

## Webb Creek Utility District

### Utilities Contract

**This Agreement** made and entered into on this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between **Webb Creek Utility District** hereinafter referred to as “**District.**” and \_\_\_\_\_, hereinafter referred to as “**Developer.**”

Whereas, in order for the **District** to serve the public and to comply with Environmental Protection Agency and Tennessee Department of Environment and Conservation regulations, the **District** must establish rates, fees and charges to produce revenue sufficient to meet all its obligations; and

Whereas, under the Utility **District** Act of 1937, the Commissioners must set rates, fees, and charges sufficient to produce revenues to pay for operating expenses and to amortize the bond indebtedness of the **District**; and

Whereas, the **District** requires **Developers** who seek to develop land for residential or commercial use utilizing the water and/or sewer systems of the **District** to pay such costs and adhere to procedures as outlined herein with the **District** retaining the right to modify or add to these procedures should water and sewer costs be unusual or should extraordinary circumstances exist in the opinion of the **District**; and

Whereas, the **District** has adopted such rules and regulations.

NOW, THEREFORE, the parties hereto agree as follows:

1. The costs and expenses related to the design, permitting, installation, connection and inspection of water and/or sewer facilities for residential subdivisions, commercial developments, or any other type of system expansion shall be paid by the Developer. In addition, the Developer shall indemnify the **District** from any loss or damage that may directly or indirectly result from the installation of water and/or sewer facilities by the Developer.
2. A Developer seeking to obtain water and/or sewer services from the **District** will submit to the **District** a preliminary plat prepared by Tennessee licensed engineer or land surveyor and containing any necessary information for review and a determination of availability of service by the **District**. Each plat will show the number of units (single family, duplex, etc.) to be served in the development, all existing and proposed properties lines and easements, public rights of way, other existing or proposed utilities and any

other information necessary to facilitate a preliminary review of the project by the **District**.

3. When the plat shows the installation of water and/or sewer lines under streets to be dedicated within the development, the **Developer** shall execute a Deed of Dedication to the **District** of easements or shall execute a Deed conveying in fee simple the property within which such facilities are to be installed. The Deeds are to be executed after the installation of such water and/or sewer facilities. The **District** will not permit use of newly installed water and/or sewer facilities until the deeds have been executed and transferred to the **District**. These Deeds shall describe the easements or land by reference to the book and page of the recorded plat. The **Developer** must provide the utility a letter from the **Developer's** engineer that all roads within the development are completed to grade before any waterline will be installed. No additional dirt fill will be allotted to the road after installation of the waterline.

4. The **Developer** further agrees to comply with the **District's** policies and procedures regarding the requirements of land and easements as follows:

(a). All water and/or sewer system improvements including water storage tanks, pumping stations, and treatment plant improvements shall be constructed on easements across private property or on property conveyed in fee simple to the **District**.

(b). All easements shall be acquired by the property owner and/or **Developer** that requests service and shall be conveyed to the **District**. The minimum width of any permanent easement for water and/or sewer lines shall be twenty (20) feet.

(c). All easements shall be shown on all final subdivision plats before the plat will be signed by the **District**.

(d). Any easements that are required outside a proposed development shall be obtained by the **Developer** prior to the initiation of water and/or sewer system construction by the **Developer**.

(e). If a water and/or sewer line within a public right-of-way must be extended to bring service to the new subdivision, the **Developer** must 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.

5. The parties agree that the **District's** Engineer will review and approve the **Developer's** plans and specifications prior to submittal for State approval. After the **District's** Engineer has reviewed and approved the plans and specifications and the **Developer** has paid the **District** the appropriate charges due as outlined in Paragraph 10 (d) hereinafter, the **District** shall sign the final plans and specifications for water and/or sewer system approval provided the **Developer** submits the **District** its surety bond for 100% of the construction costs of proposed improvements as estimated by the **District's** Engineer. The **District** shall hold said bond until all improvements are constructed in full

adherence with the plans or until “as-built” plans are submitted to the **District** noting all approved changes from the original plans. After the **District** has approved the plans and specifications, the **Developer** shall submit said plans and specifications and any applicable review fees to the Tennessee Department of Environment and Conservation for approval. The **Developer** shall provide the **District** with one (1) set of State approved plans and specifications upon receipt.

No water and/or sewer service of any kind shall be initiated within the development until the above is completed to the satisfaction of the **District** or the **District** has waived same in writing.

6. Before work of any type is begun on the project, this Contract shall have been signed between the **District** and the **Developer**. The beginning of construction and all progress thereon shall be reported to the **District** in writing, signed by the **DEVELOPER** (legible handwritten reports are acceptable). Reports on progress shall be filed monthly with the **District**. Water and/or sewer lines or other facilities shall remain uncovered until inspected and approved by the **District**.

7. Where private water and/or sewer lines are permitted by the **District** and are not to be dedicated to the **District**, the **District’s** engineer will inspect and approve these lines.

8. The **District** may confer with its attorney during each of these procedures. The **Developer** will be responsible for all legal fees incurred.

9. As a condition to the **District’s** execution of this Contract with a **Developer**, the **Developer** must at the time of the execution of this Contract pay all charges required by Paragraph 10 herein. The **District** shall require the **Developer** to post a surety bond with corporate surety authorized to do business in the State of Tennessee. The **District’s** manager may authorize reduction of the bond to 10% upon certification that the construction is 100% complete, subject only to acceptance by the **District**. The remaining 10% shall be held for a period of one year after acceptance by the **District**. After the one year period, if there is no reason for forfeiture, the bond will be released.

10. The standard requirements governing work progress and fees and charges to be contained in the contract are set forth in this paragraph. The following are mandatory requirements for connecting to the existing facilities of the **District**:

(a). The **Developer** will be permitted to connect to the **District’s** existing water and /or sewer facilities provided the water and/or sewer facilities extended to and throughout the development shall become the property of the **District** free and clear of the claims of any persons, firms, or corporations, with the **Developer** warranting said work for a one-year period after acceptance by the **District**.

(b). The **Developer** will provide and install all materials necessary for service connection. All meters shall be purchased and installed by the **District** pursuant to **District** policies and standards.

(c). In areas with an existing water line the district shall install service connection pursuant to **District's** standard procedures. Service tap fees will be charged per **District** Schedule of Rates and Charges as a non-utility contract customer.

(d). Upon execution of the contract, the **Developer** will pay to the **District** for the subdivision, section of a subdivision, or development the following amounts for legal expenses and for engineering, inspection, and administrative expenses, as per Addendum A attached.

(e). Upon execution of the contract, the **Developer** shall pay all connection fees as requested, as set out in the **District's** current schedule of rates and charges for each unit.

(f). Upon execution of the contract, the **Developer** shall pay all fees charged by the Tennessee Department of Environment and Conservation for the review and approval of plans for construction.

(g) Each single family residence or each duplex or other property shall be served with a separate water meter not smaller than 3/4" in size. In the event a water meter, or sewer connection serves an apartment complex and/or business property with units owned and/or occupied by more than one individual, firm, or corporation, the same shall be separated so as to have a meter for each ownership and/or occupant.

11. When a water leak occurs in any line or appurtenance under warranty by either **Developer** or contractor for the **Developer**, the cost of repairing the leak and the damage caused by the leak when performed by the **District** shall be paid by the **Developer**.

12. Where flow ceases in wastewater lines under warranty by either a **Developer** or contractor for the **Developer**, all damages suffered by the **District's** customers and all repair work performed by the **District** shall be paid by the **Developer** warranting such wastewater lines.

13. For purpose of any notice required pursuant to this agreement, correspondence shall be sent to the parties at the following addresses:

**DEVELOPER:**

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

**DISTRICT:**

Webb Creek Utility District  
3625 Lindsey Mill Road  
Gatlinburg, TN. 37738

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

**DEVELOPER:** \_\_\_\_\_

**BY:** \_\_\_\_\_

**DISTRICT: WEBB CREEK UTILITY DISTRICT**

**BY:** \_\_\_\_\_

**ADDENDUM A**

Webb Creek Utility **DISTRICT**  
3625 Lindsey Mill Road  
Gatlinburg, TN. 37738  
February 2, 2001  
Revision #1 Dated September 1, 2006  
Revision #2 Dated June 1,2007  
Revision #3 Dated October 7,2011

**FEE SCHEDULE IS AS FOLLOWS:**

Attorney at Law (Per Current Rate)  
Engineers (Per Current Rate)  
State of Tennessee (Per Current Rate)

**DURING REGULAR BUSINESS HOURS:**

District Manager - 55.00/hr.  
Assistant Manager - 50.00/hr.  
District Staff - 46.00/hr.

**AFTER REGULAR BUSINESS HOURS:**

District Manager - 80.00/hr.  
Assistant Manager - 75.00/hr.  
District Staff - 69.00/hr.

Other \_\_\_\_\_