

RULES AND REGULATIONS
Applicable to the
Water System
Owned and Operated by
TOWANDA MUNICIPAL AUTHORITY
EFFECTIVE JUNE 1, 2013

A. CONDITIONS OF SERVICE AND APPLICATION FOR SERVICE

1. Service connections will be made and water service will be furnished upon written application by the prospective property owner or his proper agent, duly authorized in writing, on a form prepared by the Authority for such purpose, and after approval of such application by the authority. The application for service shall state the purpose or purposes for which water will be used and such other appropriate information as shall be required by the Authority.

2. All property owners receiving water service upon the effective date of these rules and regulations, by continuing to be thus served, shall be bound by these Rules and Regulations and the water rates, rents, and charges of the authority in effect, and which may be changed from time to time, pursuant to proper action by the Board of the Authority. With respect to future property owner, the application of such property owner, by the taking of water, agrees to be bound by these rules and regulations and the prevailing water rates, rents and charges of the authority, whether service is based upon contract, agreement, signed and accepted applications or otherwise.

3. All owners of any improved property benefitted by the water system and within the statutory distance as established by appropriate Municipal Codes shall be required to connect their water fixtures to the water system within 90 days of notice to connect, provided, however, that any owner, who shall have his own source of water upon his premises may, at the option of this Authority, continue to use such private system if such owner makes a written request to continue to use such private water system and agrees to pay a minimum monthly charge to the Authority for each separate property owner unit, family unit or business, using such private water system.

4. No private water source may be developed within the Authority service area (the area with in which mandatory connection is required under the applicable municipal code) unless prior written consent of the Authority is obtained, and if such private water source is permitted to be developed, may only be used and operated as permitted and authorized by the Authority.

5. Any modification, repeal, supplement, or amendment of these Rules and Regulations shall be applicable to and shall govern property owners receiving water service upon the effective date of such modification, repeal, supplement, or amendment, as well as future property owners of the water system.

6. A new application must be made to and approved by the authority upon any change in the identity of a property owner or upon any change in type or purpose of water service required by a property owner. The Authority, upon ten (10) days written notice, may discontinue water service until such new application has been made and approved.

B. CONNECTIONS TO SYSTEM

7. The Authority shall make all connections to its mains. Upon approval of an application for water service and the payment of the required tapping fee, and upon compliance with Rule 9 of these Rules and Regulations, the Authority will tap the main, insert corporation stop, install a service line to the curb, or if no curb, to the property line, and insert a curb stop with curb stop box, all of which facilities shall be maintained by the Authority.

8. All service lines from the curb box to the structure (and through the wall of the structure and housing facility for the meter, if any) to be served shall be installed according to Authority specifications by the prospective property owner, at his own expense, shall be of Type K copper, plastic rated at 200 PSI or more, or other material approved by the Authority, shall be laid at least four feet (4') below the surface of the ground and shall be kept in good repair at the expense of the property owner. No service line or other connections between the curb box and the structure to be served shall be covered up in the process of installation until inspected and approved by the authority.

9. No service line shall be laid in the same trench with a gas pipe, drain or sewer pipe or any other facility of a public service company, but must be laid in a separate trench not less than five (5) feet from any other facility.

10. Service connections will be made only after the prospective property owner has completed installation of his service line from the structures to be served to the curb box, or has given assurance, satisfactory to the Authority, of his intention to do so.

11. No service connection from the main to the curb box will be installed by the Authority when street or highway openings are prohibited by the Commonwealth, Borough or Township, or when, in the judgment of the Authority, working conditions are unreasonable for such installation.

12. There shall be placed on the service line, immediately within the wall of the structure to be served and so located as to drain all of the pipes in the building, a stop and waste cock, easily accessible to the occupants for their protection, enabling them to turn off water in case of leaks and to drain pipes to prevent freezing.

13. The size of the service connection from the main to the curb box necessary to serve adequately a property owner and the location of such service connection shall be determined by the Authority. If any applicant for water service shall request a service connection of a greater capacity than that determined by the Authority to be adequate, or if any such applicant shall

request that a service connection be located in a location different from that determined by the Authority, the Authority, in its discretion, may install such service connection in accordance with the request of the applicant.

14. When it is necessary to replace an existing service connection from the main to the curb box, the Authority will replace said connection in the same location as the old service connection, provided, however, that if the property owner, for his own convenience, desires the new connection at some other location and agrees to pay to the Authority all expenses of cutting off the old service connection at the main and any other additional costs incurred by the Authority in complying with said request, then the Authority will install the new service connection at the location desired, if said location is approved by the Authority.

15. Only persons properly authorized by the Authority shall be permitted to make service line and service connection installations.

16. All excavations made within street or road right-of-way lines shall be made only after a permit has been issued by the Borough, Township or State and the work of excavation, back-filling and replacement of pavement shall be done in strict accordance with Borough, Township or State specifications and subject to Borough, Township or State inspection and approval.

17. All property owners shall keep and maintain their service lines, cocks and apparatus in good repair and condition, shall protect the same from frost, and shall prevent all waste of water.

18. All leaks in service lines from the curb box to, in and upon the premises supplied with water shall be repaired promptly by the property owner, at his own expense. Upon failure of such property owner to make such repairs, within a period of five (5) days (or a reasonable time determined by the Authority), the Authority, in its discretion, may discontinue water service to such property, after which water service shall not be restored until and after the property owner shall have completed the repairs and paid to the Authority the full amount of all proper and necessary expenses incurred by the Authority in discontinuing and again restoring water service, which shall include a charge for discontinuing and then a charge for restoring water service, which shall be set by resolution from time to time.

19. The Authority shall not be responsible for maintenance of any service line or any other line, pipe, or fixture on the outlet side of the curb box, nor shall the Authority be responsible for any damage resulting from escape of water from any service line or any pipe or fixture on the outlet side of the curb box. The property owner at all times shall comply with all state and municipal regulations relating to service lines and any pipes and fixtures on the outlet side of the curb box, and the Authority shall not be required to deliver water service thereto, unless so approved. The property owner, at his own expense, shall make any and all changes to such service lines, pipes, and fixtures which shall be required or made necessary as a result of any change of grade, relocation of mains or distribution lines or otherwise.

20. No property owner shall direct, in any manner whatsoever, water being furnished to such property owner to any other person, except with written permission of the Authority first having been requested and granted.

21. No person obtaining water from a private water supply, under any circumstances, shall construct or maintain, any connection directly or indirectly, between such private water supply and the water system.

22. A separate service connection and curb box shall be installed for each property owner unit, provided, however, that if a building, house or other structure contains two or more property owner units, and the owner or owners thereof shall so request in writing or the Authority shall deem it advisable, the Authority in its discretion, may install a single service connection and box for such building, house or other structure.

C. METERS

23. All meters shall be furnished by the Authority, shall be accessible to and under the control of the Authority, and shall remain the property of the Authority.

24. Meters shall be conveniently located within the structure supplied or in facilities for the housing thereof satisfactory to the Authority, at a point approved by the Authority, so as to control the entire water supply, and a proper place and protection therefore shall be provided by the property owner at his expense. In any case where it is not convenient to place the meter within the structure, or where the service line from the curb box to the structure to be serviced is more than 100 feet in length, the Authority may permit the meter to be placed outside the structure in a vault or meter pit, which shall be frost free, and provided with a suitable cover. Said vault or meter pit shall meet the Authority's specifications and be subject to prior Authority approval as to location and construction. Said vault or meter pit shall be built or purchased at the expense of the property owner.

25. The Authority reserves the right to determine when a meter shall be installed and the size of each meter installed.

26. Meters will be maintained by the Authority as far as ordinary wear and tear is concerned, but the property owner shall be responsible to the Authority for any damage or loss of any meter arising out of or caused by the property owner's negligence or carelessness or that of the person living upon or being upon his premises, under his employment, or by consent or sufferance, whether such damage or loss shall be caused by freezing, hot water, or any other cause whatsoever. The property owner shall permit no one, except an agent of the Authority, or others lawfully authorized so to do, to remove, inspect or tamper with the meter or other property of the Authority on his premises.

27. The charge for reinstallation of meters when removed because of damage in any way for which the property owner is responsible under Rule 26, shall be fixed by the Board of the Authority

from time to time.

28. Meters may be sealed by the Authority and the breaking of meter seals, other than by an agent of the Authority, will be cause for discontinuance of service and other action as appropriate to the circumstances.

29. The quantity of water recorded by the meter shall be conclusive on both the property owner and the Authority, except when the meter has been found to be registering inaccurately or has ceased to register. In either case excepted above, the meter shall be repaired promptly by the Authority, and the quantity of water consumed for the billing period when the meter was out of service or registering inaccurately shall be estimated by the average registration of the meter on the three previous corresponding billing periods.

30. Should any property owner doubt the correctness of the meter measuring the water delivered to his or her premises, he or she may, upon application to the Authority and making deposit to defray the costs, as set forth in the schedule below, have said meter tested. Should the test show the meter in question to be correct within five percent (5%), the property owner shall forfeit the deposit made. On the other hand, should the test show the meter to be registering incorrectly beyond five percent (5%), said deposit shall be refunded and the account adjusted accordingly, and the entire costs of the test shall be borne by the Authority. Deposits may be required with requests for meter tests as set by the Authority.

31. The Authority shall have the right of free access at all reasonable times to the premises in or on which a meter is installed for purposes of setting, reading, testing, inspecting and/or repairing the same.

D. TIME AND METHOD OF PAYMENT

32. All bills are due and payable when rendered and payment is required by the due date. If such billings are not paid by the due date an additional sum of 10% shall be added to such net bills. Payment made or mailed and post marked on or before the due date, shall constitute payment within such period. If the due date shall fall on a legal holiday or on a weekend, then payment made on or mailed and postmarked on the next succeeding regular business day shall constitute payment within such period.

33. All bills for the use of water are charged against the owner of the premises served, and the property where the water is used. Failure to receive bills for water service does not relieve the owner from liability to pay. The burden is upon the owner of the property to keep track of all unpaid water bills. All unpaid bills for water service three (3) months or more delinquent may result in a lien against said property in the amount of said unpaid bills, together with any legal costs and filing fees related to said lien. The Authority shall also have the option of filing with the District Magistrate for any unpaid bills or any other means of collection.

34. There shall be a service charge in an amount established by resolution from time to time imposed for all checks returned for insufficient funds or for a closed account or for any other reason plus any other reasonable costs and fees incurred by the Authority. The Authority may pursue criminal prosecution under 18 Pa.C.S. Sec. 4105, Bad Checks, and also treat the bill as unpaid and proceed as provided in Section E Below whenever a bad check is received in payment of a bill.

35. All water passing through a meter or otherwise used by a property owner, shall be charged for in accordance with the schedule of rates, rents, and charges in effect at the time and no allowance will be made for excessive consumption due to leaks or waste.

E. DISCONTINUANCE OF WATER SERVICE

36. Water service to any property may be discontinued for any of the following reasons:

(A) Misrepresentation of a substantial nature in the application for service, including but not limited to, misrepresentation as to the property or fixtures to be supplied or the use to be made of the water supplied.

(B) Failure to make payment of a bill for water service by the due date following the due date of billing.

(C) Failure to properly maintain the connections, service lines, and other fixtures of the property owner or to protect the meter or connections, service lines, and other fixtures, of the property owner from freezing and other damage.

(D) Use of water for any property or purpose other than as stated in the application for service.

(E) Willful waste of water through improper or imperfect pipes, fixtures or other causes.

(F) Tampering with or molesting any service connections, pipe, meter, curb box, curb stop or seal, stop cock, valves, fire hydrant, or any other appliance operated by the Authority in the water supply system.

(G) Failure to pay any bill properly due to the Authority.

(H) Vacancy of any premises not reported to the Authority.

(I) Violation of any resolution which has been, or may be adopted in the future by the Authority pertaining to the water system.

(J) Refusal to permit access for inspection of water facilities on the premises served or for setting, reading, testing, and/or repairing the meter.

(K) Failure to maintain current list of tenant names and addresses with the Authority.

(L) Violation of any Authority Water or Sewer Rules and Regulations

37. After the event requiring discontinuance has occurred, discontinuance for owner-occupied properties shall only be effected after five (5) days written notice.

38. Notice and Collection Procedure for Discontinuance of Service of Tenant Occupied property shall be as follows:

A. Notice of Discontinuance shall be given to the landlord in accordance with the Utility Service Tenant Rights Act (hereinafter " Rights Act") at least thirty-seven (37) days before the date of discontinuance.

B. Notice of Discontinuance shall be given to each tenant to be affected by the discontinuance (the tenants listed pursuant to paragraph 36(K)) and all other entities entitled to notice under the Rights Act at least seven (7) days after notice to the landlord and at least thirty (30) days prior to the proposed date of discontinuance. Provided that if the landlord files the Court Petition provided for in the Rights Act, no notice shall be given to the tenant until the Court shall have adjudicated such Petition.

C. For purposes of complying with tenant notice requirements, all landlords owning rental properties served by the system shall notify the Authority within five (5) days of any change in the identity or address of any tenant of such rental property. Failure to provide such notice shall make the landlord liable for all expenses, penalties, fines, costs, and other losses incurred by the Authority and the payment to the Authority of a charge for each tenant notice not given in a timely manner.

D. The procedure for payment, reconnection, subsequent discontinuance, and any other proceedings regarding Tenant Discontinuances shall be conducted in conformity with the Rights Act.

39. After discontinuance of water service for any reason, water service shall not be restored until the violation has been corrected, all damage and loss to the Authority occasioned by such violation has been paid, and proper assurance, satisfactory to the Authority, has been given that the expenses incurred by the Authority in discontinuing and restoring water service shall be paid by the property owner in advance of the reestablishment of water service, which shall include a charge for restoring water service. Provided that if required by the Utility Service Tenants Rights Act, service shall be restored as required by said Act.

40. Water service may be discontinued to any premises upon written order of the property owner provided, however, that the basic minimum fee shall be charged to the property owner, even though the premises shall be temporarily unoccupied. Provided, that if the affected structure is tenant occupied, all notices and procedures required by the Utilities Service Tenant Rights Act shall be complied with.

F. FIRE PROTECTION

41. Water from public or private fire hydrants or other fire protection systems shall be used only in the case of fires, except that water from public fire hydrants may be

used, in a reasonable amount, for the purpose of testing the hydrants and fire-fighting apparatus, such tests to be conducted only by the properly authorized agents or employees of the Authority, Borough, or Township, under the supervision of the Authority. No public fire hydrant shall be used for the sprinkling of streets, roads or alleys, for flushing of sewers or gutters, or for any purpose other than fire protection, unless specifically permitted in writing by the Authority.

42. Every property owner, by the taking of water, understands and agrees that the Authority, by providing public and/or private fire protection service, does not contemplate any special service, pressure, capacity or facility other than that ordinarily provided in normal operation. The Authority declares itself free and exempt from any and all claims for injuries or damage of persons and/or property by reason of fire or water or failure to supply water pressure or capacity.

G. WATER SYSTEM EXTENSIONS

43. The Authority may cause an extension of the Water System for reasons of health, safety and welfare of citizens, or for economic reasons, or because of mandates by State or Federal regulating agencies, or for other reasonable cause. Costs of said extension shall be assessed on a front foot or other permitted basis against each property benefitted in accordance with the appropriate Borough, Township or Municipal Authority Code, whichever case is applicable.

44. A. Front Foot Assessments

The Authority as stated in 43 above, may assess the costs of extension to the Water System against the properties benefitted in accordance with the applicable Borough, Township or Municipal Authority Code.

B. Benefit Assessments

In lieu of a front foot assessment, a benefit assessment may be imposed by the Authority upon the owners of irregular shaped properties with water frontage when it is determined that a front foot assessment would result in a payment inequitable to the benefit derived from the Water System.

45. Whenever application is received by the Authority for water service requiring an extension or improvement of the water system to provide such service, the Authority and/or its Engineer shall first determine the feasibility of said extension or improvement in terms of Water System Capacity and other related consideration.

Where the water system of the Authority is to be extended at the expense of the owner or owners of property, the property owner or owners shall have the right to construct the extension him/themselves or through a subcontractor approved by the Authority, which approval shall not be unreasonably withheld, provided that the

Authority shall have the right, at its option, to perform the construction itself only if the Authority provides the extension at a lower cost and within the same timetable specified or proposed by the property owner or owners or his/their approved subcontractors.

Construction by the property owner or owners shall be in accordance with an agreement for the extension of the Authority's system and plans and specifications approved by the Authority, and shall be undertaken only pursuant to the existing regulations, requirements, rules, and standards of the Authority applicable to such construction and shall be further subject to inspection by an inspector authorized to approve such construction and employed by the Authority during construction. When a main is to be extended at the expense of the owner or owners of properties, the property owner or owners may be required to deposit with the Authority, in advance of construction, the Authority's estimate of reasonable and necessary cost of reviewing plans, construction inspections, administrative, legal and engineering services. The Authority may require that construction shall not commence until the property owner has posted appropriate financial security. The Authority may prescribe that the property owner or owners shall reimburse the Authority for reasonable and necessary expenses incurred as a result of the extension. If an independent firm is employed for engineering review of the plans and the inspection of improvements, reimbursements for such services shall be reasonable and in accordance with the ordinary and customary fees charged by the independent firm for work performed for similar services in the community, but in no event shall the fees exceed the rate or costs charged by the independent firm to the Authority when fees are not reimbursed or otherwise imposed on applicants. Upon completion of construction, the property owner or owners shall dedicate, and the Authority shall accept, the extension of the Authority's system, provided that dedication of the facilities and the installation complies with the plans, specifications, regulations of the Authority, and the agreement.

46. Where a property owner constructs or causes to be constructed at his expense any extension or improvements of the water system of the Authority, the Authority shall provide for the reimbursement to the property owner when the owner of another property not in the development for which the extension was constructed, connects a service line directly to the extension within ten (10) years of the date of the dedication of such extension to the Authority in accordance with the following provisions:

A. Such reimbursement shall be equal to the distribution or collection part of each tapping fee collected as a result of subsequent connections. The Authority shall be entitled to deduct from each reimbursement payment an amount equal to five (5) per centum which shall be deemed to represent the appropriate charge for administrative expenses and services rendered in calculating, collecting, monitoring, and disbursing the reimbursement payment to the property owner entitled thereto.

B. Reimbursement shall be limited to those lines which have not previously been paid for by the Authority.

C. The Authority shall, in the preparation of the necessary reimbursement agreement with the property owner or owners for whose benefit reimbursements will be provided, attach as an exhibit an itemized listing of all water facilities for which reimbursement shall be provided.

D. The total reimbursement to which a property owner or owners shall be entitled shall not exceed the costs of all labor and material, engineering and design charges, the cost of performance and maintenance bonds, Authority review and inspection charges, as well as flushing and televising charges and any and all charges involved in the acceptance and dedication of such facilities by the Authority, less that amount which would be chargeable to such property owner based upon the Authority's collection and distribution tapping fees which would be applicable to all lands of the property owner served directly or indirectly through such extensions if the property owner did not fund the extension.

E. The Authority shall be required to notify by certified mail, to his or their last known address, the property owner or owners for whose benefit such reimbursement shall apply within thirty days of the Authority's receipt of any such reimbursement payment. In the event that the property owner or owners have not claimed a reimbursement payment within one hundred and twenty (120) days of the mailing of the notice, the payment shall revert to and become the sole property of the Authority with no further obligation on the part of the Authority to refund the payment to the property owner or owners.

H. GENERAL CONDITIONS

47. All waste of water is prohibited. No property owner shall allow water to run to waste or to run merely to prevent freezing. Each property owner shall keep his faucets, valves, service lines, hoses, etc., in good order and condition at his own expense.

48. As necessity may arise in case of break, emergency, or other unavoidable cause, the Authority shall have the right to temporarily cut off or limit water supplied in order to make necessary repairs and connections, and for other necessary purposes. The Authority will use all reasonable and practicable measures to notify the property owner in advance of such limitation of service, if possible. (In emergency situations, such notification may not be possible.) The Authority shall not be liable for any damage or inconvenience suffered by the property owner, nor in any case for any claim against it at any time, for interruption in service, lessening of supply, inadequate pressure, poor quality of water, or any cause beyond its control.

49. The Authority shall have the right, at all times, to restrict or regulate the quantity of water used by property owners in the case of scarcity or drought, or whenever the public welfare may require such control. The Chairman of the Authority, or in his absence, any duly designated member of the Board of the Authority, may declare a water emergency under this rule.

50. The Authority will not be liable for any claim or damage arising from the shortage of water, the breaking of machinery or other facilities, or by any other cause beyond its control.

51. Water shall not be turned on to any premises by any person not an agent or employee of the Authority, except temporarily by a plumber to enable him to test his work, provided it shall be turned off again immediately after the test is made.

52. For all new construction and systems not exempted by the state laws and regulations, backflow prevention shall be installed at the property owner's expense between the Authority's water system and the served premises at a location approved by the Authority.

53. The Authority may require the installation at the property owners expense of pressure reducing valves in areas of high system pressure.

54. The Authority may require the installation of a pressure-boosting pump and tank at the property owner's expense in the event of low system pressure.

55. In cases of vacancy, the property owner must notify the Authority within five (5) days of such vacancy, and upon his failure to do so will become responsible for any damage to the property of the Authority arising from such failure.

56. No interconnection or cross connection shall be made or permitted between the water system and any other water supply. No fixture, device, or fitting shall be installed which will permit or provide a back flow connection between the water system and any well, drainage system, solid pipe or waste pipe which would permit or make possible the back flow of sewage into the water system.

57. No person, unless specifically authorized to do so, shall open or close any of the stop cocks, valves, fire hydrants, etc., in any public water line owned and maintained by the Authority.

58. Any duly authorized representative of the Authority whose identification as such duly authorized representative has been established in a reasonable manner, upon reasonable cause shown, shall be authorized upon and have full access to the premises then being supplied with water from the water system for the purpose of inspecting the facilities employed in connection with the use of water from the water system and for the purpose of setting, reading, repairing, or removing meters.

59. Contractors, builders, or others will be required to obtain a written permit from the Authority before using water for building or construction purposes. The Authority may require a deposit and/or meter upon application for building and construction purposes.

60. Property owners using the water supply for steam boilers, which depend upon hydraulic pressure in the pipe system of the water system for supplying such boilers, will do so at their own risk. The Authority will not be responsible for any accident or damage to which such devices may be subjected. The water supply line to the boiler shall be provided with a stop cock to shut off supply.

61. House boilers for domestic use must be provided with vacuum valves in all cases in order to prevent collapsing when water is shut off from the distribution pipes. The Authority will not be responsible for accidents or damage resulting from imperfect installation or operation of such valves. House boilers shall be provided with a stop cock to shut off supply.

62. No water will be furnished to any premises where any possibility exists of mingling of the water furnished by the Authority with water from any other source; nor will the Authority permit its mains or service pipe to be connected in any way to any piping, tank, vat or other matter which may flow back into the Authority's service pipe connected into the Authority's service pipes or mains and consequently endanger the water supply. An exception may be made to this rule, at the option of the Authority, provided proper safeguards are installed which shall be inspected and have the approval of the Authority, appropriate insurance underwriters and the Pennsylvania Department of Environmental Protection, if applicable.

63. The Authority shall not be liable for any damage resulting from leaks, broken pipes, or any other cause occurring to or within any house or building, and it is expressly stipulated by and between the Authority and the property owner that no claims shall be made against the Authority on account of the bursting or breaking of any main or service pipe or any attachment to the water system.

64. The Authority shall be under no obligation, at any time, to make any extension to its then existing water mains, but may do so upon the written request of one or more prospective property owners, either wholly or in part at the expense of said prospective property owner or property owners, at the option of the Authority. In so far as possible, all water mains owned and maintained by the Authority shall be constructed within a public road or street right of way, or within an easement to allow access provided for such purpose across private property at any time to permit inspection, repair, replacement, or construction of the necessary facility.

65. The Authority reserves the right to change, review, and amend these Rules and Regulations, the rates for the use of water, to make special rates, or to enter into contracts to provide water to property owners, provided such special rates and/or contracts shall be in the public interest of users of the Water System.