the account.
6. The Utility will report accounts covered under this policy that have yet to be restitution to a credit reporting agency.

RECORD KEEPING DURATION

All records regarding account collection shall be kept for six (6) years.

ADOPTION DATE: _____ **EFFECTIVE DATE:** _____

Policy 2

Adjustments to Bills

Water Leak Adjustment

1. The customer is responsible for keeping his plumbing system in good working order.
2. The need to adjust a utility bill may be evident by evidence of leakage on the Customer side of the meter, which is defined as the back side of the meter yoke. This is determined when a busted meter yoke allows water to come through the meter on the customer's side; at this point, the utility will adjust the customer's bill to the minimum bill.
3. Customers can take out an insurance policy with ServLine. ServLine offers two different plans. These are as follows:
 - Residential**
 - Leak protection is an extra two (2) dollars a month.
 - Line protection costs four dollars and sixty-five cents (4.65) extra a month.
 - Commercial**
 - Leak protection- single occupancy is an extra four dollars forty (4.40) cents a month. Multi-occupancy is an extra eight dollars eighty (8.80) cents a month.
 - Line protection- single occupancy is an extra thirteen dollars and fifty cents (13.50) a month.
 - Multi-occupancy is an extra twenty-seven (27.00) extra a month.
4. Customers must call the office to confirm they had a leak on their side of the meter. Office personnel will notify the customer if the customer has a leak or line protection covers. If the customer does have coverage, office personnel will notify the customer that the leak must be repaired before a claim can be requested. Once the leak has been repaired, a customer must report a claim to SERVLIN by calling 1-866-421-3815.
5. Office personnel will note in customers' accounts that a leak claim has been reported, and accounts will not be shut off for non-payment while the claim is being worked.
6. Customer will be responsible for a portion of the leak based on one (1) year of usage. Until the claim is processed, the customer is responsible for maintaining payment until the ServLine payment is paid. ServLine leak protection will pay up to a thousand (1000) dollars for the leak. ServLine will reimburse the utility company. Payment will be added to the customer's account. The customer is responsible for the remaining balance. ServLine line coverage will help with the repair cost of up to ten thousand (10,000) dollars. The customer must provide ServLine with receipts from the material and plumber's invoice and pay upfront. ServLine will reimburse the customer directly. Penalties will be added until full insurance payment is processed; at this time, the office will remove penalties accrued during that time frame.

7. Adjustments on water bills will NOT be made on the following:
 - Routine dripping faucets, leaking commodes, or any faulty customer.
 - Plumbing.
 - Irrigation system
 - Premises left or abandoned without reasonable care for the plumbing system.
 - More than one occurrence per calendar year.
 - Filling of swimming pools; and (e) Watering of lawns or gardens.

Faulty Meter Adjustments

8. The Utility will first determine that the meter was read correctly. If an investigation of the meter and meter records establishes that the meter was misread or that there was a failure of utility equipment, an adjustment will be issued using an estimated reading based on an average of the past twelve (12) months' billings for this period. No penalty will be assessed if the adjustment procedure delays payment past the penalty date.
9. If an investigation of the meter and meter record establishes that the meter was read correctly and that utility equipment did not fail, the bill will remain valid and payable.
10. Any customer questioning the meter's accuracy will be charged and applied to the following monthly invoice: a \$40.00 meter testing deposit for residential, commercial, and industrial meters. The utility will then remove the meter and test its accuracy.
11. It is deemed accurate if the meter proves accurate within guidelines established for used meters by the American Water Works Association (AWWA). If the meter tests accurately, the Customer forfeits the meter testing deposit. If the meter does not meet AWWA accuracy standards, the Utility shall refund the meter testing deposit to the Customer and repair or replace the meter.
12. If an adjustment to the Customer's bill is warranted, the amount will be determined based on an average of the billing periods for the last twelve (12) months.
13. The Utility shall not be obligated to adjust any bills not contested within ninety (90) days from the billing date.
14. The Utility is not obligated to extend the discount, due date, or payment time because the Customer disputes the bill amount.
15. The board will receive all completed Request for Adjustment forms at its regular monthly meetings, which the Board will review and include in the minutes.

RECORD KEEPING DURATION

All records of billing adjustments shall be kept for a minimum of ten (10) years.

ADOPTION DATE: _____ **EFFECTIVE DATE:** _____

Policy 3

Advertising

1. It is the Utility policy that all advertising must promote the Utility and the products and or services it provides. An advertisement will only be made that meets the above criterion. Samples of some types of advertisements that are allowed and not allowed are part of this policy.
2. It is the policy of the Utility to advertise the following:
 - Customer services
 - Products that the Utility provides.
 - Special promotions
 - Quality of the services provided to the Customer.
 - Cost or comparison of cost for the service the Utility provides.
3. All advertising will be directed to the following:
 - Present Customers
 - Potential Customers
4. No advertisements will be directed to Customers or potential Customers outside of areas that the Utility now services or has the potential or desire to service.
5. The Utility may use the following methods of advertising:
 - Newspapers
 - Television
 - Radio
 - Internet
 - Magazines
 - Billboards
 - School and other community programs, annuals, calendars, etc.
 - Memberships of civic organizations

RECORD KEEPING DURATION

All records regarding advertising payments shall be kept for at least five (5) years.

ADOPTION DATE: _____ **EFFECTIVE DATE:** _____

Samples

<p style="text-align: center;">NO</p> <p style="text-align: center;">Compliments of City of Friendsville Utility</p>	<p style="text-align: center;">YES</p> <p style="text-align: center;">Compliments of City of Friendsville Utility Our water meets all federal and state standards</p>
<p style="text-align: center;">City of Friendsville Utility 213 West College Ave Friendsville, TN 37737</p>	<p style="text-align: center;">City of Friendsville Utility 213 West College Ave Friendsville, TN 37737 Phone:865-995-0243 For 24-hour Emergency Service, Call 865-995-0243</p>
<p style="text-align: center;">Sponsored by City of Friendsville Utility</p>	<p style="text-align: center;">Sponsored by City of Friendsville Utility Providing quality and inexpensive natural gas to Friendsville</p>
<p style="text-align: center;">City of Friendsville Utility 213 West College Ave Friendsville, TN 37737</p>	<p style="text-align: center;">City of Friendsville Utility 213 West College Ave Friendsville, TN 37737 Providing its customers with Dependable, Water, Wastewater, for information, call 865-995-0243</p>

Policy 4

Alternate Payment Method

1. The Utility will accept bank drafts from the following bank(s): All banks.
2. The Customer must complete and sign a preauthorization form (*see attached*) and attach a voided check from the bank that the draft will be drawn.
3. On the date of its regular billing, the Utility will mail an invoice to the Customer with the message "Paid by Bank Draft" or other such wording printed on it. This will give the Customer time to examine the invoice before it is deducted from their account.
4. The Customer's draft will be presented to the bank for payment on the date the Net Amount is due.
5. If funds are not available in the Customer's account at the time the draft is presented and the draft is returned unpaid, the Utility will:
 - Notify the Customer by **mail or phone** that the draft was returned unpaid.
 - Upon return of the unpaid draft, an additional charge of (**maximum currently set by Tennessee Code Annotated 47-29-102**) will be added to the Customer's account and
 - The Customer account will be subject to forfeiture of the discount and the addition of any penalties due and subject to the Utility's cut-off policy.
6. Any Customers whose draft is returned unpaid more than **two (2) times** will be removed from the Automatic Payment Method.
7. Customers who wish to return to the regular payment options may do so at any time by **writing and/or calling** the Utility and requesting removal from the Automatic Payment Method. Upon receipt of this request, the Customer will be removed at the next available billing cycle.

ADOPTION DATE: _____ **EFFECTIVE DATE:** _____



DEBIT AUTHORIZATION I (we) hereby authorize Friendsville Utility department, hereinafter called Company, to initiate debit entries to my (our) account indicated below and the financial institution named below, hereinafter called Financial Institution, to debit the same to such account for my (our) Utility Bill. I (we) acknowledge that the origination of ACH transactions to my (our) account must comply with the provisions of U.S. law.

Financial Institution Branch

Address

City/State/Zip

Routing Number

Account Number

Type of Account: _____Checking _____Savings

Amount (or how amount is determined): Balance due on monthly bill

Frequency: Monthly Start Date (if recurring): _____

Date of Debit (s): 18th of each month

If the debit is recurring and the debit date falls on a non-banking day, the debit will hit your account on the next banking day and will not hit your account before the authorized date. (Note: For varying amounts, the company must send, based on the NACHA Operating Rules, written notification of the amount and the date on or after which the transfer will be debited at least ten calendar days before the debit. If the date varies, the Rules state that the Originator must send the Receiver notification of the new date at least seven calendar days in advance of the debit.) This authority is to remain in full force and effect until the Company has received written or verbal notification of its termination in such a time and manner as to afford the Company and Financial Institution a reasonable opportunity to act on it.

Print or Type Individual Name

Signature

Date

FWW account number

Payment by Credit Card

1. The Utility will accept credit or debit cards from the following companies:
 - Master Card
 - Visa
 - American Express
 - Discover Debit Card
2. The Utility will accept credit or debit cards presented in the following manner:

Presented in person, the Utility will check the following:

- ✓ Proof of identification.
- ✓ Expiration date of the card.
- ✓ Compare the signature on the card to the sales draft signature.

By internet:

- ✓ Verify the expiration date of the card.
- ✓ Verify the number on the rear of the card.
- ✓ Verify cardholder billing address.

3. The Utility will accept credit or debit cards for all services.

Processing fees requirements:

TCA 9-1-108 (3) Requires a utility district or municipal entity to "set and collect a processing fee in an amount that is equal to the amount paid to the third-party processor for processing the payment. However, the processing fee shall not be set in an amount that exceeds five percent (5%) of the payment collected by credit or debit card. Such processing fee may be waived by approval of the Governing Body".

The Utility shall:

- Charge a processing fee of three (3) %

Not to exceed what the Utility pays for processing.

4. The Utility shall use electronic authorization terminals approved by their credit card provider (i.e., NEVER borrow someone else's terminal to accept a credit card payment and never allow another business to use the Utility's credit card terminal for processing).
5. The Utility shall not make any cash advances or cash returns on cards presented.
6. If the processing company rejects a card when it is presented, the Utility will require payment by another method (cash, check, or another card).

7. If a payment by credit card is not honored by the card company issuing the card, or if a payment by a debit card is not honored by the entity on which the funds are drawn, Utility will collect a service charge from the person presenting the card. The amount of the service charge shall be the same as the fee charged for a returned check drawn on an account with insufficient funds (This section does not apply if an electronic device is used to conduct the transaction, the card and cardholder are present, and the person who takes the card learns of the declination of the credit card or debit card at the time the transaction is processed).

8. If, for any reason, a Charge Back is received by the Utility, the Charge Back shall be treated as non-payment of the Customer's account and will be subject to forfeiture of the discount and/or the adding of any penalties and other fees due and subject to the Utility's cut-off policy (*"Charge Backs" occur when a customer disputes the charges on their card and the Customer's credit card company charges back the charge to the utility's credit company*).

RECORD KEEPING DURATION

All records regarding alternate payments shall be kept for at least five (5) years.

ADOPTION DATE: _____ **EFFECTIVE DATE:** _____

Policy 5

Bad Debt Write-Off

The Utility will actively pursue the collection of delinquent accounts, regularly review their status, and write off amounts determined to be uncollectible. Utility accounts that have been delinquent for more than ninety (90) days shall be turned over for collection to a collection agency.

Delinquent accounts should be written off during the fiscal year if the account is uncollectible.

A delinquent account will be considered uncollectible after the appropriate collection procedures have been followed and if it meets one or more of the following criteria:

- The debt is disputed, and the Utility has insufficient documentation to pursue collection efforts.
- The cost of further collection efforts will exceed the estimated recovery amount.
- The amount is under \$20 and remains unpaid after one year.
- The account remains unpaid after the applicable period for commencement of a recovery action (statute of limitations).
- The delinquent account holder cannot be located, or the debtor's assets cannot be located.
- The delinquent account holder has no assets, or no assets can be found.
- The delinquent account holder has died and has no known estate or guarantor.
- The delinquent account holder is a company that is no longer in business.
- The debt is discharged through legal action (bankruptcy or court judgment).

At least annually, the city administrator will prepare a list of delinquent accounts that meet the criteria for designation as uncollectible for approval by the Board of Commissioners. The list must include the name, account number, and account balance of the uncollectible accounts being written off. The Board of Commissioners shall approve the list of delinquent accounts as uncollectible, and the uncollectible accounts shall be written off.

Suppose a delinquent account has been turned over for collection or written off as uncollectible. In that case, the delinquent account holder will not be allowed to sign up for new service by the utility at any location until all delinquent accounts are in the account holder's name and all collection costs for the delinquent accounts have been paid.

ADOPTION DATE: _____ *EFFECTIVE DATE:* _____

Policy 6

Billing & Payment

1. Utility bills for all customers, including residences, commercial, and industrial, will be rendered monthly.
2. Utility bills shall include a "current" amount with a payment due date of the 18th of each month, After which date shall the "amount due after due date" amount apply, with a penalty added.
3. Should a bill's payment date fall on a weekend or holiday, the bill may be paid on the following business day at the net amount.
4. When a Customer does not pay a bill by the final payment date of **the 25th of each month for the "amount due after the** due date" total amount of the bill, service shall be discontinued per the Utility's Discontinuance of Service Policy.
5. Utility bills are recognized as routine bills owed by the Customer. The Customer's failure to receive a bill does not change the Customer's obligation to pay the amount due on time.
6. The following bill payment methods/locations are acceptable:
 - Mail — Payment will be posted according to the day it was received.
 - Drop-off box: The box is checked throughout the day. Payments dropped off after 4:00 will be posted on the next day.
 - Utility's Internet Site — Payment posted on the same business day entered.
 - 24-hour bill pay phone line 1-855-816-5751
7. When a customer files for outside assistance with local agencies, the customer's account will be noted and approved. Payment will not be posted until the outside agency's payment is received via check or credit card. Until said payment is received, the customer is responsible for the account balance.
8. When a customer receives a bill and considers the bill to be incorrect, the Customer may request a review of the bill. To request a review, the Customer must contact the Utility Department in person or by telephone within ten (10) days before the scheduled cut-off/disconnect date on the 25th of each month. If the dispute cannot be resolved by telephone, the Customer must make an appointment to meet with the City Administrator. Who is authorized to make bill adjustments within three (3) days of the bill's due date. The Customer's service will not be discontinued for failure to pay a disputed bill until after the Customer has met with the City Administrator. The Customer may request that the disputed bill be reviewed by the Governing Board of the Utility Department by serving written notice to the City Administrator of the Customer's desire to appear before the Board.

RECORD KEEPING DURATION

All records regarding Customer billing shall be kept for at least five (5) years.

ADOPTION DATE: _____ EFFECTIVE DATE: _____

Policy 7

Conflict of Interest Statement

For Officers, Commissioners, Committee Members, & Staff Members

No member of the **City of Friendsville Utility Department** Board of Commissioners or any of its Committees shall derive any personal profit or gain, directly or indirectly, because of his or her participation with the _____. Everyone shall disclose to the _____ any personal interest which he or she may have in any matter pending before the _____ and shall refrain from participation in any decision on such matter. Any member of the Board, any Committee member, or staff member of a Utility shall identify his or her affiliation with such agency or agencies; further, in connection with any committee or board action specifically directed to that agency, he/she shall not participate in the decision affecting that agency and the decision must be made and/or ratified by the entire board. Currently, I am a Board member, a committee member, or an employee of the following organizations:

Now, this is to certify that I, except as described below, am not now nor at any time during the past year have been:

1. A participant, directly or indirectly, in any arrangement, agreement, investment, or other activity with any vendor, supplier, or other party doing business with the Utility that has resulted or could result in personal benefit to me.
2. A recipient, directly or indirectly, of any salary payments, loans, gifts, free service, discounts, or other fees from or on behalf of any person or organization engaged in any transaction with the Utility.

Any exceptions to 1 or 2 above are stated below with a complete description of the transactions and of the interest, whether direct or indirect, which I have (or have had during the past year) in the persons or organizations having transactions with the Utility.

Date: _____

Signature: _____

Printed name: _____

Policy 8

Customer Contract

Residential Service Agreement:

Friendsville Utility requires the Applicant seeking service to be the responsible party residing at the service address.

The Utility Department will require anyone seeking service who is acting on the Applicant's behalf to provide the Applicant's written verification as well as Applicant's identification papers, as required below.

Whenever an application is made for service, the Utility Department knows of a dispute about the ownership of the right of occupancy at the service address. If one or more of the claimants attempts to prevent such service from being furnished, the Utility reserves the right to adopt either one of the following two courses:

- A. Treat the Applicant in actual possession of the premises at the service address as being entitled to such service, notwithstanding the rights or claims of other persons.
- B. Withhold service pending a judicial or other settlement of the rights of the various claimants.

THIS AGREEMENT was entered into by and between _____ and Friendsville Utility, a Utility established and existing under the laws of the State of Tennessee, hereinafter referred to as the "Utility," and the Applicant, hereinafter referred to as "Customer":

BILL DUE DATE

The meters will be read on the **28th** of each month. Bills will be mailed to customers by the **5th** of each month. Bills can be paid without penalty until the **18th** of each month. A 10% penalty will be added to the bill at 4:30 on the **18th**. Accounts not paid in full will be shut ten days after the due date on **the 25th of each month**, and a fee of **\$75.00** will be charged for reconnection. **NO REACTIVATION OF SERVICE AFTER 4:00. SERVICE WILL BE REACTIVATED NEXT BUSINESS DAY.**

Methods of Payment

Checks, money orders, and cashier's checks can be dropped off in the nightly drop box is located behind city hall. Credit cards are also acceptable by utilizing the online bill pay found on our website. Credit cards will require a convenience fee of 3.5%.

1. Failure to receive a bill will not release the customer from payment obligation.
2. The due date for payment of the bill will be the 18th of every month.
3. Payments made after the due date will be subject to a late payment charge of 10%.
4. Customers who dispute their bill must do so in person at City Hall, 213 W. College Ave, or by phone within five (5) days of receiving the invoice.

5. A thirty (30) dollar returned check fee will be assessed for each returned bank draft to a customer's account.

Payment Drop-off Location Behind the City Hall building is a blue dropbox with the utility logo. Please do not confuse the Utility Department dropbox with Fort Loudon Electric's.

24-Hour Bill Pay by Phone: You can pay your bill within 24 hours by calling 1-855-816-5751. To input your information, you must have your account and CID numbers ready.

Payment by Website: If you do not have an account, you must set one up. Pay options are available: credit card, PayPal, and Vimeo. We also offer automatic payment with either a credit card or bank account. Sign up for pay by text.

Payment by ACH Draft Sign up using the ACH draft; payment will automatically be taken out on the 18th of each month. You will receive your monthly statements by mail or E-bill via Email.

Customers pay through their Financial Institute. Please know that the bank takes payment immediately from your account and sends it to a third-party company. Next, the third party cuts checks and waits to bulk mail multiple payments simultaneously. The utility is not responsible for payments not received by the 25th.

In consideration of the Customer's payment of specific fees detailed in the "Schedule of Rates and Charges," the Utility agrees to furnish service to the service address listed herein, and the Customer agrees to purchase services from the Utility, subject to the terms and conditions set forth herein.

1. This contract's obligations shall be binding upon the original parties' executors, administrators, and estate, provided that no application, service agreement, or service contract may be assigned or transferred without Utility's written consent.
2. It is agreed that if the Customer sells, subdivides, or leases the property herein described, the Customer will notify the Utility so that it may execute a new contract with the successor Customer.
3. It is understood and agreed that every condition of this contract is of the essence of the contract. If breached, the Utility may cut off one or all of its services to the service address and may not be reconnected except by order of the Utility after the Customer has paid all rates and charges.
4. The utility's services shall be supplied only to the Applicant at the address given in this contract. **The customer shall not connect any other dwelling or property to his service.**
5. The meter and related appurtenances serving the Customer's service address shall remain the Utility's property.
6. The Utility or its agents reserve the right to inspect the service installation within the Customer's premises upon reasonable notice and at a reasonable time. The Utility assumes no liability for operating or maintaining the Customer's plumbing.

7. The Customer agrees to keep the property at the service address accessible and free from impediments, including but not limited to not being fenced-in, clear of trees, bushes, shrubs, structures, vehicles, and equipment to Utility access, maintenance, and meter reading. Upon notification from the Utility, the Customer agrees to remove any impediments to Utility access. If such impediments are not removed within a reasonable time as requested by the Utility, service will be disconnected. Service shall be reinstated after any impediments are removed and the Customer pays all bills, reconnection fees, and other fees.
8. The Utility shall have the right to restrict, control, or discontinue service during emergencies or repairs. The Utility shall not be liable for failure to furnish service for any reason beyond its control or for any loss, injury, or damage to persons, plumbing, or property resulting from such service curtailment or discontinuance.
9. The Utility makes no guarantees, expressed or implied, regarding service quality, quantity, pressure, consistency, or continuity.
10. The Utility shall, at its discretion, specify how and what uses may be made of the service provided to the Customer. Service shall be discontinued if the Customer fails to comply with the specified uses.
11. The customer is responsible for all pressure regulators, valves, service lines, backflow preventers, and other devices located on the Customer's side of the meter. Without the utility's written permission, no pump may be installed on potable water lines.
12. The customer agrees not to allow any cross-connection between Utility service and a private well or spring or any other connection, either inside or outside of any building, in such a manner that a flow of water from such connection may potentially be introduced into Utility service lines.
13. All service disconnection requests should be made in writing or in person, if possible. The utility will accept telephone requests for discontinuance if the caller can provide adequate identification. The Utility will make every effort to respond within a reasonable time.
14. If the Applicant fails to connect to the system when service is available and a tap is made, the Customer will pay the minimum bill, not to be less than one (1) year.
15. The Customer shall install and maintain a pressure regulator device and cutoff valve on their line.
16. If the Utility discontinues service for non-payment or any other reason and the service is turned on without the Utility's authority, the Utility shall charge a reconnection fee and penalty charge according to its Rates and Fees Schedule.
17. The Customer agrees that if any utility property is damaged, destroyed, or tampered with due to the Customer's fault, it shall be repaired or replaced at the Customer's expense and shall be subject to the fees and charges outlined in the Utility's "Theft & Tampering policy."
18. The Utility shall have the right to estimate or prorate any bill when conditions beyond its control prevent the standard billing procedure.
19. If the Customer does not take the service after signing this contract for any reason, the Customer shall reimburse the Utility for any expenses incurred.

20. The receipt by the Utility of the application for service of the prospective Customer, regardless accompanied by payment of fees, shall not obligate the Utility to render such service. If the service cannot be supplied per the Utility's policies, rules, regulations, and general practice or those of any state or federal agency with oversight regarding service, the liability of the Utility to the Applicant for such service shall be limited to the return of any fees paid to the Utility by such Applicant.
21. The customer agrees that this document is only a service application and shall not be effective as a Contract until approved by a Utility official. If the service, in the opinion of the Utility, cannot be supplied, the utility's liability to the Customer shall be limited to the return of any fees, less any project development costs incurred by the Utility.
22. As a condition of service, the property owner shall provide at no cost a suitable place for the installation of the meter and related equipment and give an easement to the Utility for said location. If, for any reason, a customer wishes to have their meter relocated (any time after the initial installation), the Customer must pay all costs incurred for the relocation. If the Utility at any time determines that the Customer has altered the area where the meter was initially installed, and this area is no longer a suitable location as determined by the Utility, the Customer must pay all costs incurred by the Utility to relocate the meter.
23. The Utility bills for services are billed monthly, and statements are mailed in bulk at the US Post office. **The Utility cannot guarantee the delivery of its bills.** Failure to receive a statement does not relieve the Customer of the responsibility of paying the bill.
24. If the Utility damages any underground facilities the Customer cannot locate, the Customer will be responsible for all repairs.

By my signature, I oblige myself to obey all rules and regulations of the Utility and pay for all Utility services at the service address per the prevailing rate schedule set by the Governing Board. In the event of non-payment or unauthorized partial payment, I agree that the Utility may terminate service and that I immediately pay all unpaid bills, including all collection costs and attorney's fees. It is further understood that the Utility has the right and shall continue to have the right to make, amend, and enforce any policies, regulations, or by-laws that may be necessary or proper regarding any Utility matter. The Customer agrees to abide by such policies, regulations, or by-laws.

Customer Signature

Date

Customer Signature

Date

Friendsville Utility Signature

Date

Applicant		
Name:		
Service address:		
City:	State:	ZIP Code:
Date of Birth:	SSN:	Driver's License #
Cell phone:	Email:	Work Phone:
Co-Applicant Information		
Name:		
Date of Birth:	SSN:	Driver's License #
Cell phone:	Email:	Work Phone:
Billing Address		
Street address:		
City:	State:	ZIP Code:

By my signature, I oblige myself to obey all rules and regulations of the Utility and pay for all Utility services at the service address per the prevailing rate schedule set by the Governing Board. In the event of non-payment or unauthorized partial payment, I agree that the Utility may terminate service and that I immediately pay all unpaid bills, including all collection costs and attorney's fees. It is further understood that the Utility has the right and shall continue to have the right to make, amend, and enforce any policies, regulations, or by-laws that may be necessary or proper regarding any Utility matter. The Customer agrees to abide by such policies, regulations, or by-laws.

Signature: _____ Date: _____

Signature: _____ Date: _____

Policy 9

Customer Fees, Rates, and Charges

Charges for New Service

1. Any Customer or potential Customer desiring utility service from Friendsville Water Department, hereafter referred to as "Utility," shall fill out a **CUSTOMER APPLICATION/CONTRACT FORM**.
 - All Fees and Charges outlined in this Policy are found in the Utilities Rates and Fees Schedule.
2. A tapping privilege fee is charged when utility service is initially run from the main line to the Customer's property line. The tap's ownership is conveyed along with the property.
3. A residential or commercial/industrial tap shall entitle a Customer to utility service to one and only one dwelling or business. A second tap must be obtained if a second residential dwelling or business is to receive service on the same or neighboring tract.
4. If any Customer fails to disconnect any additional dwellings during the allotted time, the Customer's service shall be disconnected at the utility's convenience for violating the rules and regulations of this Utility.

Temporary or Seasonal Charges

1. Customers requiring temporary service shall pay all costs of connecting and disconnecting service, in addition to the regular charge for water used, provided such temporary service can be feasibly provided at the Utility's discretion. No application fee shall be assessed to a property owner who resumes responsibility for service formerly in a tenant's name.
2. The Customer shall pay all costs for discontinuing and reinstating service for temporary repairs and other purposes for the Customer's exclusive benefit.
3. If a customer wishes their service to be temporarily turned off, he must contact the Utility in person or in writing. Depending on the cut-off duration, the Utility will valve off or remove the meter at its discretion. If the meter is not removed, a minimum bill shall be issued as usual. In either case, there is a small service fee for both the cut-off and the reinstatement of service (see Schedule of Rates and Charges).
4. If the account is active, a minimum bill will be assessed at each billing period (the minimum bill reflects each Customer's share of the overhead to operate the system). By keeping the account active, the Customer can demand service at any time and, therefore, must share in the costs.

Miscellaneous Charges

1. If full payment of a bill is not received in the Utility office by the close of business on the date noted, the Customer must pay the late penalty shown on the bill.
2. Any Customer questioning the accuracy of his or her meter may pay the utility bill in question plus a meter testing deposit of \$40 (Forty) for residential, commercial, and industrial meters.

The utility will remove and test the meter on-site or have a recognized meter testing company test it on-site. The Utility will pay all costs associated with the meter testing.

It is deemed accurate if the meter proves to be accurate within the guidelines established for used meters by the American Utility Department Association (AWWA). If the meter tests accurately, the Customer forfeits the meter testing deposit. If the meter does not meet AWWA accuracy standards, the Utility shall refund the meter testing deposit to the Customer and repair or replace the meter.

- Any Customer who questions the accuracy of the meter reading may request the Utility to re-read the meter. The Utility will re-read the meter, and if the meter is read correctly, a fee will be charged to the Customer. If misread, the account will be adjusted, and no fee will be charged.
- Customers may also request a meter profile, which outlines their water usage hourly. They may pay the utility \$40 (forty) for residential, commercial, and industrial meters.

If a customer check is returned to the Utility by a financial institution for any reason, the maximum fee set by TCA 47-29-102 will be added to the amount due.

RECORD KEEPING DURATION

All records of fees shall be kept for a minimum of ten (10) years.

ADOPTION DATE: _____ **EFFECTIVE DATE:** _____



Water & Sewer Rates

New account connect fee	\$50.00
Returned Check	\$30.00
Backflow Test	\$55.00
Profile water meter usage	\$40.00
Late fee on water bills	10% of the bill
Cut-off for non-payment	\$75.00
Tampering of Meter	\$100.00
Tampering of Lock	\$80.00
Replacement of Lock	\$25.00
Meter Testing for accuracy	\$40.00
Labor	\$60.00 an hour
¾ meter (standard size)	\$34.94 plus tax, 0-1000 gallons (minimum bill) \$10.18 per 1000 gallons above minimum
1" Meter	\$52.89 plus tax, 0-1000 gallons (minimum bill) \$10.18 per 1000 gallons above minimum
2" Meter	\$61.65 plus tax, 0-1000 gallons (minimum bill) \$10.18 per 1000 gallons above minimum
4" Meter	\$123.36 plus tax, 0-1000 gallons (minimum bill) \$10.18 per 1000 gallons above minimum
6" Meter	\$184.99 plus tax, 0-1000 gallons (minimum bill) \$10.18 per 1000 gallons above minimum
New Water Taps Service Lines	
New Water Tap 5/8	\$2550.00
New Water Tap 1-inch	\$3550.00
New Water Tap 2-inch	\$4550.00
New Water Tap 4-inch	\$5550.00
New Water Tap 6-inch	\$6550.00
Meter Cost	
Meter 5/8	\$325.00
Meter 1-inch	\$450.00
Meter 2-inch	\$785.00
Meter 4-inch	\$2400.00
Meter 6-inch	\$4200.00
Residential Sewer Taps	
New Sewer Tap 1.5-inch	\$1500.00
Sewer Connected Active Line	\$22.00 flat rate charge, with additional usage charge based on water usage.
No Hookup Sewer Improvement Fee	\$22.00 flat rate.
Commercial Sewer Taps	
New Sewer Tap 2-inch	\$5000.00
New Sewer Tap 4-inch	\$12,500.00
Sewer Connected Active Line	\$36.00 flat rate charge, with additional usage charge based on water usage.
No Hookup Sewer Improvement Fee	\$36.00 flat rate.

Policy 10

Customer Non-Discrimination

POLICY The utility will not discriminate against any individual based on race, color, national origin, physical disability, religion, age, or sex in providing services to all persons within the service area who can feasibly and legally be served.

ADOPTION DATE: _____ **EFFECTIVE DATE:** _____

Policy 11

Discontinuance of Service

OMISSIONS

Without specific rules or policies, the Governing Board shall dispose of matters related to service discontinuance per its usual and customary practices.

Fees and Charges for Disconnection of Service are found in the Utilities Rates and Fees Schedule.

1. Reasons for Discontinuance of Service:

- Nonpayment of bills or other charges.
- Partial payment of bills or other charges.
- Failure to comply with utility rules, regulations, or policies.
- Any threat to public health on the customer's premises may endanger other Customers.
- Tampering with utility equipment or stealing service.
- If a customer has allowed more than one service on one tap

Cut-off Procedure

1. Customers who fail to pay their Utility bill on or before the 18th of each month are subject to disconnection of water service. If a customer does not pay outstanding charges, notify the utility of a billing dispute, or make acceptable arrangements by the **25th** at 8:00 am of each month, the utility shall process with disconnection of service.
2. To avoid disconnected service, **ALL** payments must be received in the office by 8:00 a.m. on the morning of the 25th. The utility is not responsible for any payments mailed through the Post Office.
3. If a customer has service disconnected, they must pay all outstanding charges plus a \$75.00 reconnection fee to restore water.
4. Service will be reinstated from 8:00 a.m. to 4:00 p.m., except in an emergency, Monday through Friday. An emergency fee of \$150.00 will be added to the customer's account and must be paid in full before service is restored.
5. Customers who tamper with meters, locks, or any property in a meter box that belongs to the utility will be charged a set amount and added to the customer's account.
6. The utility's discontinuance of service will not release the customer from liability for payment of service already received or from liability for payments that, after that, become due under the minimum bill provisions of the customer's contract.
7. A landlord shall not use the discontinuance of service to his or her property to force a tenant or occupant to surrender possession of the property. The landlord shall use appropriate legal means for that purpose.

8. The customer(s) whose name appears on the service application is (are) the customer(s) responsible for payment of all charges. That customer is also responsible for any rules or policy violations regarding the utility service to that property. Personal participation by the customer in any such violation shall not be necessary to impose personal responsibility on the customer.
9. If any customer fails to pay any utility fee or charge, the customer shall pay a cost of collection, including court costs and reasonable attorney's fees incurred by the utility in collecting such sums.
10. The Utility shall have the right to refuse to render service to an applicant or to any member of an applicant's household who is living at the same address whenever such person(s) is (are) delinquent on any payment to the utility or had his or her service discontinued because of a violation of the regulations or policies of the Utility.
11. The Utility shall not disconnect the service to any customer on a life support system or dialysis machine per this policy. It is the customer's responsibility to notify the utility if service discontinuance is life-threatening. After notification, the Utility will flag the Customer's account and meter as an "Emergency Medical Service" to ensure that Utility personnel or others do not cut off the service per this Policy. Suppose an emergency medical service Customer cannot pay a bill or other charge. In that case, it shall be the Customer's responsibility to find a social service agency or charitable group to assist the Customer in preventing the eventual discontinuance of service for nonpayment.
12. The Customer whose name the service is furnished may request termination of service by mail or in person at the utility's office. Telephone requests for cut-offs will not be honored.
13. Each Customer is given seven (7) days from the due date of the Utility service bill before termination of service. The Customer will be responsible for all charges that accrue to the end of the seven (7) day period, including the minimum charge. Where Utility service is being furnished to an occupant of premises under a contract, not in the occupant's name, the Utility reserves the right to impose the following conditions on the right of the Customer to discontinue service under such a contract:
 14. Friendsville Utility will not be liable for any loss or damage from discontinuing service.
 15. Written notice of the Customer's desire for such service to be continued may be required.

The Utility shall have the right to continue such service for a period not to exceed two (2) business days after receipt of such written notice. During this time, the Customer will be responsible to the Utility for all charges for such service.

ADOPTION DATE: _____ *EFFECTIVE DATE:* _____



Deferred Payment Agreement

Name of Customer(s): _____

Service Address: _____

Phone Number(s): _____

Agreement made by and between the Friendsville Utility and _____.

The Customer hereby acknowledges he/she cannot pay the outstanding bill for utility service provided to the above address in the amount of \$ _____. Estimated monthly payments are \$ _____ in addition to the monthly bill payment.

The payment plan will start on the bill date _____, with your final payment _____ due six (6) months from the start date.

*NOTE: The payment amount may fluctuate depending on current active service charges applied monthly and past-due balances carried forward.

1. Friendsville Utility will not discontinue the utility service provided by the customer.
 - The customer agrees to make payment agreement amount plus monthly charges on or before the 18th of each month.
 - If customers miss the due date, the payment customer payment agreement will not be valid; at this time, full payment will be made to avoid disconnection of service.
2. Any payments received under this agreement will first be applied to current charges, with the remaining amount applied to the outstanding balance.
3. If a customer **DOES NOT** fulfill the terms of the Deferred Payment Agreement, the utility shall inform the customer by letter that they are subject to disconnection and their rights thereof and shall not be required to offer a subsequent Deferred Payment Agreement before disconnection.

Friendsville Utility Customer

Date

Friendsville Utility Customer

Date

Friendsville Utility

Date

Policy 12

Eminent Domain

INTRODUCTION

This introduction has been attached to the policy to assist the utility in implementing it. It is not a part of the Policy. Any requests for a copy of this Policy by a Customer should not include a copy of this Introduction.

BACKGROUND AND PURPOSE

Utility districts, counties, and municipalities with the power to provide utility services can condemn property needed. This power is called the Power of Eminent Domain.

When a Utility must acquire an easement, personal property, or real property to provide service to its customers, condemnation should be a last resort to acquire such property. Tennessee law provides more than one procedure that can be followed to condemn an easement or a piece of property. **After the Utility determines that a condemnation petition must be filed, the Utility should consult with its attorney about the best procedure to follow in each case.**

RECORD RETENTION

When an easement or piece of real property is acquired by condemnation, the Utility shall make a certified copy of the order condemning the easement or property as a permanent record. The condemnation order is the instrument that vests the Utility with the easement or property condemned and should be placed with the Utility's other deeds and easements.

OTHER

Attached to this Introduction is a sample letter that the Utility may use as a guideline to encourage property owners to convey an easement or piece of property before filing a condemnation petition.

POLICY

1. The City Administrator will generally determine that the Utility must acquire an easement or property.
2. Unless the City Administrator has already been given specific authority to negotiate to acquire the easement or property, the City Administrator should advise the Utility's Governing Board of the need for the easement or property.
3. The Board should give the City Administrator or some other designee the power to negotiate for the acquisition of the easement or property, setting forth the purchase price and other parameters that the City Administrator or its designee shall use to negotiate.
4. If possible, the City Administrator or the Board's designee shall communicate personally with the property owner to describe the Utility's need for the easement or property.
5. The City Administrator or the Board's designee should have the written easement or contract to purchase the real property ready to present to the property owner for execution before the first communication with the property owner.

6. The City Administrator shall negotiate for the easement or property within the parameters the Board of Commission sets.
7. If the City Administrator successfully negotiates the acquisition of an easement, the City Administrator shall have the property owner sign the easement. Suppose the City Administrator successfully negotiates the property purchase. In that case, the City Administrator shall have the owner execute the agreement and deliver the original contract to the Board for execution.
8. The Board may delegate to one of its members, the City Administrator, or another designee the power to execute any instruments conveying the property to the Utility.
9. If the City Administrator cannot negotiate for the easement or property within the parameters set by the Board, the City Administrator shall report to the Board on the progress of the negotiations.
10. The Board may establish new parameters for the acquisition of the easement or property and permit the City Administrator or its designee to negotiate within these new parameters or determine that the easement or property be condemned.
11. Before the condemnation petition is filed, the City Administrator or the Board's designee shall write the property owner to advise him or her that the easement or property must be condemned and to encourage the property owner to accept the Utility's final offer to avoid the expense of litigation.
12. If the Board determines that the easement or property should be condemned, it shall pass a resolution authorizing the condemnation.
13. The Board, the City Administrator, or the Board's designee shall contact the Utility's attorney and advise him or her to file the condemnation petition and provide the attorney with all the information needed to file the petition.
14. When time is of the essence and circumstances do not permit the Utility to follow these procedures to condemn an easement or piece of property, the Utility should consult its attorney to determine the appropriate course of action when expedited procedures are necessary.

ADOPTION DATE: _____ *EFFECTIVE DATE:* _____



Date: _____

Property Owner: _____

Address: _____

City _____ State _____ Zip _____

Code _____

Re: Condemnation of Easement [or Property]

Dear Property Owner:

I have previously communicated with you regarding the Utility's need to acquire an easement [or Real Property] from you. The Board of Commissioners has authorized me to make a final offer of \$_____ to acquire this easement [or Property] from you.

In the event you decide not to accept this final offer, the Utility will have no alternative except to file a petition to condemn the easement across your property [or the Property]. Under Tennessee law, the Utility can condemn the easement [or Property]. The only question in dispute would be the value of the easement [or Property] being taken. The filing of the condemnation petition will require both you and the utility to hire legal counsel to file the petition and defend it. In addition, both parties will be required to hire expert appraisers to support their property valuation. Therefore, litigation of the taking of the easement [or Property] will be expensive for both parties and seems unnecessary.

I would appreciate your consideration of this final offer and request that you sign the enclosed easement [or contract] and have it notarized and returned to me. If I can answer further questions, please do not hesitate to contact me.

Sincerely,

Friendsville Utility

Policy 13

Fire Protection Service

BACKGROUND AND PURPOSE

Utility practice in the United States is accepted among utilities located in suburban and rural areas, and fire protection should be provided only in areas where population density justifies the installation of storage tanks and pipelines adequately sized to meet fire flow requirements. Tanks and pipelines cannot be sized to meet fire flow requirements if Customer density does not create a sufficient turnover in water usage since water that remains in such low-use areas over long periods is prone to taste and odor problems, bacterial growth, dissipation of chlorine residual and other quality and health concerns. Additionally, the costs of providing fire service that meets strict state and insurance guidelines go far beyond adding fire hydrants.

The Utility is run for the benefit of all present and future Customers. While no Customer shall intentionally be treated unfairly, no Customer shall be treated in a way that compromises the interests of other current and future Customers.

LIMITATIONS *The Utility is subject to various state and federal regulations and has no discretion to provide fire protection service in a manner that would violate these regulations.*

RECORD KEEPING DURATION All records regarding fire protection service shall be kept indefinitely.

OMISSIONS In the absence of specific rules or policies, the Governing Board shall resolve situations involving fire protection service according to its usual and customary practices.

POLICY STATEMENT

1. The Utility must approve the installation of all fire hydrants connected to its water system. The Utility may refuse to allow fire hydrants to be connected to any part of its water system when the Utility, in its sole discretion, determines the system will not adequately support the connection or the operation of a fire hydrant will adversely affect the services it is currently providing to its customers.
2. The Utility must approve the location and specifications for the installation of fire hydrants and their appurtenances on any water line constructed by developers or other persons in subdivisions, commercial developments, industrial areas, or any other location where the water line is to be dedicated to the Utility upon its completion.
3. All fire hydrants and their appurtenances must be installed by the Utility or a utility-approved contractor per the Utility's specifications. Fire hydrants and their appurtenances must be installed within Utility easements on private property and will not be installed in public right-of-ways without the Utility's consent.
4. No fire hydrant will be operated by anyone other than an authorized fire department or Utility personnel without the written consent of the Utility.
5. Fire hydrants shall be operated only with a wrench approved by the Utility.

6. Fire hydrants shall be color-coded by either painting the entire hydrant, painting the nozzle caps, or attaching weather-resistant color-coded tags to the nozzles according to the following standards at 20 psi residual pressure:
 - Red 0 - 499 gallons per minute
 - Orange 500 - 999 gallons per minute
 - Green 1000 - 1499 gallons per minute
 - Blue >1500 gallons per minute
7. The Utility does not guarantee any pressure or flow minimums for fire hydrants or fire sprinkler systems.
8. Customers requesting the installation of a fire hydrant must pay for all labor and materials necessary to properly install the fire hydrant and pay for any other costs incurred for the installation to comply with the provisions of this Policy.
9. To install a fire hydrant on a water line that is inadequate to handle fire flows, a developer, customer, or other person must request that the Board of Commissioners adopt a resolution to allow the installation for submission to the Department of Environment and Conservation as required by its regulations. When the installation is authorized, the approved contractor installing the hydrant shall only be used by firefighters to refill equipment tanks. No pumper truck shall be allowed to pump directly from the Utility's lines through such a hydrant.
10. Anyone who wishes to use fire hydrants to fill swimming pools, obtain water to construct buildings, or for other purposes must obtain permission from the Utility and use the hydrant per the Utility's fire hydrant use policy.
11. Any unauthorized person operating a fire hydrant without the Utility's consent will pay the Utility for water used from the hydrant as estimated by the Utility and will pay for any damage to the Utility's hydrant, equipment, or water lines from the unauthorized use.
12. Any person who damages a fire hydrant with a motor vehicle or any other means will pay for the damage to the Utility's hydrant, equipment, or water lines caused by the person's actions.
13. The Utility must approve the connection of fire sprinkler systems to the Utility's water lines.
14. Water obtained by a fire sprinkler system will be used for fire protection and no other purpose. No cross-connection between a fire sprinkler system and the Utility's potable water lines is allowed.
15. The Utility shall have the right of access during business hours to a customer's premises to inspect fire sprinkler systems.
16. The customer will own and maintain Water service lines installed by a customer to provide water to a fire sprinkler system for fire protection.
17. Multiple connections for fire sprinkler service to one structure in service on the effective date of this Policy shall be considered a single connection for billing purposes only.
18. By furnishing water to a customer for its fire sprinkler system with any codes, regulations, or standards governing fire sprinkler systems other than the Utility.

ADOPTION DATE: _____ **EFFECTIVE DATE:** _____

Policy 14

Fire Protection Service - Hydrant Use

INTRODUCTION This introduction has been attached to the policy to assist the utility in implementing it. It is not a part of the Policy. Any requests for a copy of this Policy by a Customer should not include a copy of this Introduction.

BACKGROUND AND PURPOSE Fire hydrants are installed for routine system maintenance by Utility personnel. Utility fire hydrants may provide a level of fire protection service for a Utility's Customers. When fire hydrants are used to provide water to construction companies, the system risks damaging the system's infrastructure and water contamination. This policy is intended to control the use of hydrants by non-utility personnel, protect the system from damage and contamination, and account for and collect water used by non-utility personnel.

RECORD KEEPING DURATION All records regarding hydrant use and billing for water used should be kept for a minimum of five (5) years.

OMISSIONS In the absence of specific rules or policies, the disposition of matters related to Customer billing shall be made by the Governing Board per its usual and customary practices.

POLICY Use of this Utility's fire hydrants by anyone other than authorized fire departments and Utility personnel is prohibited unless the following conditions are met:

1. Any person(s) or business desiring to use a fire hydrant as a source of water obtains a permit from Utility Management to use a specific fire hydrant and pays a deposit of \$250.00.
2. The user will be provided with the following equipment for use while obtaining water from the hydrant permitted.
 - A sign announcing permission to use the fire hydrant should always be displayed on the hydrant.
 - A fire hydrant wrench.
 - A fire hydrant meter assembly; or
 - A fire hydrant meter/backflow preventer assembly.

When attached to the hydrant, the user will support the meter assembly. The user must NOT allow the hydrant nozzle to bear the unit's weight.

After setting up the hydrant meter assembly, the user will open the hydrant completely to avoid damage to the hydrant setting. The user will **NOT** use the hydrant main valve to control flows.

3. The reading on the meter will be recorded on the permit application when the permittee picks up the unit.

4. At the end of each day, the user will turn off the hydrant's main valve.
5. When the user has finished using the hydrant, the user will remove the fire hydrant meter assembly from the hydrant and return it to the Utility office.
6. Utility Management will record the meter reading on the permit application.
7. Utility staff will inspect the fire hydrant meter assembly for damage.
8. The user will be billed for the water used using this procedure:
 - The charge for the water used will be the utility's regular billing rate.
 - The user will be charged for the replacement of fire hydrant meter assembly parts or the entire assembly if damaged
 - If the amount owed for water used and any damage to equipment is greater than the deposit, the hydrant user will pay the difference.
 - If the amount owed for the water used and any damage to equipment is less than the deposit, the user will be refunded for the difference between the deposit and the charge for the water used.
9. Utility staff will inspect the hydrant and determine its function.

ADOPTION DATE: _____ **EFFECTIVE DATE:** _____

Policy 15

Fixed Assets Policy

PURPOSE: To define guidelines for capitalizing purchases of land, buildings, land improvements, pipes, infrastructure, equipment, and other materials.

POLICY STATEMENT: Fixed assets consist of all capitalized assets with an estimated useful life of at least *one (1) year* and cost *\$1,000 or more*.

PROCEDURE:

1. **Land** includes all real property owned by, purchased, or donated. When land is purchased, various incidental costs are generally incurred in addition to the purchase price. These additional costs may include commissions to real estate brokers, escrow fees, legal fees for examining and insuring the title, delinquent taxes paid by the purchaser, and fees for surveying, draining, clearing, and grading the property. All these expenditures become part of the cost of land.
 - From time to time, land may be purchased as a building site for the utility that contains older buildings or other structures that are unsuitable for the utility's use; in this case, the only useful "asset" being acquired is the land.
 - Therefore, the entire purchase price and the costs of tearing down and removing the unusable building are charged to the land account.
 - Land purchased and held as an investment should not be classified as "Land" but as "Land Held for Investment."
2. **Buildings** include all structures and buildings owned by the Utility, either constructed, purchased, or donated, and any building improvements costing \$1000 or more.
3. **Land Improvements** include all improvements to land owned by the Utility costing more than \$1,000. Improvements to land, such as driveways, fences, parking lots, landscaping, and sprinkler systems, have limited life and are, therefore, subject to depreciation. For this reason, they should be recorded in a separate account entitled "Land Improvements."
4. **Infrastructure** includes all Utility system improvements owned by the Utility costing more than \$1,000. These items include utilities such as sewer systems, water systems, and gas systems.
5. **Equipment** is defined as any movable property, i.e., machinery, vehicles, computers, and furniture, costing at least \$1,000 and is not a replacement part. Component items that form one working equipment system are combined for capitalization purposes. The "system" definition applies to computer configurations, electronic & laboratory equipment, and other portable equipment. Additions to equipment that become either parts or permanently connected to existing items are also defined as equipment and should be capitalized, regardless of cost. The cost of repairs should be capitalized if such repairs "significantly extend the life of the asset."
6. Each item of equipment acquired will be assigned a serially numbered tag affixed to the equipment and marked with the Utility's name.

Equipment Inventory

All equipment with utility property numbers shall be inventoried annually according to the utility’s policy. Department heads are responsible for inventorying all tagged equipment regardless of acquisition method (purchase, transfer, and donation). The individual conducting the physical inventory should identify missing items sold, traded in, discarded, or transferred to other departments. The individual conducting the inventory should not be the same individual responsible for inventoried assets.

Depreciation All fixed assets shall be depreciated at cost on a straight-line basis using estimated useful lives as follows.

Example

- Buildings, pipes 40-50 years
- Land improvements 20-50 years
- Infrastructure 20-50 years
- Equipment 5-10 years
- Vehicles 3-5 years
- Computers/electronics equipment 3-5 years

The Utility does not capitalize items valued at less than \$1,000. However, certain items will be inventoried and accounted for stewardship purposes. This inventory shall include “sensitive items” such as cellular phones, radios, pagers, laptop computers, and other items that are especially susceptible to theft. Such items should be inventoried on an annual basis. Assets to be surpluses or disposed of will be accounted for per the Utility’s "Surplus Property Disposal Policy."

ADOPTION DATE: _____ **EFFECTIVE DATE:** _____

Policy 16

Identity Theft Prevention Program

The Utility maintains accounts for its customers to pay for utility services where bills are sent, and payments are due monthly. These accounts are covered under the Red Flag Rules adopted by the Federal Trade Commission (FTC) in 16 C.F.R. § 681.2. The Utility adopts this Identity Theft Prevention Program (the Program) to comply with 16 C.F.R. § 681.2, designed to detect, prevent, and mitigate identity theft in connection with these Customer accounts. The accounts covered by this Program shall be referred to as Customer accounts.

SECTION I. IDENTIFICATION OF RELEVANT RED FLAGS

Risk Factors. In identifying relevant Red Flags associated with Customer accounts, the Utility's Board of Commissioners and management have considered the following identity theft risk factors:

Types of Covered Accounts: The Utility opens and maintains Customer accounts for persons to pay for utility services rendered where bills are sent. Payments are due monthly, and these are covered accounts.

Methods for Opening Accounts: The Utility requires that persons or businesses that wish to receive utility service apply for utility service with the following information:

- Name of adult household members on the account.
- Applicant's date of birth.
- Address location where service shall be provided.
- Mailing address if different than service address.
- Contact and billing information.
- Social Security Number or Tax Identification Number.
- Driver's license number.
- Employment information

The applicant for service may be required to present a valid government-issued photo identification to the customer service employee as proof of identity.

Methods for Accessing Accounts: The utility allows Customers to access information related to their accounts using the following methods:

- In person at the Utility office with proper identification.
- Over the telephone after providing the Customer service employee with certain identifying information such as any of the following: the caller's date of birth, the address and telephone number of the service location, the last four digits of the member's Social Security Number, Tax Identification Number, a password, or by answering a predetermined challenge question; and
- *Over the Internet using a secure password (if applicable).*

Previous Experience with Identity Theft: The Utility is unaware of any security breach or unauthorized access to its system used to store Customers' identifying information. The historical absence of identity theft of its customers' information is due to (1) the limited services and credit provided to its customers, both of which are tied to an immovable physical location; (2) the minimal size of the population it serves; (3) the relatively low rate of change in Customer base; and (4) the Utility's procedures for securing Customers' personal information.

Sources of Red Flags: In identifying relevant Red Flags associated with Customer accounts, the Utility's Board of Commissioners and management have considered the following sources of Red Flags for identity theft:

Past Incidents of Identity Theft: As described in Section I.A.4. Above, the Utility is unaware of any security breach of or unauthorized access to its system used to store Customers' personal identifying information collected by the Utility. In the event of incidents of identity theft in the future, such incidents shall be used to identify additional Red Flags, and this Program will be amended accordingly.

Identified Changes in Methods of Identity Theft: Utility will review its identified identity theft methods to assess changes in identity theft risks.

Applicable Supervisory Guidance: As a part of its annual review, the utility will review additional regulatory guidance from the FTC and other consumer protection authorities on new identity theft risks and recommended practices for identifying, detecting, and preventing identity theft.

Categories of Red Flags: In identifying relevant Red Flags associated with Customer accounts, the Utility's Board of Commissioners and management have considered the following categories of Red Flags for identity theft.

Suspicious Documents: The presentation of suspicious documents can be a Red Flag for identity theft.

Presentation of suspicious documents includes:

- Documents provided for identification that appear to have been altered or forged.
- The photograph or physical description on the identification is not consistent with the appearance of the applicant or Customer presenting the identification.
- Other information on the identification is not consistent with information provided by the person opening a new account or the Customer presenting the identification.
- Other information on the identification is not consistent with readily accessible information that is on file with the Utility, such as the Customer's application for service and
- A service application appears to have been altered or forged or has the appearance of being destroyed and reassembled.

Suspicious Personal Identifying Information: Presenting suspicious personal identifying information can be a Red Flag for identity theft.

Presentation of suspicious personal identifying information occurs when:

- Personal identifying information provided is inconsistent compared to external information sources used by the Utility.
- Personal identifying information provided by the Customer is inconsistent with other personal identifying information provided by the Customer.
- Personal identifying information provided is associated with known fraudulent activity as indicated by internal or third-party sources used by the Utility, for example:
 - ✓ The address on a service application is the same as the address provided on a fraudulent application or
 - ✓ The phone number on an application is the same as the number provided on a fraudulent application.

- Personal identifying information provided is commonly associated with fraudulent activity as indicated by internal or third-party sources used by the Utility. For example:
 - ✓ The address on an application is fictitious, a mail drop, a prison, or
 - ✓ The phone number is invalid or is associated with a pager or answering service.
- The Social Security Number provided is the same as that submitted by other persons opening an account or other Customers.
- The address or telephone number provided is the same as or like the account number or telephone number submitted by many other persons opening accounts or other Customers.
- The person opening the covered account, or the Customer fails to provide all required personal identifying information on an application for service or in response to notification that the application is incomplete.
- The personal identifying information provided is inconsistent with the information on file with the Utility.
- The person opening the account, or the Customer cannot provide authenticating information beyond that generally available from a wallet or consumer report.

Suspicious Activity: The unusual use of or other suspicious activity related to a customer account can be a Red Flag for identity theft. Suspicious activities include:

- Shortly after receiving notice of a change of address for a customer account, Utility receives a request to add other persons to be served at the address on the account.
- A Customer fails to make the first payment or makes an initial payment but no subsequent payments on the account.
- A Customer account is used in a manner that is not consistent with established patterns of use on the account, such as:
 - Nonpayment when there is no history of late or missed payments or
 - A material changes in the amount of utility service purchased.
- Mail sent to the Customer is repeatedly returned as undeliverable, although utility purchases remain on the Customer account.
- The Utility is notified that the Customer is not receiving paper account statements.
- A Customer requests that the Utility provide the Customer with personal identifying information from the Utility's records.

Notices. Notices of potential identity theft are severe Red Flags, which notices shall include:

- Notice from Customers, law enforcement authorities, or other persons indicating that a customer may have been a victim of identity theft.
- Notice to the Utility that a Customer has provided information to someone fraudulently claiming to represent the Utility.
- Notice to the Utility that a fraudulent website that appears like the Utility's website is being used to solicit Customer personal identifying information.
The Utility's mail servers receive returned e-mails that the Utility did not send, indicating that a customer may have received a fraudulent e-mail soliciting the Customer's personal identifying information.

SECTION II. DETECTING RED FLAGS

1. The Utility shall obtain identifying information about a person opening a Customer account and verify the person's identity.

The Utility will obtain the following information to open a customer account:

- Name of adult household members on the account.
 - Applicant's date of birth.
 - Address location where service shall be provided.
 - Mailing address if different than service address.
 - Contact and billing information.
 - Social Security Number or Tax Identification Number.
 - Driver's license number; and
 - Employment information.
2. The applicant for service may be required to present valid government-issued photo identification to the utility customer service employee as proof of identity.
 3. The Utility shall not provide identifying information to its Customers, either verbally or in writing, even when a Customer asks for their information.
 4. For existing Customer accounts, the Utility shall authenticate Customers, monitor transactions, and verify the validity of change-of-address requests.

SECTION III. PREVENTING AND MITIGATING IDENTITY THEFT

1. If a Utility employee detects a Red Flag on a Customer account, the Utility employee shall notify the employee's supervisor or the City Administrator that the employee has detected a Red Flag.

The City Administrator may take the following steps to prevent identity theft:

- Monitoring a customer account for evidence of identity theft.
 - Changing any passwords, security codes, or other security devices that permit access to a customer account.
 - Reopening a customer account with a new account number.
 - Closing an existing Customer account.
 - Not attempting to collect on a customer account.
 - Notifying the Customer.
 - Notifying law enforcement; or
 - Determining that no response is warranted under the circumstances.
2. If the Utility discovers that any of its Customers have become victims of identity theft, the Utility shall notify the Customer and local law enforcement.

SECTION IV. PROGRAM UPDATES AND ADMINISTRATION

The Utility shall update the Program at least annually to reflect changes in customers' risks of identity theft.

In updating the Program, the Utility shall consider the following:

- The Utility’s experiences with identity theft.
- Changes in methods of identity theft.
- Changes in methods to detect, prevent, and mitigate identity theft.
- Changes in the Utility’s types of Customer accounts and
- Changes in business arrangements involving mergers, acquisitions, alliances, joint ventures, and third-party service providers.

SECTION V. PROGRAM ADMINISTRATION

The Program shall be approved by the Board of Commissioners. The City Administrator shall oversee its administration. The City Administrator may assign specific responsibility for implementing the Program to Utility employees. The City Administrator shall review reports prepared by Utility employees under subsection V.B.

The City Administrator shall prepare and present a written report to the Board of Commissioners annually on the Utility’s compliance with 16 C.F.R. § 681.2.

The report to the Board of Commissioners shall include a discussion of the following:

- The effectiveness of the Program in addressing the risk of identity theft.
- Third-party service provider arrangements.
- Significant incidents of identity theft and management’s response; and
- Recommendations for changes to the Program.

The City Administrator's annual report shall be incorporated into the minutes of the Board of Commissioners meeting at which the report is given.

The Utility has business relationships with third-party service providers for *(indicate all which apply)* billing services, backflow prevention, maintaining a secure website, collection of delinquent accounts, and other services. Under these business relationships, third-party service providers can access customer-identifying information covered by this program. The City Administrator shall ensure that a third-party service provider’s work for the Utility is consistent with this Program by:

- Amending contracts with the third-party service providers to incorporate these requirements or
- Determining that the third-party service providers have reasonable alternative safeguards that provide the same or greater protection for Customer information as the Utility provides.

ADOPTION DATE: _____ **EFFECTIVE DATE:** _____

Policy 17

Industrial and Commercial Customers

INTRODUCTION

This introduction has been attached to the policy to assist the utility in implementing it. It is not a part of the Policy. Any requests for a copy of this Policy by a Customer should not include a copy of this Introduction.

BACKGROUND AND PURPOSE

The needs of each Commercial and Industrial Customer seeking service from the Utility vary greatly and impact the Utility differently. Commercial customers whose demand is small may be able to connect to the utility system without adding to or upgrading the utility system or other exceptional circumstances. On the other hand, a utility may be required to add to or upgrade its system to serve an industrial customer in a large demand. When the utility system must be improved to serve a commercial or industrial customer, the cost of the system improvements to the commercial or industrial customer should be borne by that customer.

When the Utility determines that service to a Commercial or Industrial Customer will require additions to or upgrades of its system, service to the Commercial or Industrial Customer shall be governed by the policy covering Subdivisions and Developers, and the Commercial or Industrial Customer shall enter into a Developer Agreement with such Customer per that policy. Suppose service to a Commercial or Industrial Customer may adversely affect the Utility's existing rate structure. In that case, the Utility may adopt appropriate rates and charges for such Customer so that the Customer bears the added expense to the Utility to serve that Customer rather than the Utility's other Customers.

The Utility may modify or add to these procedures if construction costs are unusual or other unusual circumstances exist. In some instances, to be determined by the Utility on a case-by-case basis, the Utility may determine that an Industrial and Commercial Customer Agreement negotiated to meet the needs of their particular situation is more appropriate than a Developer Contract.

The Utility is run for the benefit of all present and future Customers. While no Customer shall intentionally be treated unfairly, no Customer shall be treated in a way that compromises the interests of other current and future Customers.

RECORD RETENTION All applications for service and contracts for service entered in between Commercial or Industrial Customers and the Utility shall be kept for a minimum of six (6) years after the Commercial or Industrial Customer is no longer a Customer of the Utility. All Commercial or Industrial Customers shall apply for service with the Utility in the form requested by the Utility.

1. If the Utility can provide service to a Commercial or Industrial Developer without adding to or upgrading its system, the Commercial or Industrial Customer shall execute a contract for service and pay all applicable fees under the Utility's Schedule of Rates and Charges to obtain the service.
2. When the Utility determines that it must upgrade or make additions to its system to provide service to a Commercial or Industrial Customer, the Commercial or Industrial Customer shall comply with all the requirements for a Developer in the Utility's Subdivisions and Developers Policy. The Commercial or Industrial Customer shall enter a Developer Agreement per the Utility's Subdivisions and Developers Policy.
3. If unusual circumstances exist, and the Board determines the Utility's Developer Agreement is inappropriate for the Industrial or Commercial Customer, such Customer shall be allowed to enter a separate "Industrial and Commercial Customer Agreement," with provisions tailored to that particular Customer's needs.
4. Where the Board has determined it to be necessary to issue debt or to take from the Utility's reserves or to enter into an Intergovernmental Agreement for debt for the construction of facilities to service the Customer, the Utility may impose a monthly surcharge to the Customer that shall include coverage for, though not be limited to, the following:
 - Debt Repayment.
 - Required Reserves for Debt Service.
 - Depreciation.
5. The Customer will be required to pay said monthly surcharge and post a Surety Bond with a corporate surety authorized to do business in the State of Tennessee or obtain an Irrevocable Letter of Credit issued by a national bank or a bank authorized to do business in the State of Tennessee to guarantee payment of the surcharge for a period of years.
6. The Utility may confer with its attorney during these procedures. Upon the utility's approval of the plans, specifications, and other necessary information, the utility's attorney will draft a contract between the utility and the developer.

ADOPTION DATE: _____ **EFFECTIVE DATE:** _____

Policy 18

Internet, Email, and Social Media Use Policy

RESPONSIBLE FOR ADMINISTERING POLICY: The City Administrator implements and enforces policies and rules established by the city/utility Governing Board of Commissioners

BACKGROUND AND PURPOSE

PURPOSE: The Internet provides information that can benefit the city/utility and those who carry out the mission of the city/utility. The policy of the city/utility is that those whose job performance can be enhanced through the Internet be provided access and become proficient in its capabilities. This policy document delineates acceptable Internet use by city/utility employees, volunteers, commissioners, and contractors while using city/utility-owned or -leased equipment, facilities, Internet addresses, Internet service, or domain names registered to the City.

BACKGROUND: The Internet comprises thousands of interconnected networks providing digital pathways to millions of information sites. Because these networks subscribe to common standards and protocols, users can access Internet hosts and their associated applications and databases worldwide. Electronic search and retrieval tools permit users to gather information and data from a multitude of sources and to communicate with other Internet users with related interests. Access to the Internet provides the city/utility with the opportunity to locate and use current and historical data from multiple sources worldwide. Those authorized to use the city/utility Internet/E-mail system must develop the skills necessary to utilize these tools in the performance of their jobs effectively.

SCOPE OF THE POLICY: This policy applies to Internet access, instant messaging, texting, and electronic mail (email) using any device owned or authorized for use by this city/utility, including but not limited to computers, workstations, cell phones, and handheld devices (in this policy all are called a "city/utility device"). All persons who use a city/utility device or access the internet through a connection provided by this city/utility are covered by and must adhere to this policy, including:

- The city/utility Governing Board of Commissioners and
- Full or part-time employees of the city/utility and
- Volunteers are authorized to use the city/utility devices and resources to access the Internet and
- City/utility contractors authorized to use city/utility devices.

POLICY STATEMENT

INTERNET AND EMAIL ACCESS: All employees, commissioners, and other users who have been authorized by this city/utility to use a city/utility device or have Internet or email access through a city/utility device or an internet connection provided by this city/utility may only use such devices and access for official city/utility business and no other purpose. The city/utility devices and internet connection may not be used for personal use, except in limited cases as explicitly provided in this policy.

Before any person may use the city/utility Internet or email system, the City Administrator must authorize such person. This authorization is accomplished by executing the city/utility "Internet and E-mail Use Form" (See attachment).

All city/utility devices, city internet connections, and data transmitted to and from or stored in such devices and connections are the sole and exclusive property of this city/utility. Users may not store any information, including photos and videos, on any city/utility device unless that information is for official city/utility business. This city/utility may assign or take devices from any user at any time and for any reason at the sole discretion of the city/utility. This city/utility is not responsible for maintaining any non-city/utility information on any city/utility device and may delete any such information at any time, without prior notice, in its sole discretion.

Users of the city/utility Internet devices, email system, and the city/utility internet connection shall not expect privacy as to any email, text message, usernames and passwords, stored information, or Internet use. Internet use and email messages sent or received on the city/utility devices or through the city/utility internet connection are not personal or private, and all are the property of the city/utility. The city/utility reserves the right to see and monitor emails, texts, and Internet use on the city/utility devices and its Internet and email system at any time and without the requirement of notice to any user.

LIMITED PERSONAL USE OF CITY PHONES: This city/utility does allow employees to make a limited number of personal calls and texts using City/utility cell and land-line telephones, as long as this use is at no additional cost to the city/utility. A city/utility employee or other authorized user may make infrequent and brief use of the city/utility landline and cell phone devices for incidental personal text messages and phone calls by those authorized to use that device but only during a meal, other personal break time and after working hours. No such personal text or phone use shall include any activity otherwise prohibited by this policy. Employees are reminded that using a phone or any other city/utility device is not private.

DOWNLOADING FILES OR ACCESSING WEB SITES: All persons who access the internet or receive city/utility emails must be cautious not to download any program or data or access any website except for data and sites that are known to be safe and are necessary for city/utility business. Unless a user knows a website or email source is safe through past use, users should also not access any website or click a website link unless the user knows the site is safe through past use. No user should download any program or data or access any website from a new or unknown source without first discussing it and receiving permission from the City Administrator. Viruses, spyware, and other computer intruders try to access the city/utility internet and computer system, so caution is always the best policy.

If any employee or city/utility device user suspects that an unwanted intruder may have entered the city/utility computer or another device, that person should immediately contact the city/utility City Administrator and make them aware of the circumstances.

PUBLIC RECORD: Information stored on a city/utility device (including photos, videos, and other data), as well as electronic text and mail, whether sent via the Internet or internally, maybe a public record subject to public disclosure under the Tennessee Public Records Law and may be subject to inspection and copying by the public (TCA 10-7-512).

INTERNET USE

ACCEPTABLE USE: Persons authorized to use the Internet under this policy represent the city/utility. Therefore, only ethical and legal uses of the Internet shall be considered acceptable. Examples of acceptable uses are:

- Accessing helpful business information is beneficial to the city/utility.
- Accessing vendor or city/utility association websites.
- Utilizing online learning from authorized sources

Unacceptable Use: (including but not limited to)

- Using the internet for purposes other than legitimate city/utility business.
- Accessing social media sites or chat rooms (such as Facebook, Instagram, or Twitter).
- Posting confidential information in newsgroups.
- Downloading music or non-business videos.
- Purchasing or selling personal or non-business items.
- Accessing personal or non-city/utility email or text accounts.
- Participating in any website that promotes or condones violence, discrimination of legally protected groups, or any unlawful act.
- Downloading any data or program without the prior express consent of the City Administrator.
- Transmitting copyrighted materials without authorization.
- Modify files or data belonging to other users without explicit permission.

- Accessing any website or content that contains defamatory, false, inaccurate, abusive, obscene, pornographic, profane, sexually oriented, threatening, racially offensive, or otherwise, biased, discriminatory, or Illegal material, whether in the form of a "joke" or otherwise.

E-MAIL USE: The City shall assign an email account to each employee authorized to use the city/utility Internet and email system as the city/utility deems necessary and appropriate. All communications and information transmitted by, received from, and stored in the city/utility Internet and email system are the city/utility's sole property, and their use is intended for work-related purposes by users authorized by the City Administrator.

The city/utility reserves the right to inspect (view), print, delete, copy, forward, or perform any other action deemed desirable by the city/utility to all communications noted above unless prohibited by federal or state law.

All employees must use their assigned city/utility email account when conducting city/utility business. Employees may not use a personal email account for city/utility business.

The following guidelines have been established for E-mail and Computer Use.

- Employees may not send messages that are harassing, intimidating, offensive, obscene, or discriminatory toward anyone
- Unknown emails should NOT be opened as they may contain file attachments, which are familiar sources of computer viruses. Some common viruses include malware, spyware, ransomware, worms, bots, and trojan horses. Even if you know who the email is from, do NOT open any unknown file attachments with .vbs, exe,.sys, or .com filename extensions. Any emails with questionable attachments should be sent to PCS Systems before opening.
- Should an employee receive, via email, inappropriate material such as messages containing harassing, intimidating, offensive, obscene, or discriminatory content from any source, the employee is obligated to delete it immediately. Forwarding of such material is strictly prohibited.
- All employees are forbidden to access someone else's emails; however, the City Administrator or mayor has a right to access any employee's email and text at any time for any reason without prior notice when not prohibited by federal or state law. Employees should not expect privacy or confidentiality in the city/utility e-mail or voice mail system.
- Employees are prohibited from using the city/utility email system to transmit any of the city/utility information that is confidential or privileged without prior permission of the City Administrator or to transmit customer information outside the city/utility without prior permission from the customer or his or her authorized representative.
- Creation or forwarding chain emails, regardless of content, is strictly prohibited.
- All messages on the city/utility email system are records of the city/utility, which the city/utility reserves the right to read or disclose for any reason at any time when not prohibited by federal or state law.

- Any city/utility vehicle that contains a computer owned by the city/utility shall be locked when the employee is away from the vehicle.
- All computers shall be turned off at the end of the employees' shift.
- It is the employee's responsibility to take proper care of the device.

Failure to abide by any of the provisions of this policy, in whole or in part, may result in discipline up to and including immediate termination without prior warning or notice.

INTERNET/EMAIL USE AND SOCIAL MEDIA

ACKNOWLEDGEMENT

I acknowledge receiving and reading a copy of the city/utility's Internet and Email Use Policy and social media Policy. I understand that all e-mail communications and Internet use information is the property of the city/utility, as is the information received from, transmitted by, or stored in the city/utility Internet/E-mail system. I understand that, except for certain content deemed confidential by federal and state law, I do not expect privacy in connection with any e-mail messages, Internet use, the use of city/utility equipment and/or service, or the transmission, receipt, or storage of information in this equipment.

I acknowledge and consent to the city/utility monitoring my Internet use, text, and email use whenever the city/utility deems it necessary. Monitoring may include reading and printing out all e-mail entering, stored in, or disseminated by the city/utility Internet/E-mail system. I agree not to use code, access a file, or retrieve stored information unless authorized. I understand this consent is a condition of my employment and/or continued association with the city/utility. I understand all the provisions specified in this policy. Further, I recognize that violating this policy may result in disciplinary action up to and including termination.

I agree to abide by the city/utility Internet and Email Use and social media policies.

Printed Username: _____

User Signature: _____

Date: _____

Policy 19

Multiple Connections to One Meter

RESPONSIBLE FOR ADMINISTERING POLICY: Manager, Governing Board

BACKGROUND AND PURPOSE:

1. Utility practice in the United States is accepted that only one dwelling should be allowed to hook onto a single utility service line. The utility service costs are to be shared as equitably as possible among utility Customers. Minimum bills reflect, among other things, the overhead required to keep utility service in place, regardless of whether a particular Customer uses the service during a billing period. The fact that the service is ready upon demand 24 hours a day to meet a customer's potential needs places financial demands on the system that are generally reflected in the minimum bill. If utilities allowed more than one Customer to hook up to a single service line, several users would pay only one minimum bill.
2. The legitimate overhead costs of the system would be disproportionately passed on to other Customers.
3. In addition, the following circumstances require the Utility to limit service to one dwelling unit per meter:
 - Extending lines to serve more than one Customer through a single service line may create pressure and/or quality problems within the system.
 - Meters and other equipment have a definite capacity and working range. If a single residential meter installation serves more than one Customer, the reliability and life span of the equipment are impaired.
4. The Utility is run for the benefit of all present and future Customers. While no Customer shall intentionally be treated unfairly, no Customer shall be treated in a way that compromises the interests of other Customers.

LIMITATIONS: The Utility is subject to various state and federal regulations and requirements set forth by its bondholders and has no discretion to offer service in a manner that would violate these regulations.

RECORD KEEPING DURATION: All multiple service connection records shall be kept for a minimum of ten (10) years after termination of service.

OMISSIONS: In the absence of specific rules or policies, the disposition of multiple connections to one meter shall be made by the Governing Board per its usual and customary practices.

POLICY STATEMENT: The service connection to single-family residences shall be limited to serving one residence only. No other dwelling, whether on the same or an adjoining parcel, shall be served through the same service connection. Customers may have lines extended to barns and other uninhabited buildings as part of their service, provided that the installation meets the Utility's specifications.

A residential tapping privilege **shall not** entitle a Customer to connect a commercial or industrial business, such as a beauty parlor or repair shop, to the Utility's lines without notifying the Utility and paying the additional amount required for a commercial or industrial tap.

Authorized employees, representatives, and contractors of the Utility shall have access to all properties served by the Utility at reasonable times to read meters, maintain and inspect lines and connections to the Utility (or believed to be connected to the Utility), observation, measurement, sampling and testing as provided by the policies of the Utility and by state and federal law.

The failure of a Customer to comply with the provisions of this and other Utility policies shall constitute a breach of contract by the Customer. The Utility shall serve any Customer found violating any provision of this policy with written notice stating the nature of the violation and providing a time limit for the satisfactory correction. The offending Customer shall permanently cease all violations within the period stated in such notice.

Any Customer who shall continue any violation beyond the time limit stated in the notice shall be disconnected from the system at the convenience of the Utility.

If more than one Customer is served from a single residential meter installation, the reliability and lifespan of the equipment are impaired. Connection of more than one unit to a meter, failure to give notice of additions, and changes in service to Utility equipment shall render the Customer liable for any damage to Utility lines or other equipment caused by the addition or modified installation.

The following residential dwellings shall have a SEPARATE METER FOR EACH LIVING UNIT:

- Single-family dwellings.
- Duplexes (two (2) meters).

The following residential dwellings shall be allowed to maintain multiple living units on one COMMERCIAL tap:

- Mobile home parks.
- Apartment buildings.
- Hotels, motels, and campgrounds.

All Customers in section (8) above who can receive service to multiple users through a single meter shall be charged commercial rates. In addition, the following method of bill computation shall apply:

The total usage shall be divided by the number of units, then applying the appropriate residential per/1,000 gals for the amount prorated for each unit, including the minimum bill, and multiplying the result by the number of units (***The units billed shall be established at the beginning of the year***). The total bill shall be the responsibility of the Customer contracted for the metered service. In effect, the utility charge for each such dwelling unit or business unit thus served will be computed as if each such unit had received service by separate meters.

ADOPTION DATE: _____ **EFFECTIVE DATE:** _____

Policy 20

Returned Check/Draft

If a customer check/draft is returned to the Utility by a financial institution for any reason, the maximum fee set by T.C.A. § 47-29-102 will be added to the amount due. **The fee is set by state law and can only be changed by a change to the law. As of April 1, 2013, the maximum fee to be charged is \$30.00.** The Utility will try to notify the Customer that the check/draft was returned unpaid and is being held by (*choose method below*):

- Mail
- Phone
- Email

The Customer may be required to pay by cashier's check, money order, or cash at the Utility's discretion. Payment must be within seven (7) days of such notice. If no response is received from the Customer or the Utility is unable to contact the Customer within seven (7) days, the Customer's account will be subject to forfeiture of the discount and/or the adding of any penalties due and be subject to the Utility's cut-off policy if payment is not received.

RECORD KEEPING DURATION

All records regarding returned checks/drafts shall be kept for at least five (5) years.

ADOPTION DATE: _____ EFFECTIVE DATE: _____

Policy 21

Service to Non-Owner Occupied

BACKGROUND AND PURPOSE: The Governing Board, manager, and staff shall treat any Customer seeking Utility service courteously and fairly.

It is accepted utility practice in the United States that utility service is a contractual relationship between the Utility and the person(s) whose name(s) appear on the service application. The Utility will furnish the same service to all Customers, regardless of their ownership interest in the property to which the service is delivered, with exceptions later detailed.

The Utility's Customer is the person(s) agreeing to service. The Customer(s) shall be responsible for timely payment of all fees, rates, and charges and abiding by all policies and rules of the Utility. The Utility is run for the benefit of all present and future Customers. While no Customer shall intentionally be treated unfairly, no Customer shall be treated in a way that compromises the interests of other Customers.

RECORD KEEPING DURATION: All service application records shall be kept for a minimum of ten (10) years after termination of service.

OMISSIONS: In the absence of specific rules or policies, the Board of Commissioners shall dispose of service to renters, lessees, and other non-owner-occupied property per its usual and customary practices.

POLICY STATEMENT:

Application for Service:

1. Any person(s) at least eighteen (18) years old who reside(s) or does business within the service boundaries of the Utility may apply for service with the Utility.
2. Persons desiring Utility service must apply in person at the Utility business office during regular business hours.
3. Each service application must include the following:
 - Applicant's name. The following persons must sign the application for Utility service:
 - Residential: Responsible adult residing in the dwelling or Landlord/owner of the dwelling
 - Commercial/Industrial: Any officer of the corporation or the Landlord/owner of the building
 - The applicant's social security number or driver's license number shall be listed along with their legal name.
 - All applicants must show proof of property ownership or a rental or lease agreement.

Landlords:

1. Property owners must complete proper documentation to set a property up as a rental property. By providing the following:
 - Deed, signed copy of contract or sales agreement, mortgage or loan paper documents.
 - Current driver's license or valid ID
 - All individuals listed on the property must sign for the property to be considered a rental property for utility service.
2. Landlords may keep Utility service in their name and pass the service costs on to their tenants by including it in the rent or by having the tenant pay the Utility bill.
3. If the Landlord fails to pay utility fees or bills on a timely basis or requests that utility service be disconnected to evict the tenant or for other reasons, the Utility will discontinue service in the Landlord's name. The Utility does not assist in evicting tenants; the landlord must use appropriate legal means for that purpose.
4. In this case, the Utility service contract is between the utility and the Landlord; however, since the termination of service to a dwelling or building where an unannounced cut-off may cause an undue hardship or endangerment to life or property, the utility deems it fair and reasonable that two business days' notice be given to tenants in the case where Landlords terminate service that is held in the Landlord's name.
5. Landlords are responsible for charges to properties where the Landlord contracts with the Utility as a Customer, regardless of who used the service.

Tenant

The landlord is not responsible for paying the bill. In this case, a utility contract is between the utility and the tenant; tenants are responsible for charges to properties where they contract with the utility.

ADOPTION DATE: _____ **EFFECTIVE DATE:** _____

Policy 22

Subdivisions & Developers

INTRODUCTION: *This introduction has been attached to the policy to assist the utility in implementing it. It is not a part of the Policy. Any requests for a copy of this Policy by a Customer should not include a copy of this Introduction.*

BACKGROUND AND PURPOSE: *In order for the Utility to serve the public and to comply with the regulations of the Environmental Protection Agency and the Tennessee Department of Environment and Conservation and other state and federal regulations, the Utility must establish rates, fees, and charges to produce revenue sufficient to meet all its obligations. The Utility's Governing Board must set rates, fees, and charges to produce sufficient revenues to pay for operating expenses and amortize the utility's bond indebtedness. The Utility will require Developers seeking to profit from residential or commercial construction to pay their fair share of such costs. The Utility may modify or add to these procedures if construction costs are unusual or other unusual circumstances exist. The Utility will determine unusual circumstances on a case-by-case basis.*

The Utility is run for the benefit of all present and future Customers. While no Customer shall intentionally be treated unfairly, no Customer shall be treated in a way that compromises the interests of other current and future Customers.

LIMITATIONS: *The Utility is subject to various city, county, state, federal, or other governmental agency requirements and has no discretion to provide service that would violate such regulations or requirements.*

RECORD KEEPING DURATION *All records regarding subdivisions and Developer contracts shall be kept indefinitely.*

OMISSIONS: In the absence of specific rules or policies, the Governing Board shall dispose of situations involving service per its usual and customary practices.

1. The Developer shall bear the costs and expenses incidental to the installation, connection, and inspection of Utility service facilities for residential subdivisions and commercial developments. In addition, the Developer shall indemnify the Utility from any loss or damage that may directly or indirectly result from the Developer installing utility lines and other facilities for one (1) year after the Utility accepts the facilities.
2. A Developer seeking to obtain service from the Utility will submit to the Utility a preliminary plat, which shall include the number, size, and estimated cost of each unit and any other information that will assist the Utility in deciding the availability of service. Each plat shall show the number of units and size (single family, duplex, etc.) to be served in the development. The Developer or his assignee will be responsible for obtaining all easements.
3. Upon receipt of the documents required by Paragraph 2 herein and the determination that the development is to be pursued, the Utility may select to submit the documents to its engineer for the preparation of plans and specifications or may select to accept plans and specifications submitted by the Developer for review and approval by the Utility's engineer.
4. If a planned development includes a fire protection system, the Developer shall submit total fire protection plans that include the number and location of sprinkler heads and hydrants.

5. The Utility may confer with its attorney during these procedures. Upon the Utility's approval of the plans, specifications, and other necessary information, the Utility's attorney will draft a contract between the Utility and the Developer.
6. Before any work is begun on any project, the Utility and the Developer shall sign the appropriate contract. The Developer shall notify the Utility of the proposed starting date of construction,, and all progress thereon shall be reported to the Utility weekly.
7. The Developer shall obtain all permits (building, plumbing, electrical, etc.) to serve these facilities and shall comply with the requirements of all other governmental agencies having jurisdiction. When the plan calls for the installation of mains under streets to be opened and dedicated within the development, the Developer shall execute a Deed of Dedication to the Utility of _____-foot easements within which such lines are to be installed or shall execute a Deed conveying in fee simple the property within which such lines are to be installed. The Deeds are to be executed before trenching to install such lines. These Deeds shall describe the easements and property of reference in the book and page of the recorded plat.
8. The Utility's policies regarding the requirement of easements are as follows:
 - All system improvements, including storage tanks, access roads, booster or pumping stations, and other facilities, shall be constructed on easements approved by the Utility or on property conveyed in a fee simple to the Utility.
 - The Developer or his agent shall obtain all easements.
 - All easements shall be shown on all final subdivision plats before the Utility will approve the plat.
 - Any easements required outside a proposed development shall be obtained by the Developer or his agent before the initiation of system construction, except those covered in (e) below.
 - If a line within a public right-of-way must be extended to bring service to a new development, the Utility may make an application to obtain the necessary permission to use such public right-of-way from the state, county, or other governmental authority having jurisdiction over the particular right-of-way.
9. The Utility will approve a final plat provided:
 - all system improvements have been constructed, and the plat constitutes an "as-built" condition; or
 - The developer gives the Utility a bond or letter of credit for 100% of the construction costs of proposed improvements as estimated by the Utility or the Utility's engineer. The Utility shall hold the bond until all improvements are constructed in full adherence to the plan or until a corrected and amended plat is recorded, noting all differences from the original plan. No service shall be initiated within a plated subdivision or development of any kind until either (a) or (b) above are completed to the satisfaction of the Utility. The Utility, in writing, may waive the bond for contracts under \$25,000.
10. Before the execution of a contract for over \$25,000, the Utility shall require the Developer to post a bond with corporate surety authorized to do business in the State of Tennessee or obtain an irrevocable letter of credit issued by a national bank or a bank authorized to do business in the State of Tennessee for the costs to construct the system improvements to serve the development. The Utility's manager may authorize the reduction of the bond or letter of credit based on certification by the Utility's engineer as to the percentage of completion of the project as designed by such engineer, with the bond to be reduced to 50% after the project shall be certified as 65% complete, reduced to 25% upon certification that the construction is 90% complete and to 10% upon certification that the construction is 100% complete, subject only to acceptance by the Utility.

11. No utility lines or other facilities shall be covered before inspection and approval by the Utility.
12. Where the Utility permits private lines that are not to be dedicated to the Utility, the Utility's engineer shall check and approve these lines.
13. Before the execution of the contract, the Developer must pay all fees and charges currently established by the Utility for the Developer, which may include but are not limited to the following:
 - All Tap Fees;
 - Connection Fees;
 - A Security Deposit or Non-Refundable Service Charge;
 - Plan Review Fees;
14. Upon execution of the contract, the Developer will make a nonrefundable payment to the Utility of _____% of the estimated costs of utility construction covered under this contract for engineering, inspection, legal, and administrative expenses.
15. The Developer will be permitted to connect to the Utility's existing lines provided the lines extended to and throughout the development shall become the property of the Utility free and clear of the claims of any persons or entities, except as provided otherwise herein.
16. The contract entered between the parties shall operate as a conveyance of the facilities when they are installed and accepted without the necessity of any further writing, contract, or deed; however, the Utility may also require a deed of exchange.
17. The Board should select one of the following options:
 - The utility will install and purchase all meter settings, meters, and services, and the Developer will be charged according to the Utility's current fee structure.
 - All meter settings, meters, and services will be installed and purchased by the Developer.
 - The developer will install and purchase all meter settings and services and furnish a utility-approved meter for installation by the Utility.
18. Each family residence or duplex shall be served with a separate meter of a minimum size specified by the Utility.
19. Apartment complexes or other types of dwellings or businesses shall be served by a meter of a size approved by the Utility.
20. All water services will be installed to comply with the utility's cross-connection program.

ADOPTION DATE: _____ **EFFECTIVE DATE:** _____

Policy 23

Theft of Service and Tampering

POLICY STATEMENT

Tampering with Utility equipment or stealing service will be grounds for discontinuing the Utility service.

Theft of service shall include, but not be limited to, the following:

- Opening valves at the curb or meter that Utility personnel have turned off.
- Breaking, picking, or damaging cut-off locks.
- By-passing meters in any way.
- Taking unmetered water from hydrants by anyone other than an authorized official of a recognized fire department, fire insurance company, or Utility for any purpose other than firefighting, testing, or flushing of hydrants.
- Use sprinkler system water service for any purpose other than fire protection.
- Removing, disabling, or adjusting meter registers or transmitters.
- Connecting to or intentionally damaging water lines, valves, or other appurtenances to steal or damage Utility equipment.
- Moving the meter or extending service without permission of the Utility
- Any other intentional defacement, destruction, or vandalism to Utility property or act that affects Utility property.
- Any intentional blockage or obstruction of Utility equipment.

A "notice of violation" may be mailed or otherwise delivered at the discretion of the Board of Commission if:

- Evidence suggests the possibility of theft of Utility service at the Customer's premises.
- The violation does not constitute an immediate threat to the safety or equipment integrity of the system.
- The Customer will be ordered to cease any unlawful practice immediately.

No "notice of violation" will be mailed or delivered, and Customer service is subject to immediate cut-off in any of the following situations:

- In addition, the Customer will be subject to a \$____violation payment, service call charges, labor, and replacement parts as detailed by the Utility.

If the Utility determines theft of service has occurred, the following options:

- The utility reserves the right to adjust the Customer's current bill and the bills for the past twelve (12) months of usage. If the approximate amount of service that was stolen cannot be reasonably determined, the Customer's usage will be set at two (2) to four (4) times the minimum bill, as set on a case-by-case basis by the Governing Board of the Utility according to the facts of each case.
- If the utility can reasonably determine the flow of stolen water during the period by flow testing the meter, the account will be charged the flow per minute at twenty-four (24) hours per day and backdated to the day the service meter was tampered, locked out, or pulled.

Service will not be restored until all payments for the following are received by the Utility:

- Adjusted payment for Utility service.
- Violation payment (see section 4 above).
- All service call charges.
- Labor.
- Replacement parts.
- Reinstatement of service charge.

Service will be reinstated only during regular working hours, Monday through Friday, 8:00 a.m.-4:00 p.m., except in an emergency.

The Utility's discontinuance of service does not release the Customer from liability for payment for service already received or from liability for payments that become due under the minimum bill provisions or other provisions of the Customer's contract.

The Utility shall not be liable for any loss or damage from discontinuing service.

The Customer(s) whose name(s) appear(s) on the application/contract for service is (are) the Customer(s) responsible for payment of all charges. That Customer is also responsible for any rules or policy violations regarding the Utility service to that property. Personal participation by the Customer in any such violation shall not be necessary to impose personal responsibility on the Customer.

If any Customer fails to pay any Utility fee or charge, the Customer shall pay all collection costs, including court costs and reasonable attorney's fees, incurred by the Utility in collecting such sums.

The Utility shall have the right to refuse to render service to an applicant or to any member of an applicant's household who is living at the same address whenever such person(s) is (are) delinquent on any payment to the Utility or had his or her service discontinued because of a violation of the regulations or policies of the Utility.

If the Customer fails to pay the fees and charges listed above, the Utility may fully prosecute the Customer of the law.

ADOPTION DATE: _____ EFFECTIVE DATE: _____

TCA 65-35-102. Prohibited acts.

It is unlawful for a person to:

(A) Knowingly tap, cut, burn, break down, injure, destroy, or otherwise interrupt or interfere with the current, lines, cables, poles, towers, fixtures, or appliances utilized to furnish service to the general public by any telephone or telegraph company, or electric light or power company engaged in furnishing communication, light, heat, or power by electricity; or

In any way injure, remove, destroy, or interfere with any gas, sanitary sewer, or water fixtures or appliances.

Obtain or attempt to obtain, by the use of any fraudulent scheme, device means or method, telephone or telegraph service or the transmission of a message, signal, or other communication by telephone or telegraph, or over telephone or telegraph facilities with the intent to avoid payment of the lawful price, charge or toll therefor, or for any person to cause another to avoid such payment for such service, or for any person to avoid payment, to conceal or to assist another to conceal from any supplier of telecommunication service or any lawful authority the existence or place of origin or of destination of any telecommunication, or for any person to assist another in avoiding payment for such service, either through the making of multiple applications for service at one (1) address, or otherwise;

Obtain or attempt to obtain by use of any fraudulent scheme, device, means or method, electric, sanitary sewer, water, or gas service, with intent to avoid payment of the lawful price, charge or toll therefor, or for any person to cause another to avoid such payment for such service, or for any person to assist another in avoiding payment for electric, sanitary sewer, water, or gas service, either through the making of multiple applications for service at one (1) address, or otherwise;

Divert or use electrical power with the intent to defraud or deprive any public or private electric power supplier from receiving proper charges or payment for such electrical power or

Commit any of the following acts that would make gas, electricity, telephone, sanitary sewer service, or water available to the tenant or occupant by committing any of the following acts:

- Connect any tube, pipe, wire, or other instrument with any meter, device, or other instrument used for conducting telephone, gas, electricity, sanitary sewer service, or water in such a manner as to permit the use of the telephone, gas, electricity, sanitary sewer service, or water without same passing through a meter or other instrument recording the usage for billing.
- Alter, injure, or prevent the action of a meter, valve, stopcock, or other instrument used for measuring quantities of telephone, gas, electricity, sanitary sewer service, or water.
- Break, deface, or cause to be broken or defaced any seal, locking device, or other parts that make up a metering device for recording usage of telephone, gas, electricity, sanitary sewer service, or water or a security system for such recording devices.
- Remove a metering device for measuring telephone, gas, electricity, sanitary sewer service, or water quantities.
- Transfer from one (1) location to another a metering device for measuring telephone, gas, electricity, sanitary sewer service, or water utilities.
- Use a utility-owned metering device that has not been assigned to the location and installed by the Utility.

- Adjust the indicated consumption, jam the measuring device, bypass the meter or measuring device with a jumper so that it does not indicate use, register incorrectly, or otherwise obtain quantities of telephone, gas, electricity, sanitary sewer service, or water from the Utility without the same passing through a metering device for measuring quantities of consumption for billing; or
- Fabricate or use a device to pick or otherwise tamper with the locks used to deter electric current diversion, telephone diversion, gas diversion, water diversion, sanitary sewer service diversion, meter tampering, and meter thefts.

65-35-103. Evidence of violation.

- Any property on which it is found to have telephone, electric, gas, sanitary sewer, or water utilities tampered with in violation of § 65-35-102 and capable of receiving telephone, electricity, gas, sanitary sewer, or water service as a result of the use of any method of diversion prohibited in that section, is prima facie evidence and creates against the tenant or occupant a presumption of intent to tamper or divert in violation of the provisions of § 65-35-102.
- The presence upon property served by a Utility of a metering device altered to improperly monitor the amount of Utility service used on or by such property is presumptive evidence that the Utility Customer has diverted or used Utility service with the intent to deprive or defraud the Utility from receiving proper charges or payment for such Utility service in violation of the provisions of this chapter.

65-35-104. Civil liability - Damages - Liens - Perfection of liens.

- Any person violating the provisions of § 65-35-102 is liable civilly for damages resulting from such violation, including actual, compensatory, incidental, and punitive damages.

The damages shall be three (3) times the Utility's estimated revenue loss, plus reasonable attorneys' fees and associated costs.

- A finding of guilt in violation of § 65-35-102, as part of an action brought to impose the penalties under § 39-14-104, is conclusive evidence of liability for civil damages recoverable under this chapter in any court of appropriate jurisdiction in a proceeding to assess civil damages against the guilty party.
- Regardless of any criminal charge or lack thereof, any Utility may nevertheless bring a civil action in any court of appropriate jurisdiction against the owner, occupant, or tenant and allege the violation of any of the acts prohibited by § 65-35-102 and upon a finding that the person has violated § 65-35-102, the court shall likewise determine the estimated loss of revenues and award judgment for sums specified in subsections (a) and (b). *Any Utility that can adequately establish the amount of Utility service fraudulently taken on or by any premises occupied by the owner thereof shall have the right to declare a lien for the value of such Utility service against the property on which the Utility service was taken.*
- The lien shall be filed within one (1) year of the date of the Utility's first actual knowledge of the fraudulently diverted Utility service.

- The lien shall be perfected upon filing a notice with the office of the register of deeds of the county in which the property upon which the lien is claimed is located. Such lien shall be second only to state, county, or municipality liens for taxes and special assessments. Any valid lien, right, or interest in such property duly recorded or duly perfected by filing before the filing of such notice. Such notice shall contain the name of the titleholder(s) of the property upon which the lien is claimed, the property address, a description of the property sufficient to identify it, the signature and address of the entity claiming the lien, and the amount claimed by such entity.

The priority of liens established by this subdivision shall apply to all liens filed according to this subsection on or after April 10, 1990.

- If a Utility has not registered the notice provided in subdivision (e)(3), such lien shall not be effective against a bona fide purchaser for value without actual or constructive knowledge of the fraudulently diverted Utility service.
- Civil actions according to the provisions of this section shall be commenced within the time required by Tennessee law in an action to recover damages for the loss of property.

Policy 24

Unclaimed Property

BACKGROUND AND PURPOSE:

Any Customer seeking utility service shall be treated courteously and fairly by the Governing Board, Manager, and staff. It is accepted utility practice in the United States that money and other property that utilities hold for Customers, employees, and other entities be returned to the owner of that property within a reasonable period after termination of the Utility's relationship with the owner. If a reasonable faith effort to locate the owner of such property is unsuccessful, the money or other property must be reported to and turned over to the State Treasurer.

Tennessee's unclaimed property law [TCA 66-29-100/153] requires that.

Money or other property not claimed by the owner within the specified dormancy period must be reported to the State Treasurer. The state will then attempt to notify the owner. There is no limit to the time an owner must reclaim the property.

Unclaimed funds turned over to the state may be claimed by the owner at any time. The state uses funds not returned to owners to offer financial assistance to medical practitioners who agree to set up practice in a rural Tennessee area where medical care is unavailable.

Under [TCA 66-29-108], state law declares the following: "The following funds held or owing by any Utility are presumed abandoned:

1. Any deposit made by a subscriber with a Utility to secure payment, any sum overpaid, or any sum paid in advance for utility services to be furnished, less any lawful deductions, that has remained unclaimed by the person appearing on the records of the Utility entitled thereto for more than two (2) years after the termination of the services for which the deposit, overpayment, or advance payment was made.
2. Any sum that a Utility ... has been ordered to refund by a court or administrative agency, together with any interest thereon, less any lawful deductions, which has remained unclaimed by the owner for more than two (2) years after it became payable per the final determination or order providing for the refund, whether or not the final determination or order requires any person entitled to a refund to claim for it; and
3. Property described above, without regard to any activity or inactivity within specified abandonment periods, whose owner is known to the holder to have died and left no one to take the property by will and no one to take the property by intestate succession.

RECORD KEEPING DURATION: All meter deposit and employee payroll records shall be kept permanently. Under TCA 68-29-113, Utilities shall maintain a record of the name and last known address of the owner of unclaimed property for ten (10) years after the property becomes reportable.

OMISSIONS: Without specific rules or policies, the Board of Commissioners shall dispose of unclaimed property disputes per its usual and customary practices.

POLICY STATEMENT: All unclaimed property is required by law to be reported and turned over to the State Treasurer based on the following timetable:

1. ALL unclaimed property must be reported on and turned over to the State Treasurer's office by November 1 OF EACH YEAR, reporting property held as of June 30 of the previous year. The report shall be submitted through the online portal of the Unclaimed Property Division at <https://www.reprtittn.gov/account/login>
2. If the Utility holds a Customer's unclaimed property in the amount of fifty (\$50) dollars or more, the Utility is required to attempt to contact the owner by first class mail not more than one hundred eighty (180) days, nor less than sixty (60) days before filing the report under 66-29-123 of the Utility has in its records an address for the apparent owner sufficient to direct the delivery of the first-class United States mail to the apparent owner, which the Utility's records do not disclose to be invalid. The Utility is NOT obligated to publish or advertise a list of unclaimed property owners.
3. Any Customer's unclaimed property in an amount less than fifty (\$50) dollars does NOT require a first-class mailing. The amount is reported and remitted to the state treasurer on November 1.

ADOPTION DATE: _____ **EFFECTIVE DATE:** _____

Appendix A - Agreements

- I. Developer
- II. Industrial & Commercial Customer

Appendix B - notices

- I. Published Decision by the Board & Appointment Method



Developer Agreement

THIS AGREEMENT made on the _____, by and between the _____,
hereinafter referred to as "Utility," and _____, hereinafter referred to as
"Developer."

WHEREAS the Utility owns and operates the water system that will service the
_____ as described below; and WHEREAS, the Developer has made an application for
utility service.

1. NOW, THEREFORE, in consideration of the premises and the mutual promises of the parties herein contained, and other good and valuable considerations, the receipt of all of which is hereby acknowledged, the parties hereto have entered into the following Agreement:
2. Upon completion by the Developer of all the Utility's requirements set forth herein, the Utility hereby agrees to and will permit the Developer to connect to the Utility's lines and to install the lines and other facilities necessary for proper installation. The Developer is to install the facilities for the utility service strictly per the drawings, plans, and specifications as drawn or approved by the Utility. These drawings, plans, and specifications are attached to the Agreement and made a part hereof as though copied herein.
3. The Developer agrees to comply with all health, safety, workers' compensation, and other applicable federal, state, and local statutes or governmental agency regulations in performing its obligations under this Agreement.
4. The Developer will pay for all material and labor necessary to install and complete the facilities per all drawings, plans, specifications, and this Agreement.
5. At the time of execution of the Agreement, the Developer will pay to the Utility all fees and charges currently established by the Utility for:
 - 6 % percent of the costs of installation of the utility construction covered by this contract, including engineering and legal fees and \$1,000 per lot capacity fee.
The Utility's total estimated cost for installation of utilities covered in this contract is \$_____.
6. The Utility shall have a continuous right to inspect the work on the facilities to assure the Utility that the same are being installed as approved. If work is found not to meet the Utility's standards, the Utility has the right to stop said work on all or any portion of the work until work is upgraded to the Utility's standards.
7. Upon project completion and the Utility giving written notice of acceptance, the Utility shall be and become the sole owner of the facilities, free and clear of the claims of any person or entity without the necessity of any further writing, contract, or deed; however, the Utility may also require a deed of exchange thereof. The parties intend this Agreement to operate as a conveyance of the facilities when installed and accepted.

8. The Developer agrees to produce and submit to the Utility as-built drawings for all the facilities it constructs.
9. The Developer hereby warrants all facilities installed according to the provisions of this agreement against defects in workmanship and material for one (1) year from the date of acceptance thereof in writing by the Utility. Further, the Developer shall immediately repair, at its own cost and expense, all breaks, leaks, or defects of any type arising from any cause occurring within one (1) year from the date the facilities are accepted in writing by the Utility. Upon the failure of the Developer after reasonable notice to take immediate steps to make such repairs, the Utility is hereby authorized by the Developer to make such repairs at the reasonable cost and expense of the Developer or to have such repairs made by a third party at the reasonable cost and expense of the Developer hereunder.
10. The Developer hereby guarantees that the facilities shall be paid for in full and that no liens or encumbrances shall remain about the facilities.
11. In the event the Developer fails to install the facilities per the terms of this Agreement, the Utility may, in its sole discretion, elect to accept all or a portion of the facilities installed. Should the Utility choose to accept all or a portion of these facilities, the Utility shall become the sole owner of the accepted facilities upon giving the Developer written notice of its acceptance without the necessity of any further writing, contract, or deed. The Utility's election to accept such facilities under this paragraph shall not be construed as an assumption of any obligation related to these facilities of the Developer or any third party.
12. If the Developer fails to install the facilities in accordance with the terms of this Agreement, the amounts paid to the Utility under paragraph 4 are not refundable to the Developer.
13. The Developer shall require any contractor or contractors who perform work to install the facilities to furnish the Developer bonds covering the faithful performance of work and the payment of obligations arising from work on the facilities.
14. The Developer shall provide a copy of this Agreement to any lender or contractor who performs work installing these facilities before entering into any contract with such lender or contractor.
15. The Developer covenants and agrees to hold the Utility harmless from the claim of any person, firm, corporation, or entity, to defend any action at law or equity brought, and to protect the Utility against any judgments rendered growing out of the installation herein provided for whether the same be on private or public property.
16. If the Developer breaches this Agreement, the Developer shall bear the cost of the Utility's reasonable expenses, including attorney's fees and other expenses incurred in any efforts to enforce this Agreement, whether by negotiation, litigation, or otherwise.
17. The Developer understands and agrees that no third party shall obtain any benefits or rights under this Agreement to water or sewer tapping privileges, and no connection shall be made to any residence or other customer site until all necessary arrangements have been made per the Utility's Rules and Regulations.

18. A copy of such Rules and Regulations is attached to this Agreement and made a part of this Agreement, and in the event of any discrepancies between the terms of this Agreement and the Rules and Regulations, the latter shall control.
19. The invalidity or unenforceability of any provision hereof shall not affect the validity or enforceability of the remaining provisions.
20. This Agreement shall constitute the entire agreement of the parties. This Agreement may be modified or amended only by an instrument in writing executed by all parties hereto.
21. All notices permitted or required under this Agreement shall be deemed given if hand-delivered or mailed by United States registered or certified mail, postage prepaid, return receipt requested, to the following address: _____.
22. The Developer agrees to pay the Utility monthly a "Dry Tap Charge." This charge is a per lot fee calculated to cover the Utility's cost of depreciation of the utilities being installed under this contract. The fee shall be paid until the lot(s) have been sold and the new owner installed a tap on the lot. Failure to pay said fees shall relieve the Utility from any obligation to provide service to this development. This fee for this project is \$_____per lot per month minimum.
23. The Developer shall issue a Bond or irrevocable Letter of Credit in an amount of money which the Utility, in its sole discretion, deems necessary to cover the "Dry Taps Charge." The Utility can reduce this Bond or Letter of Credit at its derision. In no way shall the Utility's right to future drafts of the Irrevocable Letter of Credit be impaired by the foregoing terms. Action by the Utility in calling on or drawing on the said Irrevocable Letter of Credit according to the terms of the Bond shall not be deemed a release of the principal for any liability hereunder. The principal acknowledges that it is liable for all obligations under this Bond and associated obligations under this Bond and its Water Service Contract with the Utility.

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the day and date first above written.

Utility: _____ By: _____
 Developer: _____ By: _____



Industrial & Commercial Customer Agreement

This agreement made and entered into as of the _____ day of _____, 20____, by and between _____, hereinafter referred to as "Utility" and _____, hereinafter referred to as the "Company".

WHEREAS the Utility proposes to furnish the Company with utility services to be used in its facilities, and the Company desires to purchase such services from the Utility, and,

WHEREAS, the Company needs to have assured economical, adequate, and reliable utility services for its employees and its use; and,

WHEREAS it is the intention and desire of both the Utility and the Company that the charges to the Company for utility services be designed to recover the full cost of providing such service to the Company and that such charges shall not be discriminatory nor preferential as to either the Company or other customers of Utility; and,

WHEREAS, Utility has agreed to issue its bonds and/or obtain loans in the amount of \$_____ to finance the construction of additional facilities, which loan is to be repaid without limitation from revenues derived from the Company, which will use the facilities being expanded according to this agreement.

NOW, THEREFORE, IN CONSIDERATION of the mutual promises and agreements hereinafter contained, the Utility agrees to sell and furnish certain utility services, and the Company agrees to purchase from the Utility such services upon the conditions and limitations hereinafter provided.

TERM: This agreement shall become effective as of the date first above written. This agreement shall continue in effect for the initial primary term of _____ years from the date of execution hereof and from year to year thereafter unless terminated by either party at the end of said initial term or of any yearly renewal thereof at the end of the initial term upon at least six (6) months prior written notice.

CONSTRUCTION OF FACILITIES: The Utility will construct or cause to be constructed with diligence extensions and improvements to the Utility's current facilities (hereinafter referred to as improvements) per the plans and specifications described in and on Exhibit 1 (*attach a copy of plans*). The Utility will make a reasonable effort to complete the construction of said improvements within _____days after the date this agreement is executed. The plans and specifications have been based on information provided by the Company on the estimated utility service demand and quality required by the Company. A copy of such estimate is attached to this agreement as Exhibit 2 and made a part hereof.

RATES AND CHARGES.

- Rates and charges for utility service used shall be the same as established by motion or resolution of the Utility's governing board. A copy of the rates currently in effect as of the date of this agreement is attached hereto as Exhibit 3 and incorporated herein by reference.
- If changes in the rates and charges for utility services are required to assure adequate and reasonable revenue to the Utility and to preclude discrimination or preference between charges for services to the Company and other customers of the Utility, the Utility may modify the charges and rates.
- During the term of this agreement, the Company, whether in operation or not in operation, shall pay each month the total of utility rates and charges computed per the Utility's rates and charges then in effect for the actual number of gallons or cubic feet used.

CONTRACT ADJUSTMENTS AND AMENDMENTS: Adjustments and amendments to this agreement deemed appropriate shall be made by mutual agreement. In such a case, this agreement may be supplemented with a written amendment signed by the parties or a written letter of understanding between the two (2) parties and signed by each. The parties expect a notification letter to handle rate changes and adjustments. It is contemplated that Utility will give as much advance notice as possible of a rate change to the Company.

DEFAULT: The Company shall be in default under the terms hereof in the event of any or all of the following: (1) The Company fails to pay to the Utility amounts required hereunder; (2) The Company fails to do or perform all other acts required of the Company by the terms hereof; or, (3) Utility determination that any of the material representations of the Company contained herein are untrue or incorrect. Upon the occurrence of a default by the Company, if the Utility is not then in default hereunder, the Utility shall have all remedies it has against any other Utility customers. In addition, the Utility shall have the right to seek injunctive or mandatory relief or obtain monetary damages. All remedies provided to the Utility hereunder shall be cumulative, and pursuing any one remedy shall not preclude pursuing any other remedies.

MONTHLY CONSTRUCTION / DEVELOPMENT SURCHARGE AND BOND: The monthly surcharge and bond are \$_____and shall be paid by the Company to the Utility for _____years, whether or not this agreement remains in effect for this time. Before the execution of this Agreement, the Company must post a surety bond with corporate surety authorized to do business in the State of Tennessee or obtain an irrevocable letter of credit issued by a national bank or a bank authorized to do business in the State of Tennessee, for the payment of the monthly surcharge in the amount specified and for a length specified in paragraph six (6) of this Agreement. This bond shall continue in force and effect and provide for payments irrespective of whether this Agreement remains in effect or has been terminated.

TAP FEE: The Company shall pay the Utility a tap fee of \$ _____, as set forth in the attached rate and fee schedule, as set forth in Exhibit 3, prior to the start of construction of the facilities.

FACILITIES TO BE FURNISHED: The Utility will furnish for the use of the Company the following:

PAYMENTS: Payment for utility service shall be made periodically per the rules and regulations of the Utility.

METERING: Metering shall be by standard meters approved by the Utility, which shall be installed and maintained by the utility. The Company shall have the right to install and maintain meters adjacent to or near the Utility's meters at its expense as a check on the Utility's meters. Should the Utility's meters fail to register for any period, the consumption during such period shall be determined based on the Policy adopted by the Utility. If requested by the Company, the Utility shall have tests or inspections made of meters, which the Company will pay for if the meter is not within established standards; otherwise, the Utility will bear the cost of testing and repair or replacement of the meter(s).

SUCCESSORS OR ASSIGNS: This Agreement and/or the duties and obligations of the Company hereunder may not be assigned, transferred, or transferred to a successor by the Company without the Utility's prior written consent. Any attempted assignments without such consent shall be deemed void and shall be breached hereof. It shall entitle the non-breaching party to terminate this Agreement and seek all remedies provided hereunder.

WAIVER: No waiver of any provision or default under this Agreement shall affect either party's right thereafter to enforce such provision or to exercise any right or remedy in the event of any other default, whether or not similar.

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the day and date first above written.

UTILITY: _____

By: _____

Title: _____

COMPANY: _____

By: _____

Title: _____



(THE FOLLOWING APPLIES **ONLY** IF THERE IS A LIEN HOLDER)

_____ (Creditors) are holders of a promissory note dated in the total principal sums \$ _____, secured by _____. Creditors hereby solely for subordinating, do hereby subordinate _____, the liens of said to this Release and Covenant Not to Sue in favor of the Utility; but said _____ shall not otherwise affect hereby and shall continue to be in full force and effect as before the execution and delivery hereof, subject and subordinate only to said Release and Covenant Not to Sue.

Wherever used in this instrument, the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall apply to all genders.

WITNESS OUR HANDS this _____ day of _____, 20____.

Owner(s): By: _____ By: _____

Lien Holder: _____ By: _____

Utility: _____ By: _____

(STATE OF TENNESSEE) (COUNTY OF _____)

Personally, appeared before me, the within named _____, with whom I am personally acquainted, and who, after being duly sworn, executed the within instrument in my presence and acknowledged that he/she executed said instrument for the purposes contained therein.

WITNESS my hand and official seal at _____, on this the _____ day of _____, _____.

MY COMMISSION EXPIRES

NOTARY PUBLIC



Friendsville Utility Meter Damage Policy

All meters used for billing purposes by Friendsville Utility are the utility's property, as are the meter installations, meter boxes, and yokes. No customer shall perform any work on a water meter, install any pipe or other service to bypass any such meter, or in any way cause the utility meter to not fully register all water usage by the customer.

Meter and meter installations must be fully accessible to the utility at all times and free from impediments, including but not limited to not being fenced-in, clear of trees, bushes, shrubs, structures, vehicles, and equipment to Utility access, maintenance, and meter reading. Upon notification from the Utility, the Customer agrees to remove any impediments to Utility access. If such impediments are not removed within a reasonable time as requested by the Utility, service will be disconnected. Service shall be reinstated after any impediments are removed and the Customer pays all bills, reconnection fees, and other fees.

The customer is responsible for any damage to the utility meters or meter installation equipment caused by the customer, his agents, employees, or persons living in or occupying the household, dwelling unit, or business unit. Furthermore, the customer is responsible for any damage caused to the Utility meter due to theft or vandalism.

Such customer(s) shall be billed for the actual costs of repairs or replacement of any damaged or stolen utility meter or installation equipment as listed above.

The customer will accrue the following charges for damage or theft to the utility meter:

Labor	\$60.00 an hour
Cut-off for non-payment	\$75.00
Tampering of Lock (picked or removed)	\$80.00
Replacement of Lock	\$25.00
Tampering with Meter	\$80.00
Replacement of Meter	Cost of Meter



Property Owner Agreement

Rental Property Address

City

Zip Code

Property Owner(s) Name (Print)

I understand that the information provided shall be limited to any changes in the customer of record's name, including when the services are to be placed in the owner's name and when services are terminated by the current customer of record or for nonpayment of any past-due amount owed to Friendsville Utility.

When the tenant moves out of the property address listed above, the utility account will go back to the property owner(s) named above. The property owner is responsible for notifying the utility when tenants move out. The landlord will incur charges on the utility account if the utility is not notified. I acknowledge that I will be charged a fee of \$50.00 each time the utility service is placed in my name when the tenant moves out of the residence.

By signing below, I swear or affirm that the information I have provided about the property is accurate. Legal charges could be brought to me if I misrepresented this information. You are responsible for contacting Friendsville Utility if any information needs to be changed.

Property Owner

Date

Property Owner

Date

Friendsville Utility

Date

