North Carolina Instruction 442.1A Exhibit C Page 1

RULES AND REGULATIONS OF TOWN OF CRESWELL, NORTH CAROLINA

I. CLASSIFICATION OF SERVICE

All services are classified under one category to include residential, schools, churches, and commercial users.

II. RATE SCHEDULE AND TAP-ON FEES

A. Rate Schedule:

1. Insite Town Limit

| First 2000 gallons | @ | \$5.50 | Minimum |
|-----------------------|---|--------|---------|
| Next 2000 gallons | @ | 1.25 | /M |
| All over 4000 gallons | @ | 1.00 | /M |

2. Outside Town Limit

| First 2000 gallons | @ | 11.00 | Minimum |
|-----------------------|---|-------|---------|
| Next 2000 gallons | @ | 1.25 | /M |
| All over 4000 gallons | @ | 1.00 | /M |

B. Tap-On Fees:

- Prior to completion of construction. (The installation of service connections and meters along any particular line).
 - a. For one meter no charge.
- After construction has been completed, (service connections have been installed along any particular line), regular tap-on fee will be:

| | 3/4" Connection | 1" Connection |
|--|-----------------|---------------|
| Within 6 months of project completion | \$ 50.00 | \$ 75.00 |
| Within 12 months of project completion | 100.00 | 150.00 |
| Thereafter | 120.00 | 180.00 |

III. APPLICATION FOR SERVICE

- A. Service will be supplied only to those who reside within the Town Limits or those outlisde the Town Limits who pay for the line from the nearest main inside the Town to the point of connection of the user.
- B. User will make application for service, in person, at the office of the Town Clerk and at the same time make the deposit guarantee required below.

- C. The Owner may reject any application for service not available under a standard rate or which involves excessive service cost, or which may affect the supply of service to other customers or for other good and sufficient reasons, in which case the deposit fee will be refunded.
- D. The Owner may reject any application for service when the applicant is delinquent in payment of bills incurred for service previously supplied at any location, provided that when the owner of the premises has been served water and has not paid for the same, the owner shall not be required to render service to anyone at said location where the water was used until said water bill has been paid.

IV. DEPOSIT

- A. All consumers will make a minimum cash deposit of \$10.00. In no case shall a deposit be required in excess of two months estimated consumption. Deposits shall not draw interest.
- B. The individual in whose name the deposit is made shall be responsible for payment of all bills incurred in connection with the service furnished.
 - C. A separate deposit is required for each meter installed.
- D. The deposit receipt is not negotiable and can be redeemed only at the office of the Town Clerk.
- E. Where the owner finds that the request for a deposit refund is questionable, the owner may require the applicant for refund to produce the deposit receipt properly endorsed.

V. INITIAL OR MINIMUM CHARGE

- A. The initial or minimum charge, as provided in the rate schedule, shall be made for each meter installed, regardless of location. Each meter requires a separate meter reading sheet, and each meter reading sheet shall cover a separate and individual account.
- B. Water furnished for a given lot shall be used on that lot only. Each consumer's service must be separately metered at a single delivery and metering point. Each commercial unit and each storeroom or stall used for business purposes shall have a separate meter. All commercial use including storerooms and stalls for business purposes shall be metered separately from any residential use and vice versa, whether now in service or to be installed in the future.

VI. OWNER'S RESPONSIBILITY AND LIABILITY

- A. The Owner shall run a service line from its distribution line to the property line where the distribution line runs immediately adjacent and parallel to the property to be served, and for which a tap-on fee then in effect for each size of meter will be charged.
- B. The Owner may install its meter at the property line or, at the Owner's option, on the consumer's property or in a location mutually agreed upon.

C. When two or more meters are to be installed on the same premises for different consumers, they shall be closely grouped and each clearly designated to which consumer it applies. D. The Owner does not assume the responsibility of inspecting the consumer's piping or apparatus and will not be responsible therefor. E. The Owner reserves the right to refuse service unless the consumer's lines or piping are installed in each manner as to prevent cross-connections or backflow. F. The Owner shall not be liable for damage of any kind whatsoever resulting from water or the use of water on the consumer's premises, unless such damage results directly from negligence on the part of the Owner. The Owner shall not be responsible for any damage done by or resulting from any defect in the piping, fixtures, or applicances on the consumer's premises. The Owner shall not be responsible for negligence of third persons or forces beyond the control of the Owner resulting in any interruption of service. G. Under normal conditions, the consumer will be notified of any anticipated interruption of service. VII. CONSUMER'S RESPONSIBILITY A. Piping on the consumer's premises must be so arranged that the connections are conveniently located with respect to the Owner's lines or mains. B. If the consumer's piping or consumer's premises is so arranged that the Owner is called upon to provide additional meters, each place of metering will be considered as a separate and individual account. C. Where meter is placed on premises of a consumer, a suitable place shall be provided by consumer for placing such meter - unobstructed and accessible at all times to the meter reader. D. The consumer shall furnish and maintain a private cutoff valve on the consumer's side of the meter; the owner to provide a like valve on the supply's side of such meter. E. The consumer's piping and apparatus shall be installed and maintained by the consumer at the consumer's expense in a safe and efficient manner and in accordance with the owner's rules and regulations and in full compliance with the sanitary regulations of the State of North Carolina, Division of Health Services. F. The consumer shall guarantee proper protection for the Owner's property placed on the consumer's premises and shall permit access to it only by authorized representatives of the Owner. G. In the event that any loss or damage to the property of the Cwner or any accident or injury to persons or property is caused by or results from the negligence or wrongful act of the consumer, his agents, or employees. the cost of the necessary repairs or replacements shall be paid by the consumer to the Owner; and any liability otherwise resulting shall be assumed by the consumer. -3** 6 H. The amount of such loss or damage or the cost of repairs shall be added to the consumer's bill; and if not paid, service may be discontinued by the Owner. VIII. EXTENSIONS TO MAINS AND SERVICES The Owner may construct extensions to its water lines to points within its service area, but the Owner shall not make such installations unless the person requesting the extension advances to the owner the entire cost of the installation. All line extensions shall be evidenced by contract signed by the Owner and the person advancing funds for said extension, but each contract shall be null and void unless approved by the Town Board of Commissioners. IX. ACCESS TO PREMISES A. Duly authorized agents of the Owner shall have access at all reasonable hours to the premises of the consumer for the purpose of installing or removing Town property, inspecting piping, reading or testing meters, or for any other purpose in connection with the Town's service and facilities. B. Each consumer shall grant or convey, or shall cause to be granted or conveyed, to the Owner a perpetual easement and right-of-way across any property owned or controlled by the consumer wherever said perpetual easement and right-of-way is necessary for the Town water facilities and ·lines so as to be able to furnish service to the consumer. X. CHANGE OF OCCUPANCY

- A. Not less than three days notice must be given in person or in writing, at the Town Office, to discontinue service for a change in occupancy.
- B. The outgoing party shall be responsible for all water consumed up to the time of departure or the time specified for departure, whichever period is longest.

XI. METERING READING - BILLING - COLLECTING

- A. Meters will be read and bills rendered as follows: Monthly; but the Owner reserves the right to vary the dates or length of period covered, temporarily or permanently if necessary or desirable.
- B. Bills for water will be figured in accordance with the Owner's published rate schedule then in effect and will be based on the amount consumed for the period covered by the meter readings.
- C. Charge for service commences when meter is installed and connection made, whether used or not. Sixty (60) days may be allowed for hookup on initial installation of the water system.
- D. Readings from different meters will not be combined for billing, irrespective of the fact that said meters may be for the same or different premises, or for the same or different consumers, or for the same or different services.

200 4 E. Bills are due when rendered and become delinquent 10 days thereafter; and if not paid in 30 days, service may be discontinued by the Owner and a cut-on fee of \$3.90 in addition to the amount of the unpaid bill or bills. F. Failure to receive bills or notices shall not prevent such bills from becoming delinquent or relieve the consumer from payment. XII. SUSPENSION OF SERVICE A. When services are discontinued and all bills paid, the deposit will be refunded. B. Upon discontinuance of service for non-payment of bills, the deposit will be applied by the Owner toward settlement of the account. Any balance will be refunded to the consumer; but if the deposit is not sufficient to cover the bill, the owner may proceed to collect the balance in the usual way provided by law for the collection of debts. C. Service discontinued for non-payment of bills will be restored only after bills are paid in full, redeposit made, and a service charge of \$3.00 paid for each meter reconnected. D. The Owner reserves the right to discontinue its service without notice for the following additional reasons: 1. To prevent fraud or abuse. 2. Consumers willful disregard of the Owner's rules. Emergency repairs. 4. Insufficiency of supply due to circumstances beyond the Owner's control. 5. Legal processes. 6. Direction of public authorities. 7. Strike, riot, fire, flood, accident, or any unavoidable cause. E. The Owner may, in addition to prosecution by law, permanently refuse service to any consumer who tampers with a meter or other measuring device. XIII. COMPLAINTS - ADJUSTMENTS A. If the consumer believes his bill to be in error, he shall present his claim, in person at the Office of the Town Clerk before the bill becomes delinquent. Such claim if made after the bill has become delinquent shall not be effective in preventing discontinuance of service as heretofore provided. The consumer may pay such bill under protest, and said payment shall not prejudice his claim. B. The Owner will make special meter readings at the request of the consumer for a fee of \$2.00 provided, however, that if such special reading discloses that the meter was overread, no charge will be made. -5-

- C. Meters will be tested at the request of the consumer upon payment to the Owner on the actual cost to the Owner of making the test provided, however, that if the meter is found to overregister beyond 10 per centum of the correct volume, no charge will be made.
- D. If the seal of a meter is broken by other than the Owner's representative, or if the meter fails to register correctly, or is stopped for any cause, the consumer shall pay an amount estimated from the record of his previous bills and/or from other proper data.

XIV. ABRIDGEMENT OR MODIFICATION OF RULES

- A. No promise, agreement, or representation of any employee of the Town shall be binding upon the Town except as it shall have been agreed upon in writing, signed, and accepted by the acknowledged Board of Commissioners.
- B. No modification of rates or any of the rules and regulations shall be made by any agent or employee of the Town.

XV. ADOPTION OF RULES

| Carolina, the rules and regulations are hereby adopted as of the date 1 | ard of Commissioners of Creswell, North s as the same are hereinabove set out hereof to become effective on and after |
|---|---|
| Done this the day of | Ctober, 1974 |
| Attest: Dous Oliver Town Clerk | By: Reginal W. Phelps Mayor |