

MONTGOMERY COUNTY
PUBLIC SERVICE AUTHORITY



WATER AND SEWER
REGULATIONS

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SECTION A - PURPOSE OF THE AUTHORITY

The Montgomery County Public Service Authority, hereinafter referred to as the “Authority”, was created as a Public Body Politic and Corporate under the provisions of the Virginia Water and Waste Authorities Act (Title 15.2, Chapter 51, Sections 15.2-5100 through 15.2-5158, inclusive, Code of Virginia, 1950, as amended), for the purpose of acquiring or selling, constructing, operating and maintaining for Montgomery County (a) water supply and distribution system, and (b) sewerage and sewage disposal system and for the purpose of exercising the powers conferred by said Water and Waste Authorities Act in relation to the foregoing.

SECTION B - POWERS OF THE AUTHORITY

Powers conferred by the Virginia Water and Waste Authorities Act include the following:

Acquire, purchase, lease, sell, construct, reconstruct, improve, extend, own, operate and maintain any water system or waste system or sewage disposal system.

Adopt, amend or repeal bylaws, rules, regulations and standards not inconsistent with the Virginia Water and Waste Authorities Act or the general laws of the Commonwealth, for the regulation of its affairs and the conduct of its business.

Acquire by gift, purchase or to exercise the right of Eminent Domain, lands or rights in land or water rights in connection therewith.

Issue Revenue Bonds of the Authority, such Bonds to be repayable solely from Revenues to pay all or a part of the cost of any of the facilities of the Authority.

To borrow at such rates of interest as authorized by the general law for authorities and as the Authority may determine and issue its notes, bonds or other obligations therefore.

Make and enter into all contracts or agreements, as the Authority may determine, which are necessary or incidental to the performance of its duties.

Fix, charge and collect rates, fees and charges for the use of its facilities or for the services furnished by and for the benefit from any system operated by the Authority in accordance with the provisions of the Virginia Water and Waste Authorities Act.

SECTION C - DEFINITIONS

(a) **“After-Hours Fee”** shall mean the fee charged after hours (4:30 p.m. to 8:00 a.m.) to investigate customer’s inquiries concerning water/sewer service.

(b) **“Applicant”** shall mean the owner or his duly authorized representative, such as builder, developer, or plumber who applies for a water/sewer service connection.

(c) **“Authority”** shall mean the Montgomery County Public Service Authority.

(d) **“Average Bill”** shall mean a monthly fee based on the average usage of the previous three (3) months.

(e) **“Buildings”** shall mean any structures having a roof supported by columns or walls for the housing or enclosure of persons, animals or chattels.

(f) **“Bulk Water Meter Deposit”** shall be a security deposit for a bulk water meter placed on a fire hydrant or other water system appurtenance. This deposit shall also be applied against the bulk water purchased as indicated by the bulk water meter. Interest shall not be paid on the deposit.

(g) **“Bulk Water Sales Fee”** shall mean the rate charged per 1,000 gallons of water supplied by a temporary bulk meter or other non-permanent means for non-domestic uses such as irrigation, construction, etc.

(h) **“Connection Fee”** shall mean the cost of connecting the customer’s water/sewer service line to the utility’s facility.

(i) **“Customer”** shall mean the party who has applied for continuing water/sewer service and shall be responsible for paying periodic bills. Each building shall be served by a separate water/sewer service connection. A lessor with more than one living unit such as apartments and/or mobile homes, will be considered the customer for such units.

In situations where a building contains more than one living unit and the plumbing is altered such that individual meters are installed for each living unit, the tenant, upon depositing necessary security deposit, shall be defined as the customer.

1. **“Owner-Customer”** shall mean the customer who owns the premises to which water/sewer service is provided.
2. **“Tenant-Customer”** shall mean the customer who rents the premises to which water/sewer service is provided.

(j) **“Deferral of Taxation”** shall mean anyone 65 years of age or older or disabled and exempt from paying real estate taxes on a yearly basis.

(k) **“Developer”** shall mean any person or entity that desires to develop a development area.

- (l) **“DEQ”** shall mean the Department of Environmental Quality.
- (m) **“Disconnection Fee”** shall mean a fee to disconnect water/sewer service due to discontinuance.
- (n) **“EPA”** shall mean the Environmental Protection Agency.
- (o) **“Facility Fee”** shall mean a fee paid by new users to offset the Authority’s capital cost of the existing assets which include, but is not limited to, treatment plants, storage facilities, pump stations and transmission lines. This fee is established by the Authority and is based on meter size.
- (p) **“Fire Service Monthly Fee”** shall mean a fee charged to water customers who have a dedicated water meter connection for fire suppression purposes. The fee shall be based upon the fire service meter or service line size.
- (q) **“Flat Rate Fee”** shall mean a fee charged to sewer customers who do not have a water meter connection.
- (r) **“Inflow & Infiltration Surcharge Fee”** shall mean a fee equaling 50% of the monthly sewer charge for failing to correct inflow & infiltration after notification by the Authority.
- (s) **“Inspection Fee”** shall mean the fee charged to perform inspections by Authority personnel concerning water/sewer line construction.
- (t) **“Insufficient Funds”** shall mean a designation by a banking institution for a returned check due to inadequate money in an individual’s account.
- (u) **“Living Unit”** shall mean one or more rooms in a dwelling designed for living, sleeping or place of business and having kitchen facilities and/or toilet facilities.
- (v) **“Over-Estimated”** shall mean an estimated reading, due to adverse conditions, that is higher than the actual reading the following month.
- (w) **“Over-Read”** shall mean an incorrect reading higher than the actual reading.
- (x) **“Persons”** shall mean any individual, firm, company, association, society, corporation, or group.
- (y) **“Premises”** shall mean a tract of land with buildings and/or living units thereon.
- (z) **“Preliminary Engineering Report”** (PER) shall mean a report prepared by a professional engineer, licensed in the State of Virginia, outlining a proposed project, with alternatives.
- (aa) **“Reactivation Fee”** shall mean the fee charged to reactivate a water and / or sewer service after deactivation.
- (bb) **“Re-Read/Trip Fee”** shall mean the fee charged to investigate customer complaints regarding water/sewer leaks. If leak is found to be the responsibility of the customer or if the

customer requests the meter to be re read, the fee will apply.

(cc) **“Security Deposit”** shall mean a deposit that a customer/renter is required to pay in order for water/sewer services to be turned on. Said deposit will be refunded, without interest, when service has been discontinued, after deducting any charges due on final settlement of the customer’s account. If customer’s account has been in good standing for five or more years, the security deposit may be refunded.

(dd) **“Septage Disposal Fee”** shall mean the fee established for private haulers to dispose of sewage at the Elliston-Lafayette Sewage Treatment Plant.

(ee) **“Service Fee”** was formerly called the “Billing Charge”. The name was changed to reflect trends in the water/sewer industry. The service fees are the charges made to every PSA customer, water and/or sewer, that cover the costs of maintenance and replacement of meters, reading meters, transportation cost to read meters, maintenance of sewer laterals, billing, postage, maintaining individual accounts, answering customer questions concerning their accounts, and associated administrative costs.

(ff) **“Sewer Pump Station Facility Fee”** shall mean a fee paid by new users of any sewer system which discharges to a public sewer pump station to offset the Authority’s capital, maintenance and operating cost of the existing sewer pump stations and discharge lines. This fee is established by the Authority and is based on equivalent residential connection.

(gg) **“Sewer Service Connection”** shall mean the sewer service line from the public sewer main to the customer’s sewer lateral at or near the property line or within perpetual easement.

(hh) **“Transfer Fee”** shall mean a fee to transfer water/sewer service to another name.

(ii) **“Turn-Off/Turn-On Fee”** shall mean a fee the customer will pay for requesting the water be turned off and/or back on for a repair or a water break or any other reason.

(jj) **“Virginia Department of Health”** (VDH) shall mean the Division of Drinking Water in Abingdon, Virginia. (VDH-OEHS) shall mean the Office of Environmental Health Services in Marion, Virginia.

(kk) **“Water Meter Calibration Fee”** shall mean the fee charged to test a water meter for accuracy per industry (American Water Works Association) standards at the request of the Customer. The fee will be charged if the water meter test verifies accuracy of the water meter to be within identified industry standards. The fee shall not be charged if the water meter accuracy test indicates that the water meter is not within the industry standards. Adjustments to water and/or sewer billing (credits or additional charges) may be made according to the water meter inaccuracy for a period of three months.

(ll) **“Water Service Connection”** shall mean the water service line from the public water main to, and including, the water meter assembly installed at or near the property line or within perpetual easement. The water service connection shall include corporation stop, service pipe to meter, the meter box, meter, meter yoke and curb stop, check valves and stub out.

(mm) **“Water Operations Fee”** (formerly called the Water Surcharge Fee), shall mean the fee charged monthly to each water customer, determined by the Virginia Department of Health. It is a mandatory fee imposed upon every locality in the Commonwealth of Virginia.

NOTE: **All of the preceding definitions are underscored throughout the document.**

SECTION D - POLICY REGARDING WATER/SEWER SUPPLY SYSTEMS FOR DEVELOPMENT AREAS

(a) For the purpose of these regulations, development areas shall be defined as those areas that request or are required to have Public Water Supply and/or Public Sewage Disposal as directed by the Montgomery County Board of Supervisors. Any person or entity that desires to construct, install, or have constructed or installed, public water and/or sewage in a development area shall be referred to as "Developer".

(b) Any Developer that desires water and/or sewer service for certain specified areas, shall submit a written application to the Authority before starting design of any water and/ or sewer facilities. No new public water or sewer facilities shall be constructed, established, or authorized unless and until the general location or approximate location, character and extent thereof has been previously submitted to and approved by the Montgomery County Planning Commission as being substantially in accord with the adopted Comprehensive Plan of the County as required by Section 15.2-2232 of the 1950 Code of Virginia, as amended and be in accordance with the Comprehensive Water and Wastewater Study. The Board of Supervisors shall communicate to the Authority the Commission's findings and whether the Board of Supervisors has accepted the findings or has overruled the action of the Commission. Normal service extensions of public utilities shall not require approval under Section 15.2-2232 unless the extension involves a change in location or extension of a street or public area. Upon approval by the Commission or the Board of Supervisors, the Developer shall enter into a contract with the Public Service Authority agreeing to perform all construction in accordance with plans and specifications approved by the Authority.

(c) All Developers shall be required to furnish, install and construct all water and/or sewer facilities as required by the Authority within the development area. Each Developer shall agree to transfer to the Authority all property and facilities thereof, free of debt, liens and/or other legal encumbrances in order that the Authority may own, operate and maintain the facilities. Facilities *not* complying with PSA standards shall not be accepted by the Authority and *shall not be supplied* with water and/or sewer service until the deficiencies are corrected to the satisfaction of the Authority. The Developer shall be required to provide a one (1) year warranty to the Authority on all new facilities constructed before acceptance by the Authority.

(d) As required by the Authority, developers shall be required to provide enlarged water and/or sewer mains within the area developed to serve adjacent areas according to the adopted Montgomery County Comprehensive Plan and Water/Wastewater Study. Developers shall also be required to upgrade water and/or sewer mains within existing service area if necessary to supply the development area.

(e) Developers shall be required to enter into a contract with the Authority and deposit with the Authority upon issuance of a Virginia Department of Health (VDH) permit for water construction, and a Department of Environmental Quality (DEQ) permit for sewer construction, and/or approval of construction plans by the Authority, a sum of money equal to the estimated construction cost, including engineering, legal, administrative costs and facility fees of all facilities if constructed by the Authority or post with the Authority a sufficient bond and payment of facility fees prior to construction by the Developer. Such facilities shall include, but not be limited to supply mains, including master meter, pressure-reducing installations, booster pumps, pressure tanks,

storage tanks and fire protection, where necessary, from transmission mains or existing Authority-owned water trunk mains to the development area, and all necessary accessories and appurtenances to the water systems and/or trunk sewers from the development area to existing Authority-owned trunk sewers or sewage treatment plants or to a new sewage treatment plant or interceptor, temporary sewage treatment plants for the development area only, capacity in existing and/or proposed consolidated sewage treatment plants, and sewage lift stations and all necessary accessories and appurtenances.

(f) All water and/or sewer facilities shall be constructed on property owned by or to be deeded to the Authority, public rights-of-way or upon private land with perpetual easements, free of cost to the Authority. The Authority shall have unobstructed access to the facilities in order to be able to maintain or provide extension of the facilities. Lift stations, booster stations, elevated tanks, open basins, flumes and channels, digester tanks and settling basins shall be located on property as approved by the Authority. All-weather access roads shall also be provided at no cost to the Authority when the water and/or sewer facilities do not physically adjoin a Virginia State maintained road right-of-way.

(g) The Authority shall study any areas upon application to determine the feasibility of services, after the following information is provided:

Any developer, subdivider, etc, interested in a public water and/or sewer supply system, shall employ a qualified engineering firm to provide the Authority with a preliminary engineering report (PER). At a minimum, the PER shall contain a feasibility study, an estimate of construction costs and a method of how the Developer is going to pay for the necessary improvements. Any preliminary engineering report setting forth the above pertinent information, shall be presented to the Public Service Authority for their consideration for whatever action is necessary.

A plan review fee is required at the time of submission of development plans including public water and/or sanitary sewer facilities. The fee shall include a \$100.00 base fee plus \$0.20 per linear foot of water and/or sanitary sewer mains and shall cover plan review for the first three plan submissions. An additional fee of \$50.00 base fee plus \$0.10 per linear foot of water and/or sanitary sewer mains shall be required for the fourth and each additional plan submission.

(h) In all areas of the County where the Authority may provide, maintain or operate water and/or sewer systems, it shall be the policy of the Authority to conform to and meet all requirements of the Virginia Department of Health (VDH), Department of Environmental Quality (DEQ), Environmental Protection Agency (EPA), and to conform to all specifications and regulations of the Authority and other applicable laws to these areas.

(i) Until areas can be developed for treatment facilities, it shall be the policy of the Authority to consider the construction and/or operation of temporary sewage treatment systems meeting the requirements of the Virginia Department of Environmental Quality, the Virginia Department of Health, and other agencies governing such services.

(j) The Authority shall receive only "Sanitary" sewage through its system of sewers and sewage treatment plants. "Sanitary" sewage, as distinguished from industrial wastes, shall be those wastes which conform to the normal sewage treatment processes that are not toxic to the biological

processes of treatment, are not excessive in biochemical oxygen demand, suspended solids, acidity, alkalinity, free oil, etc.

(k) Design and construction of all water and/or sewer facilities shall meet all requirements of the VDH, DEQ and current edition of the Montgomery County Public Service Authority Water and Sewer Design & Construction Standards.

(l) All discharges of non-residential sewerage shall comply with Montgomery County, Virginia Sewer Use Ordinance Chapter 9.2 and future amendments which are incorporated by reference into these Water and Sewer Regulations.

(m) A construction inspection fee is required at the time of development plan approval for the Authority to perform inspections for Final Acceptance of the water and/or sanitary sewer facility as identified in the Montgomery County Public Service Authority Water and Sewer Design & Construction Standards and for release of the warranty bond. These inspections are in addition to those identified as required by the Developer in the Inspection Requirements of Montgomery County Public Service Authority Water and Sewer Design & Construction Standards. The fee shall be \$100.00 per 1,000 linear foot or portion thereof of water and/or sanitary sewer mains.

SECTION E - REGULATIONS FOR WATER/SEWER SERVICE

The Regulations are herein set forth, or as they may hereafter be altered or amended, shall govern the rendering of water and/or sewer service, including the extension of mains and making water and/or sewer connections thereto in Montgomery County. Every customer, upon signing an application for any service rendered by the Authority, or upon the taking of water or sewer service, shall be bound thereby.

1 - Water/Sewer Service Fees:

(a) A water service connection fee in the amount of Seven Hundred Twenty-Five Dollars (\$725.00) and a facility fee of Two Thousand Five Hundred Dollars (\$2,500.00) and/ or a sewer service connection fee in the amount of Seven Hundred Twenty-Five Dollars (\$725.00) and a facility fee of Three Thousand Dollars (\$3,000.00) shall be paid upon application by each applicant for a new water/sewer service connection requiring a three-fourths by five-eighths inch (3/4" x 5/8") meter.

For larger meters and for private fire protection lines or for larger than standard sewer connection, the charge shall be established by the most recently enacted "Water Connection and Facility Charge" schedule. The most recent list of charges can be found in Exhibit 1.

(b) After July 1, 2007, developers installing water meter services and/or sewer laterals with cleanout to the lot lines along with new water / sewer mains to serve new residential developments as approved by both the Authority and Montgomery County shall only be required to pay the portion of water service connection fee representing the actual cost of the Authority's standard radio-read water meter with transmitter.

(c) For those residential customers, such as mobile home parks, apartment complexes,

retirement communities, and other similar customers, the facility fee shall be established by multiplying the number of living units to be served by water and/or sewer service by the amount of the facility fee charged for one residential connection of water and/or sewer in 1(a) above; or equivalent meter size for commercial buildings, such as schools and hospitals. For example, any expansion of new mobile home park, apartment complex or retirement community that adds 10 new mobile homes, apartments or other residential residences would pay 10 x the current facility fee for a residential connection for water or sewer service for utility service to the new living units. Large residential meter customers will not be charged connection fees unless a new or larger meter is warranted.

(d) Facility Fee Payments for Developments:

i. Facility Fee Payments for New Residential Developments:

Twenty-five (25) percent of the water and/or sewer facility fees for all lots shall be paid at the time of subdivision plat approval. Seventy-five (75) percent of the facility fee shall be paid prior to site/construction plan approval, issuance of a building permit or water use for the lot. When the facility fee is increased, the developer/applicant may pay the remaining seventy-five (75) percent of the prior fee within one (1) year after the effective date of the new fee. Thereafter, the remaining seventy-five (75) percent shall be based upon the fee in existence at the time the balance is paid.

The Authority is only obligated to reserve water and/or sewer capacity for five (5) years after plat/plan approval and thereafter connection to the Authority's water and/or sewer facilities shall only be allowed if capacity exists in the Authority's water and/or sewer facilities.

ii. Facility Fee Payments for New Commercial Developments:

Twenty-five (25) percent of the water and/or sewer facility fees for all lots shall be paid at the time of subdivision plat approval. Seventy-five (75) percent of the facility fee shall be paid prior to site/construction plan approval, issuance of a building permit or water use for the lot. When the facility fee is increased, the developer/applicant may pay the remaining seventy-five (75) percent of the prior fee within one (1) year after the effective date of the new fee. Thereafter, the remaining seventy-five (75) percent shall be based upon the fee in existence at the time the balance is paid.

The balance of the facility fee shall be paid within eighteen (18) months of the plat/plan approval. Thereafter, the Authority is not obligated to reserve water and/or sewer capacity and connection to the Authority's water and/or sewer facilities shall only be allowed if capacity exists in the Authority's water and/or sewer facilities.

iii. Facility Fee Payments for Existing Residential or Commercial Properties:

The entire facility fee (100%) shall be paid prior to site/construction plan approval, issuance of a building permit or water use for the lot.

iv. Prepaid facility fees for developments where the Authority is no longer obligated to reserve water and/or sewer capacity, may be transferred or credited within five (5) years after plat/plan approval towards another development within PSA service areas provided capacity exists in that service area. Facility fees shall be non-refundable. In order to maintain the prepaid facility fee after the five year transfer/credit period, the remainder of the facility fee shall be paid, a PSA utility account established and payment of minimum monthly charges.

(e) Off-site extension and oversized line credit policy:

Credits may be allowed against the facility fee for off-site extensions in excess of three hundred (300) feet and/or line size in excess of minimum size required by the Authority. For extensions within a public right-of-way or easement adjacent to the Developer's property, credit against the facility fee will only be allowed for line size in excess of the minimum diameter required by the Authority. No credit will be allowed where a line size greater than the minimum is required to adequately serve the Developer's property. Credits will be based upon recent bids for construction or reasonable estimates of similar water and/or sewer facilities.

Credits will be limited to one-quarter of the water and/or sewer facility fees assessed for the Developer's buildings/facilities being connected to the off-site extension or oversized lines. Credits will not be made available for off-site extensions if the Authority is required to make off-site improvements or to purchase capacity in order to serve the Developer's proposed development. Credits shall only be allowed for the Developer's buildings/facilities which are connected to the off-site extension or oversized lines within three (3) years of acceptance of the facilities by the Authority. Credits shall only be allowed against facility fees for the type of facilities constructed such that sewer facility fees credits shall not be allowed for water extensions or oversized lines and water facility fees credits shall not be allowed for sewer extensions or oversized lines.

(f) If a premise is not being served by the Authority's public water system at time of sewer application, the sewer connection and facility charge shall be based on the estimated sewer flow through the proposed connection determined and agreed upon by the Customer's engineer and the Authority.

(g) An installment plan has been adopted by the Authority for paying the facility fee only. A copy of the plan is attached as Exhibit 3.

(h) A charge of \$35.00 shall be made for customers having checks returned from the bank for "insufficient funds" or other reasons. Customers having checks returned from the bank for "insufficient funds" or other reasons shall pay the outstanding debt within five (5) business days after receiving notice from the Authority. The Authority may not accept additional checks from customers who have two checks returned from the bank for "insufficient funds" or other reasons within a twenty-four (24) month period.

(i) A transfer fee of \$25.00 shall be charged for changing water and/or sewer service to another name.

(j) If the customer requests water to be turned off for repair of a water break or any other reason, a \$25.00 turn-off/turn-on fee will be charged for each, turn-off and turn-on.

(k) Bills for water/sewer service shall be rendered monthly or as specified by the Authority. See Exhibit 2 for the current rate schedule.

(l) A service fee of \$6.50 each for water and sewer shall be applied to the bill monthly.

(m) A Disconnection fee for disconnection of water and/or sewer service due to

discontinuance as identified in No. 8 (a).

(n) When customer requests their meter to be re-read, the customer shall be billed an additional \$25.00 re-read fee for the extra reading. No fee shall be charged if a determination is made by the Director that an error was made during the reading of meters.

(o) A \$50.00 water meter calibration fee will be charged to test a water meter for accuracy per industry (American Water Works Association) standards at the request of the customer. The fee shall not be charged if the water meter accuracy test indicates that the water meter is not within the industry standards. Adjustments to water and/or sewer billing (credits or additional charges) may be made according to the water meter inaccuracy for a period of three months.

(p) A \$25.00 trip fee to investigate customer complaints regarding leaks or to investigate customer complaints regarding stoppages or odors shall be charged if the leak, stoppage, or odor is found to be the responsibility of the customer.

(q) A \$25.00 after hours fee (4:30 p.m. to 8:00 a.m.) will be charged to investigate customer's inquiries of water/sewer service.

(r) The Authority shall charge the monthly service fee when a connection has been made and the meter remains off at the customer's request.

(s) The monthly sewer fee shall either be based on the metered water service usage or a monthly flat rate fee, if the customer is not metered through an Authority water meter.

- i. A policy was adopted pertaining to water meter installation costs for sewer only/flat rate accounts. See Exhibit 8 for the full policy.

(t) The Authority shall charge a water connection fee for a meter to supply water for a private fire protection system. Meter size shall be determined by a firm or person qualified in fire protection in the State of Virginia.

(u) In the event water/sewer service is discontinued at the request of the customer, in writing, all the applicable facility and connection fees must be paid before reestablishment of service, unless the service is deactivated per Section E, No. 9 or the monthly service fee for each service is paid.

(v) In the event water/sewer service is disconnected for non payment of bill, for a period of thirty-six months (3 years) or more, all utilities will be physically removed by the Authority, and all applicable facility and connection fees must be paid before establishment of service.

(w) A water operations fee, as established by the Virginia Department of Health, will be charged monthly for each water connection.

(x) A septage disposal fee of \$35.00 per 1,000 gallons shall be charged at the Elliston-Lafayette Sewage Treatment Plant for those private haulers executing the Septage Hauling Agreement.

(y) An Inflow & Infiltration Surcharge Fee shall be charged to any sewer customer when the Authority has determined by visual inspection, temporary sewer metering devices or other means, that the customer is discharging excessive groundwater or rainwater (I & I) into the Authority sewer. Excessive I & I is defined as intermittent or continuous flow which is twice or more than the average daily sewer flow per billing records and verified from the customer's sewer lines. The Inflow & Infiltration Surcharge Fee shall be a 50% surcharge applied to the customer's monthly sewer bill.

Before assessing the Inflow and Infiltration Surcharge Fee, the Authority shall notify the customer in writing that the Authority has identified excessive I & I infiltrating the customer's sewer lines and discharging into the Authority sewer without being accounted for in the billing. The Notice shall advise that the customer has 45 days from date of the letter to correct the excessive I & I discharge by reducing the I & I below the excessive limits defined above or to install an acceptable sewer flow meter suitable for sewer billing.

If the customer fails to make the corrections required to reduce the excessive I & I or provide an acceptable installed sewer flow meter within the 45 day period, the Inflow & Infiltration Surcharge Fee shall be applied to the customer's monthly sewer bill until corrections are made or a sewer meter is installed.

All proposed corrections or installed sewer flow meters shall be submitted to the Authority for approval prior to implementation. The corrections or sewer meter installations shall be inspected and approved by the Authority prior to removal of the Inflow & Infiltration Surcharge Fee.

2 - Water/Sewer Service Connections:

(a) Before a water/sewer service connection is provided, the owner of the premises to be supplied, or his duly authorized representative, shall make application for water/sewer service upon forms prescribed by the Authority. Upon approval of the application and payment of the appropriate fees, the Authority shall install the water and/or sewer service connection within 15 working days. The applicant shall become a water/sewer customer at that time, and shall pay all applicable fees. A separate water and/or sewer service connection shall be required for each living unit, unless otherwise determined by the Authority.

(b) Payment of connection fee shall entitle customer to the following: labor and materials required to tap or connect to the water or sewer main and/or sewer manhole and furnish and install corporation stop (or tapping sleeve and valve), water or sewer service pipe to property line or perpetual easement (maximum of 20 feet), curb stop, meter, meter yoke, check valve, stub out, and meter box. Cost of necessary road borings, stream crossings or open cuts of roads and/or other incidental costs not mentioned in preceding sentence shall be an additional cost. Costs for septic tanks required on sewer systems shall be the owner's responsibility.

(c) An inspection fee in the amount of \$25.00 per connection for water and sewer shall be paid by the applicant for inspection. The inspection fee shall be paid at the time of application.

(d) The Authority shall approve the number of meters, connections, location, size, kind, and

quality of all materials entering into the water or sewer service connection.

(e) The water/sewer service connection shall remain the property of the Authority and be under its sole control and jurisdiction and shall be maintained by the Authority at its expense.

(f) Temporary or construction water and/or sewer services:

i. Special connections for water or sewer service of a temporary nature shall be installed, metered, maintained, replaced or removed at the expense of the customer, subject to approval and inspection by the Authority.

ii. Temporary water services for construction water supply or other purposes shall require a “yard hydrant” that is lockable and drains below grade to prevent freezing. Adjustments shall not be provided by the Authority for leaks or any other water loss from temporary water services.

(g) The Authority shall not install any water or sewer service lines from the meter or manhole to the point of use.

(h) Mandatory water/sewer connection regulation:

i. The owner, tenant, or occupant of each lot or parcel of land which abuts upon a street or other public way containing a Montgomery County Public Service Authority water/sewer main or water/ sewer system upon which lot or parcel a building shall have been constructed for residential, commercial, or industrial use, shall, within ninety (90) days after receipt of written notification from the Authority, connect such building with such water/sewer main or water/sewer system provided that the water/sewer main or water/sewer system is located within three hundred (300) feet of the building to be served, and at which time the owner, tenant or occupant shall cease to use any other source of water supply for domestic use or wastewater treatment. Mandatory connection shall not be required if the connection can only be achieved by crossing a highway, railway or stream or if the connection cannot be achieved by gravity.

Those persons having a domestic supply or source of potable water or a private septic system or domestic sewage system meeting applicable standards established by the Virginia Department of Health prior to the water/sewer main or water/sewer system abutting their lot or parcel of land shall not be required under this chapter to discontinue use of such water/sewer and connect to the public system until such time that the person no longer has a domestic or potable source of water or private septic system or domestic sewage system meeting Virginia Department of Health standards or so chooses to connect. All such connections shall be made in accordance with regulations which shall be adopted from time to time by the Authority, which regulations may provide for a charge for making any such connection in such reasonable amount as the Authority may fix and establish.

- ii. Persons who have obtained exemption from or deferral of taxation pursuant to an ordinance authorized by the Board of Supervisors of Montgomery County, Virginia, pursuant to Section 58.1-3210 of the Code of Virginia, shall be exempted or deferred by the Authority from paying the facility fee(s).

3 - Meters and Meter Installations, Clean Outs and Clean Out Installations

(a) The Authority shall approve, after review of the engineering plans, the number, location, type, and size of meter(s) and/or clean outs to be installed.

(b) Meters/clean outs shall be furnished, installed or removed by the Authority and shall remain Authority property, unless otherwise authorized by the Authority.

(c) Where meters are installed within a building, or where the customer's clean outs are installed, the customer shall provide, at the customer's expense, a readily accessible and protected location. The installation of the meter/clean out shall be at a location that allows the meter/clean out to control the entire supply to the premises. The location shall be acceptable to the Authority.

(d) Unless otherwise approved by the Authority, all materials and installations shall comply with the current edition of the Montgomery County Water and Sewer Design and Construction Standards. Each premise shall be supplied through a separate meter or master meter or clean out, whichever shall be determined by the Authority or designated agent.

(e) Water service connections and/or clean outs shall be maintained by the Authority at the Authority's expense insofar as ordinary wear is concerned. Damage to any PSA property due to causes arising out of, or caused by the customer's facilities, operations, negligence or carelessness shall be paid for by the customer. The Authority shall be responsible for damage to meters due to freezing in outside meter vaults.

(f) The customer shall promptly notify the Authority of any defect in or damage to the meter/clean out or its connections.

4 - Customer's Deposits:

(a) The Authority shall require of any tenant-customer a security deposit of \$120.00 for each service, water and or sewer to secure the performance by the customer of the terms and conditions of the Authority under which service is supplied. The deposit will be refunded, without interest, when service has been discontinued, after deducting any charges due on final settlement of the customer's account. If customer's account has been in good standing for five or more years, the security deposit may be refunded.

(b) Any owner-customer or tenant-customer who desires service after service was discontinued per No. 8, shall be required to provide a security deposit of \$120.00 for each service, water and or sewer if the prior deposit had been returned or applied to any outstanding charges at the

time of disconnection.

5 - Bills for Water and/or Sewer Service:

(a) Customers shall be responsible for paying their water/sewer bill as calculated by their usage and applied to the Authority's established rates. The current rate structure is found in Exhibit 2. It is not a responsibility of Authority staff to give reminders, such as courtesy calls, when a customer's bill is past due.

(b) Customers are responsible for furnishing the Authority with their correct addresses (mailing and E-911 addresses), driver's license number, phone number, and inform the Authority when information changes. Failure to receive bills shall not be considered an excuse for nonpayment nor permit an extension of the date when the account shall be considered delinquent.

(c) If bills are to be sent to an address other than the premises served, the Authority shall be notified in writing by the customer of any change of address.

(d) If requested in writing by the owner-customer, the Authority shall send bills to and receive payments from agents or tenant-customers. However, this accommodation shall in no way relieve the owner-customer of the liability for all water/sewer charges.

(e) Payments shall be made at the office of the Authority or at such other places as may be designated by the Authority.

(f) The Authority reserves the right to correct any bills rendered in error.

(g) If the meter should fail to register for any reason or if the meter reader should be unable to gain admittance, due to adverse conditions, at the time the meter is due to be read, an average of the consumption shown by three (3) previous consecutive like billing periods, or, in the case of a new customer, a reasonable estimate of consumption shall be used. The sewer bill shall also be estimated based on water consumption.

(h) The method of computing penalties is as follows:

The Authority shall bill its customers each month for utility services provided during the preceding month. The utility bills shall be due and payable on the due date. If the monthly utility bill is not paid on the due date, then it shall be deemed to be past due and the amount of the bill charged for services received during the one month billing period, exclusive of amounts owed on previous bills, shall be subject to a penalty of ten (10) percent of the utility bill past due.

(i) The method of computing interest on late payment of utility bills is as follows:

Interest on delinquent utility bills, but not upon late penalties, is hereby imposed at the rate of ten (10) percent per annum. Interest shall commence on the first day of the month following the month in which such utility bill is due to be paid.

(j) The enforcement of charges is as follows:

There shall be a lien upon real estate for the amount of any fees or other charges by the Authority to the owner or lessee or tenant of the real estate for the use and services of any system of the Authority by or in connection with the real estate from the time when the fees, or other charges are due and payable, and for the interest which may accrue thereon. Such lien shall be superior to the interest of any owner, lessee or tenant of the real estate and rank on a parity with liens for unpaid real estate taxes. A lien for delinquent rates or charges applicable to three or fewer delinquent billing periods not exceeding thirty days each may be placed by the Authority if the Authority or its billing and collection agent (i) has advised the owner of such real estate at the time of initiating service to a lessee or tenant of such real estate that a lien will be placed on the real estate if the lessee or tenant fails to pay any fees or other charges when due for services rendered to the lessee or tenant; (ii) has mailed to the owner of the real estate a duplicate copy of the final bill rendered to the lessee or tenant at the time of rendering the final bill to such lessee or tenant; and (iii) employs the same collection efforts and practices to collect amounts due the Authority from a lessee or a tenant as are employed with respect to collection of such amounts due from customers who are owners of the real estate for which service is provided.

Such lien shall not bind or affect a subsequent bona fide purchaser of the real estate for valuable consideration without actual notice of the lien, until the amount of such fees, rents and charges are entered in a judgment lien book in the Montgomery County Circuit Court Clerk's Office. The clerk shall cause entries to be made and indexed therein upon certification by the Authority, for which the clerk shall be entitled to a fee of two dollars per entry to be paid by the Authority and added to the amount of the lien. The Authority shall give the owner of the real estate notice in writing that it has made such certification to the clerk.

Such lien on any real estate may be discharged by the payment to the Authority of the total lien amount, and the interest which has accrued to the date of the payment. The Authority shall deliver a certificate thereof to the person paying the same, and upon presentation thereof, the clerk having the record of such lien shall mark the entry of such lien satisfied, for which shall be entitled to a fee of one dollar.

(k) Bills for water/sewer service shall be due and payable within twenty (20) days of bill date.

(l) If a bill is not paid within 20 days of billing date (due date), a 10% penalty shall be added. If payment is not made within 30 days of due date, water/sewer service shall be discontinued until all delinquent accounts are paid. A disconnection fee of \$50.00 for water only services or water and sewer services shall be required to have service resumed. A disconnection fee of \$100.00 shall be required for sewer only services to have service restored. If the Authority's crew is given cut-off notices, they are to cut the water off or plug the sewer line, and then place the notice at the premises, and the customer shall be required to pay the balance, disconnection fees and security deposits before water/sewer service is restored.

(m) Cut-off crews are "*never*" to accept cash, checks or other forms of payment.

(n) The billing account shall automatically revert back to the property owner unless it is immediately transferred from the current tenant/renter to a new tenant/renter.

6 - Customer's Liability for Charges:

A customer who has made application for or received water/sewer service shall be held financially responsible for all water/sewer service furnished.

7 - Abatement and Refunds:

(a) There shall be no abatement of water/sewer charges except as specified in these regulations.

(b) Over Read - The customer's water bill shall be adjusted to what the reading should have been. The sewer bill shall be adjusted to what the water reading should have been. This can be determined *only* on the basis of an actual reading.

(c) Over Estimated - This adjustment shall be made on the basis of the customer's "average" monthly bill. The average is to be determined by using the last three actual readings available.

(d) Billing Error - The list could be infinitely lengthy, but regardless of type of error, the bill shall be corrected.

(e) Meter Yoke Leak - The Authority is responsible for a leak in the meter yoke. The customer shall be charged his monthly average usage for the last three billing periods should a leak occur in the meter yoke after passing through the meter.

(f) Water Leaks:

- i. In the event of a water leak, the customer shall immediately notify the Authority. The Authority will not be responsible for payment or reimbursement for any work that is done on private property.
- ii. It is the Authority's responsibility to maintain water lines to the water meter. Maintenance of the building service pipe and other appurtenances beyond the Authority's meter is the responsibility of the property owner.
- iii. As soon as the Authority is notified of a water leak, it will determine whether the leak is in the service connection (main to meter) or in the meter setting. If the leak is in either the service connection (main to meter) or in the meter setting, the Authority will repair the leak without cost to the customer.
- iv. If a leak is found not to be the responsibility of the Authority, the customer will be notified, their water shall be cut off, and they shall have the leak repaired. If customer requests water left on, with or without Authority approval, they will be responsible for all consumption from that point on without further leak adjustment.

(g) Adjustments for Water Leaks:

- i. Evidence or proof of repairs shall be required in writing with receipts attached. The customer will have to contact the Authority and have one of its employees inspect the installation of the new service line or the repair of the break.
- ii. The customer will be billed an average bill plus the Authority's cost of water but not less than \$2.00 per 1000 gallons.
- iii. Only one adjustment per year, unless entire service line is replaced.
- iv. The only authorized personnel to make adjustments of any type (billing, leak, meter reading, etc.) are the Director and PSA Engineer.

(h) Sewer Adjustments Based on Water Leaks:

Evidence or proof of repairs shall be required in writing. The customer shall have to contact the Authority and have one of its employees inspect the installation of the new service line or the repair of the break.

8 - Discontinuance of Water/Sewer Service:

(a) Service may be discontinued by the Authority for any of the following reasons and all incidents of tampering with Authority facilities shall be reported to the Montgomery County Sheriff's Office or other appropriate law enforcement agency.

- i. Tampering by the customer, or others with the knowledge of the customer, with any meter, connection, service pipe, curb stop, seal, or any other appliance of the Authority controlling or regulating the customer's water or sewer supply.
- ii. Failure to provide the Authority's employees free and reasonable access to the Authority facilities located on the premises served.
- iii. If any account for services furnished or if any fee or charge accruing under these regulations is not paid within 30 days after becoming due.
- iv. Violation of any regulation of the Authority.

(b) Discontinuing the supply of water or sewer service to a premises for any reason shall not prevent the Authority from pursuing any lawful remedy by action at law or otherwise for the collection of money due from the customer.

(c) When water and /or sewer service to a customer has been terminated for any of the above reasons, it shall be reestablished only after the conditions, circumstances, or practices which caused the water and or sewer service to be discontinued are corrected to the satisfaction of the Authority and upon payment of all charges due and payable by the customer in accordance with these regulations.

(d) The customer shall be responsible for paying the service fee of \$6.50 for each service even if service is discontinued unless the account is deactivated per Section E, No. 9.

9 - Customer Deactivation/Reactivation of Water/Sewer Service:

(a) Customers may deactivate water and / or sewer service for later reactivation without having to pay the service fee of \$6.50 for each service under the following terms and conditions:

- i. Customer who is the current property owner of record must submit written request to the Authority to deactivate the water and / or sewer service.
- ii. Customer shall pay all outstanding fees and charges and a \$25.00 Turn-Off Fee.

(b) Reactivation shall be per the following terms and condition:

- i. Customer shall pay a \$50.00 Reactivation fee and a \$25.00 Turn-On Fee to reactivate the service.
- ii. Reactivation shall take place within 5 years of deactivation. After 5 years, all utilities will be physically removed by the Authority, and all applicable facility and connection fees must be paid before establishment of service.
- iii. Reactivation shall require that capacity exists in the water and / or sewer system at the time of the request for reactivation. The Authority shall not be responsible in any manner if no capacity exists in the water and / or sewer system at the time of request for reactivation nor shall the lack of remaining capacity affect the 5 year deadline for reactivation.

10 - Extension of Mains:

(a) When and to the extent that funds may be available, and such extension is in compliance with the County Comprehensive Plan, the Authority may extend its distribution/collection system to supply new customers who have applied for services, under the following terms and conditions:

- i. The applicant(s) for service shall make an advance payment to the Authority equal to the amount estimated for the cost of this extension, and all other fees associated with the connection of water/sewer service to new customers regardless of whether the applicants are or are not the owners of all such property, or the applicant may extend this line with the approval of the Authority.
- ii. The Authority reserves the right to determine the size and type of the pipe

necessary in making such extension.

- iii. Under special circumstances, where the main or extension is to be installed on private property or on a private street, the applicant thereof shall provide free of cost to the Authority, an easement and a free, unobstructed and uninterrupted right-of-way for the installation, inspection, operation, maintenance, enlargement, replacement, alteration, and extension of the main. See Exhibit 7 for resolution concerning acquisition of property.
- iv. The ownership of the extensions installed under this regulation shall at all times be in the name of the Authority, its successors or assigns.
- v. Installation of water or sewer lines shall, as a minimum, meet all applicable specifications and regulations of the Authority and/or as promulgated by the Virginia Department of Health or Department of Environmental Quality. Said specifications are found in Exhibits 4 and 6.

11 - Public Fire Hydrant:

(a) When and to the extent that funds may be available, the Authority may install, at its expense, public fire hydrants whenever and wherever, in its opinion, such hydrants may be required to provide adequate fire protection service. Upon the written request of and upon payment of all applicable costs and charges by any commercial, industrial, or governmental unit, developer, or other interested party, the Authority may install and connect additional public fire hydrants on public property.

(b) After the installation of each public hydrant, the Authority shall assume the ownership, maintenance and operation thereof and shall pay for any replacement or relocation which may become necessary.

(c) The following provisions shall apply to all public fire hydrants:

- i. The use of public fire hydrants shall be restricted to the taking of water for the extinguishment of fires. Water shall not be taken from any public fire hydrant for construction purposes, sprinkling streets, flushing sewers or gutters, irrigation, or for any other use unless specifically permitted by the Authority for the particular time and occasion.
- ii. The Authority shall not be considered in any manner an insurer of persons or property, or to have undertaken to extinguish fires, or to protect any persons or property against loss or damage by fire or otherwise, and shall not be responsible to any person or persons for any loss, damage, or injury by reason of fire, water, failure to supply water or pressure, or any other cause whatsoever.
- iii. The Authority shall not be required to extend its mains for the purpose of

supplying public fire hydrants which may be desired except under mutually acceptable arrangements to defray the installation cost of such extensions.

(d) A Fire Hydrant Availability Fee of \$35.00 per year shall be charged to Montgomery County by the Authority for annual inspection, maintenance, repair, clearing (as needed) and painting (as needed) of all public fire hydrants on Authority owned water systems. This fee shall also provide for flow testing and color-coding per ISO or other approved standards of all fire hydrants every two years.

12 - Pressure and Continuity of Supply:

(a) The Authority does not guarantee an uninterrupted supply of water or a sufficient or uniform pressure, except as specified in VDH regulations.

(b) In high elevation areas where pressure is low, the customer may, if he desires a higher pressure than furnished at the meter of the Authority, install at his own expense a tank and/or booster pump acceptable and approved by the Authority.

(c) It shall be the customer's responsibility to install the proper regulating device to reduce the pressure to the extent desired, where the pressure to the customer's premises is greater than 80 psi.

(d) The Authority shall have the right to require the adjustment, modification, or removal of any quick opening or closing valve or other device installed in a building when the operation results in an unreasonable fluctuation of pressure in the Authority's system.

13 - Interruptions in Water/Sewer Supply

(a) The Authority may at any time shut off the water/sewer service in the mains in case of accident or for the purpose of making connections, alterations, repairs, changes, or for other reasons and may restrict the use of water facilities to reserve a sufficient supply for public fire service and sewer facilities for other emergencies whenever required for public welfare.

(b) While it is the intention of the Authority to give notice in advance of any work which must be done that will necessitate any interruption of water/sewer service, such notice shall be considered a courtesy and not a requirement of the Authority. Property owners shall regulate their connection with the water/sewer supply system so that damage shall not occur if the water/sewer is shut off without notice.

(c) The Authority shall use reasonable care and diligence in order to prevent and avoid interruptions and fluctuations in the service.

14 - Special Contracts:

The Authority may enter into contracts with any person, firm, or corporation, including

municipalities, and other political subdivisions and public bodies, for the rendering of any unusual or extraordinary water/sewer service; provided, however, that the rates or charges to be paid thereunder shall not be less than an amount which is fair and equitable, taking into account the cost to the Authority of providing such service.

15 - General:

(a) There shall be no free service or un-metered service rendered by the Authority. If any local, state, or federal government, or any department, agency or instrumentality thereof, or any other public body shall desire service to be rendered by the Authority, it shall apply for and receive such service pursuant to the regulations herein contained and shall pay for the same at the established rates, fees and other charges.

(b) No person shall turn the water on or off at any street valve, corporation stop, curb stop or other street connection, or disconnect or remove any meter without the consent of the Authority. Penalties provided by law for any such unauthorized action shall be strictly enforced.

(c) Employees or agent(s) of the Authority are expressly forbidden to demand or accept any compensation for any service rendered to Authority customers except as covered by Authority rates and regulations.

(d) No employee or agent of the Authority shall have the right or authority to bind the Authority by any promise, agreement, special deals or representation contrary to the letter or intent of these regulations.

(e) All new customers shall install an accessible cutoff valve and backflow preventor prior to the first point of use.

(f) No employee or representative of the Authority shall perform any work on private property unless said work is expressly authorized by another section of these regulations.

16 - Customer Grievance Procedure:

(a) Whenever a customer desires to file a complaint about any action taken by the Authority regarding the enforcement of these regulations, the customer shall within thirty (30) days after the occurrence or condition giving rise to the complaint, submit in writing the facts of his grievance to the Authority's Director.

(b) The Director or designee shall respond in writing to the written complaint within five (5) working days. The response shall be prepared based on the context of these regulations.

(c) If the customer believes that the Director's response is inadequate, the customer shall within seven days after receipt of reply, submit a written notice of appeal to the Authority's Board of Directors. The notice of appeal shall include the customer's rationale for appeal and grounds seeking reversal of the Authority's response.

(d) Notices of appeals received seven (7) calendar days prior to the Authority's Board of Directors next regularly scheduled meeting shall be heard at that time. Notices received less than

seven (7) calendar days before next meeting shall be heard at the Authority's subsequent scheduled meeting.

- (e) The decision of the Authority's Board of Directors shall be final.

SECTION F - AMENDMENTS AND INTERPRETATION

If any article, section or portion of these regulations is found to be invalid by duly constituted authority, it shall not affect the validity of the remaining regulations.

The Authority reserves the right to revise and/or amend its policies and regulations for water and sewer service and to interpret the meaning of all statements made herein.

SECTION G - EXHIBITS

The following exhibits are attached:

- | | |
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| Exhibit 1 | Water and Sewer Connection Fee Charge Schedule |
| Exhibit 2 | Water and Sewer Rate Schedule |
| Exhibit 3 | Method for Paying Facility Fees Installment Plan & Eligibility |
| Exhibit 4 | Cross Connection Control Program |
| Exhibit 5 | Resolution of Acquisition of Property |
| Exhibit 6 | General Sewer Information |
| Exhibit 7 | Policy - Mobile Home Park Utility Acceptance |
| Exhibit 8 | Policy – Water Meter Installation Costs for Sewer Only/Flat Rate Accounts |