

POLICY M – SUBDIVISIONS AND DEVELOPERS

RESPONSIBLE FOR ADMINISTERING POLICY

Utility Board and Utility Manager

BACKGROUND AND PURPOSE

For the Department to serve the public and to comply with the rules and regulations of the Environmental Protection Agency and the Tennessee Department of Environment and Conservation and other county, state and federal regulations, the Department must establish rates, fees, and charges to produce revenue sufficient to meet all its obligations. The Utility Board must set rates, fees, and charges to produce sufficient revenues to pay for operating expenses and to amortize any bond indebtedness of the Department. The Department will require that Developers who seek to profit from residential or commercial construction pay such costs. Should the costs of construction be unusual or other unusual circumstances exist, the Department may modify or add to these procedures. The determination of unusual circumstances will be made by the Department on a case-by-case basis.

For purposes of this document a subdivision is defined as the orderly, planned, and efficient physical and economical development of land to be subdivided for the erection of multiple structures to provide housing or dwelling space. There is a requirement that the Developer must agree to install a potable water line that is 4” or greater or sewer main 8” or greater, where applicable, per Department specifications. A 6” water line is required for adequate fire protection. Any exceptions to this will be considered on a case-by-case basis. An 8” sewer main is required by the State of Tennessee and nothing smaller will be allowed. All sewer laterals will be installed 6” from the main to the Utility Access Cleanout. Under no circumstances will Utility Access Cleanouts be allowed beyond the Developer’s property line on the customer’s side. This will be applicable to any subdivision development or commercial development site.

The Department is run for the benefit of all present and future customers, and while no customer shall intentionally be treated unfairly, no customer shall be treated in a way that compromises the interests of others.

LIMITATIONS

The Department is subject to various county, state and federal regulations and has no discretion to provide service in a manner which would violate such regulations.

POLICY STATEMENT

1. Developer’s Preliminary Plat

A Developer seeking to obtain service from the Department will submit to the Metro

Planning Commission a preliminary plat, which shall include the number of units, size (single family, duplex, etc.), and any other information that will assist the Department in deciding the availability of service.

When a Developer requests utility service to a Development, the Department will promptly provide the Developer with all available information on the rates, fees, and/or charges that apply. If requested by the Developer, the Department will promptly provide the Developer with the foregoing information in writing, along with a written itemized and detailed description of the costs involved. If the Department needs further information to determine the applicable rates, fees, and/or charges or to provide a written itemized and detailed description of costs, the Department will so inform the Developer and request any necessary information from the Developer. Within fourteen (14) days after the completion of the design of the utility system improvements, the Department will (1) provide the Developer with a written statement of the applicable rates, fees, and/or charges and a written itemized and detailed description of the costs involved; (2) inform the Developer in writing of the time reasonably needed to do so; or (3) ask the Developer for any other information necessary for this purpose.

2. Developer's Plans and Specifications

Upon receipt of the Developer's Preliminary Plat and approval by the Metro Planning Commission to proceed, the Developer's Engineer will provide plans and specifications that meet the Department's specifications for review. The Developer's Engineer will develop a cost estimate for the Development project, including any off-site improvements that may be required to serve this Development. Approved plans will then be submitted to the Tennessee Department of Environment and Conservation for review. All plans must be approved by the Tennessee Department of Environment and Conservation prior to construction or water and sewer line installation.

3. Developer Contract

Before any work is begun on any Development, a **Developer Contract** (See Exhibit M-1) will be signed by the Department and the Developer.

Upon execution of the Developer Contract, the Developer must pay all fees and charges established by the Department, which may include, but are not limited to, the following:

- a. All Tap Fees.
- b. Connection Fees.
- c. A Security Deposit or Non-Refundable Service Charge.
- d. Engineering/Plan Review Fees.

In the Developer Contract, the Developer will protect, indemnify, hold harmless, and defend the Utility Board, its members, its employees, its engineers, and its agents from all claims, demands, suits, proceedings, loss, costs, and expenses, including attorney fees and court costs, and from any damages that may be asserted, claimed, or recovered,

arising out of or in any way connected or associated with the Developer Contract or the construction of the utility system improvements.

No Developer may obtain a refund or otherwise recover any fees paid to the Department. No Developer may recover from the Department any part of the costs and expenses associated with the construction of utility system improvements for a Development.

The Developer Contract cannot be assigned to any successor in interest of the Developer without the express written consent of the Department.

The Department may confer with its attorney during any of the procedures covered under the **Subdivisions and Developers Policy** (See Policy M).

4. Surety Bond – Developer

Upon execution of the Developer Contract, the Department may require the Developer to post a copy of the surety bond filed with the Metropolitan Lynchburg/Moore County Planning Commission.

5. Permits – Developer

The Developer shall obtain all permits (building, plumbing, electrical, etc.) to serve the facilities.

6. Easements and Real Property– Developer

The Developer is responsible for acquiring all easements required by the Department for the construction of both on-site and off-site utility system improvements for the Development. All easements must be obtained before the commencement of the construction of the utility system improvements. The form and content of the easements must be approved by the Department.

The Developer is responsible for acquiring any real property required by the Department for the construction of a water storage tank, pump station, or other utility system improvements for the Development. The Developer will either pay or reimburse the Department for all expenses of acquiring such real property, including without limitation the consideration paid to the landowners and the cost of preparing and recording deeds.

The following additional requirements apply:

- a. All system improvements including storage tanks, access roads, booster or pumping stations and other facilities shall be constructed on easements approved by the Department or on property conveyed in fee simple to the Department.
- b. The Developer or its agent shall obtain all easements.

- c. All easements shall be shown on all final subdivision plats before the Department will approve the plat.
- d. Any easements that are required outside a proposed Development shall be obtained by the Developer or his agent prior to the initiation of system construction, except those covered in (e) below.
- e. If a line within a public right-of-way must be extended to bring service to a new Development, the Department will obtain the necessary permission to use such public right-of-way from the state, county or other governmental authority having jurisdiction over the right-of-way.

7. Service Connections – Developer

All service connections will be installed and purchased by the Developer during construction of the Development. The Developer will pay a nonrefundable service fee for each connection. All nonrefundable service fees must be paid before any water is provided to the Development.

All meters will be purchased by the Developer per Departmental specifications and installed by the Department.

8. Construction Phase – Developer

The Developer's Engineer will submit a **Start Date** and **Completion Date** based upon the scope of work to be performed in the Development for approval by the Department. The Developer shall notify the Department of when construction is to begin, and all progress thereon shall be reported weekly to the Department. All construction begun, continued, or completed hereunder shall be subject to the supervision of the Department's Engineer and/or Department personnel, who shall have continuous right of inspection through the progress of the work. No pipes, fittings or connection shall be covered until inspected and approved by the Department. All utility lines will be tested and approved by the Tennessee Department of Environment and Conservation.

9. Final Acceptance of Development by Utility Board

Upon completion of the development by the Developer and approval by the Department inspector and the Tennessee Department of Environment and Conservation, the Developer will submit a final plat and as built drawings for acceptance by the Utility Board.

Upon installation, testing, disinfection, approval, and acceptance by the Department, all water system improvements leading from the Department's system to the discharge side of each meter, including without limitation, mains, equipment, pump stations, water storage tanks, meter boxes, and connections, and all sewer system improvements leading

from the Department's system to each Utility Access Cleanout, including mains, lift stations, and service lines, will become the property of the Metropolitan Government of Lynchburg, Moore County, Tennessee, without the necessity of a formal conveyance from the Developer. Upon demand, the Developer will execute, acknowledge, and deliver a deed or other instrument formally conveying title to the utility system improvements to the Metropolitan Government of Lynchburg, Moore County, Tennessee. The Department retains the right to extend the utility lines of the Development at any time.

10. Warranty

The Developer warrants the construction of the utility system improvements for one year after the Department accepts the utility system improvements. The Developer will timely repair the utility system improvements during the warranty period. To secure this warranty, the Developer will post a maintenance bond in the amount of fifteen percent (15%) of the construction costs for the utility system improvements or such other amount as is acceptable to the Department. The maintenance bond will be secured with an irrevocable letter of credit from a bank with offices in Metropolitan Lynchburg, Moore County, Tennessee, or other surety as specifically approved by the Department. The form and content of both the maintenance bond and the security must be approved by the Department. If the Developer fails to timely repair the utility system improvements, as determined by the Department, then the Department may elect, in its sole discretion, to make the needed repairs, and the Developer will reimburse the Department on demand for all costs the Department incurs to make the repairs. If the Developer fails to pay for the repairs, the Department will draw upon the maintenance bond or the security to pay for the repairs.

RECORD KEEPING DURATION

All records regarding Subdivisions and Developers Contracts shall be kept indefinitely.

OMISSIONS

In the absence of specific rules, regulations or policies, the disposition of situations involving service shall be made by the Utility Board in accordance with its usual and customary practices.