OPERATING RULES, RATES AND PROCEDURES

for

TALKEETNA SEWER AND WATER SERVICE AREA

PUBLIC WATER SERVICE

Matanuska-Susitna Borough
Public Works Department
350 E. Dahlia Avenue
Palmer, Alaska 99645

TALKEETNA PUBLIC WATER SYSTEM

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1 DEFINITIONS

1.1 The definitions in this section are applicable to the terms as used anywhere in these Operating Rules, Rates and Procedures.

1.1.1 "Accessible" means capable of being reached quickly for operating, removal, or inspection without requiring those desiring access to climb ladders, to climb over or remove obstacles, or to unlock doors.

1.1.2 "Commercial or Industrial Service" means the type of service rendered to premises utilized primarily or substantially for business purposes, or other than as living accommodations for occupants.

1.1.3 "Completion of Construction" means the date upon which the Matanuska¬-Susitna Borough Manager or the authorized designee determines, based on inspection reports, that the extension is complete and fully operable, and the Matanuska-Susitna Borough Manager or the authorized designee, accepts the extension for operation and maintenance.

1.1.4 "Cost of Construction" means the total cost of constructing the facility involved, including the cost for property acquisition, design and engineering, legal fees, permit fees, administrative overhead, and the total cost of the final contract for construction.

1.1.5 "Delinquent" refers to an account more than 25 days past due.

1.1.6 "Dwelling Unit" means one or more rooms and kitchen facilities in a building, or portion of a building, designed as a unit for occupancy by not more than one family for living and sleeping purposes.

1.1.7 "Locate" means to discover and mark the horizontal course of a water facility on the overlying surface.

1.1.8 "Manager" means the Matanuska-Susitna Borough Manager or the authorized designee.

1.1.9 "Normal Business Hours" means the hours between 8:00 a.m. and 5:00 p.m. on Monday through Friday, excluding recognized holidays.

1.1.10 "Residential Service" means the type of service made available to single or multiple family dwelling units, such as duplexes or triplexes, not available for transient occupancy.

1.1.11 "Service Connection" means that portion of the water service extending from the main in the street or easement to the key box at the property line.

1.1.12 "Service Extension" means that portion of the water service extending from the key box to the customer's premises.

1.1.13 "Tariff" means the rate schedules, Operating Rules, Rates and Procedures, and other documents filed as a tariff with the Alaska Public Utilities Commission.

1.1.14 "Type of Service" means either "residential service" or "commercial or industrial service" as those terms are defined in this section.

1.1.15 "Unified Billing" means the method of billing whereby the charges for two or more utility services are itemized and totaled on a single bill submitted to the customer.

1.1.16 "Utility" means the Matanuska-Susitna Borough Talkeetna Sewer and Water Service Area.

1.1.17 "Facility" means a dwelling unit.

2 SCOPE OF RULES AND REGULATIONS

2.1 Adoption

2.1.1 These Operating Rules, Rates and Procedures are adopted by the Matanuska¬-Susitna Borough for use in connection with the maintenance and operation of the Utility to be effective November 1, 1989. The Utility has obtained from the Alaska. Public Utilities Commission a Certificate of Public Convenience and Necessity Certificate Number 434, granted November 28, 1990. Copies of these Operating Rules, Rates and Procedures, together with schedules of rate changes and pertinent business and contract forms, are available at the Matanuska-Susitna Borough, 350 E. Dahlia Avenue, Palmer, Alaska 99645.

2.2 Amendments

2.2.1 These Operating Rules, Rates and Procedures were amended effective March 17, 1992 by Assembly Memorandum 92-063.

2.2.2 These Operating Rules, Rates and Procedures were amended effective May 1, 1995 by Ordinance Serial #95-038.

2.2.3 These Operating Rules, Rates and Procedures were amended effective August 15, 1995 by approval of the Talkeetna Sewer and Water Service Area #36 Board of Supervisors.

2.2.4 These Operating Rules, Rates and Procedures were amended effective June 7, 2005 by Borough Assembly Ordinance Serial No. 05-077 (AM).

2.2.5 These Operating Rules, Rates and Procedures were amended effective October 16, 2012 by Borough Assembly Ordinance Serial No. 12-130.

2.3 Applicability

2.3.1 These Operating Rules, Rates and Procedures apply to all services rendered and facilities constructed or installed by the Matanuska-Susitna Borough within the Talkeetna Sewer and Water Service Area.

2.4 Compliance with Applicable Law

2.4.1 The Utility water production, treatment, and distribution facilities will be operated in accordance with applicable Federal, State, and Municipal laws and in compliance with these Operating Rules, Rates and Procedures.

3 NATURE AND TYPES OF SERVICES OFFERED

3.1 Water Service

3.1.1 The Utility provides water on a permanent basis for domestic, commercial, and fire protection uses at an average minimum system pressure of 30 pounds per square inch. The water provided is intended to meet the safe drinking water standards established by the State of Alaska.

3.2 Permanent/Seasonal Service

3.2.1 To accommodate seasonal needs, the Utility will provide water service to facilities to be turned on annually at a time specified by the customer each spring and discontinued at a date in the fall or winter designated by the customer. The customer shall be charged a Turn On/Turn Off fee and a monthly Interrupted Service Fee. Rates to be charged for this service shall be in accordance with Section 12 Fees and Special Charges – Non-Recurring and Section 13 Water Rates.

3.3 Temporary Construction Service

3.3.1 The Utility will provide water to a building site for use by the building contractor or developer for on-site construction under the conditions specified in Section 7.1 of these Operating Rules, Rates and Procedures.

3.4 Temporary Off-Site Construction Service

3.4.1 Water for use in road construction or similar projects will be made available by the Utility from existing hydrants or other points designated by the Utility under the conditions specified in Sections 7.2 and 7.3 of these Operating Rules, Rates and Procedures.

3.4.2 Water will not be provided from a hydrant or other points of delivery if the Utility determines that the system demand for water is at a level where the temporary service would produce significant pressure losses to permanent customers.

3.4.3 Water is delivered to some portions of the system at maximum pressures of approximately 60 pounds per square inch. Customers utilizing water for purposes where high pressures could damage equipment or facilities, or otherwise produce injury, shall acquire and install necessary pressure reducing facilities.

4 EXTENSION OF SERVICE

4.1 Main Extension by Agreement

4.1.1 Water mains may be extended within the Utility certificated area pursuant to an Extension Agreement. The developer will be responsible, under the agreement, to pay the costs of the system required to serve the area.

4.2 Transmission Main Extensions

4.2.1 If the Utility requires sizing of a water main extension in excess of that required to furnish adequate flow to the properties being developed, the developer may receive reimbursement for over-sizing from the Utility. Such over-sizing cost reimbursement will be based upon the following criteria:

4.2.1.1 The over-sizing costs shall be computed on the differential purchase price on pipe, tees, crosses, and valves.

4.2.1.2 Current prices will be obtained from suppliers for the various pipe sizes and fittings from which to base over-sizing reimbursement.

4.2.1.3 The difference in unit prices shall then be applied to the total footage of pipe installed and the number of tees, crosses, and valves installed based upon final pay quantities.

4.2.1.4 The Utility will not participate in costs involved in design, installation, or overhead.

5 LIABILITY OF UTILITY

5.1 Irregularity or Failure of Service

5.1.1 The Utility will exercise reasonable diligence to furnish and deliver a continuous supply of water to the customer under constant pressure but will not be liable for damages caused by interruptions, shortages, irregularities, or failures due to accidents, interference by third parties, or conditions beyond the control of the Utility.

5.2 Interruptions for Repairs or Modifications

5.2.1 The Utility reserves the right to temporarily suspend the delivery of water service when necessary for the purpose of making repairs, modifications, or improvements to the system. Except in emergency conditions, the Utility will make a reasonable effort to provide customer notice of suspension of service, either through the use of public media or by direct customer contact. Repair work will be completed expeditiously and, as far as possible, the work will be completed at a time of least inconvenience to the customer.

5.3 Customer Facilities

5.3.1 The customer's plumbing facilities shall conform to and be installed in compliance with the Uniform Plumbing Code, State of Alaska statutes and regulations, Municipal ordinances, and these Operating Rules, Rates and Procedures. If inconsistencies exist between standards established by any of the above referenced statutes, regulations, or ordinances, the most stringent standards shall be applied.

6 GENERAL SERVICE CONDITIONS

6.1 Application for Service

6.1.1 Applications for service shall be made by the property owner on the Utility's standard forms at the Utility office or by calling the Matanuska-Susitna Borough.

6.2 Terms of Service

6.2.1 Unless specifically provided in a written contract for service, the minimum term of service is thirty days, which will be billed the minimum monthly charge specified under the applicable rate schedule plus the metered charges from the previous month. A customer taking service for less than this minimum term will be billed, in advance, for the minimum monthly charge specified under the applicable rate schedule.

6.3 Easements and/or Rights-of-Way Required

6.3.1 The Utility may construct, own, operate, and maintain water facilities and other facilities necessary to the operation of the system in the right-of-way of public streets, roads, or highways which it has a legal right to occupy; or on public or private property across which easements or rights-of-way satisfactory to the Utility may be obtained by grant or purchase under the terms that the Utility determines .to be economically feasible. As a condition of service, the Utility may require the execution of an easement or easements providing suitable right-of-way for the construction and maintenance of the water system determined by the Utility to be necessary to service the customer's premises.

6.4 Maintenance Responsibility

6.4.1 The Utility will maintain and repair all mains that have been accepted for maintenance and operation by the Utility. The Utility will not be responsible for damages produced or costs incurred prior to acceptance of the system for operation. All systems installed will be subject to a one year warranty period prior to acceptance by the Utility. The customer is responsible for maintaining and repairing the water extension. The Utility will be responsible for thawing frozen water mains. The customer shall be responsible for paying for any damage caused by frozen water connections and water extensions from the main to the premises unless the freezing of the extension or connection was caused by an act of the Utility not in conformance with these Operating Rules, Rates and Procedures.

6.5 Access to Premises and Facilities

6.5.1 A properly identified employee of the Matanuska-Susitna Borough shall have access to the premises of a customer at all reasonable times for the purpose of turning the service on or off; reading meters; testing or inspecting the customer's facilities or equipment; or installing, repairing, thawing, removing, or exchanging facilities or equipment of the Utility.

6.5.2 The Utility desires to accommodate the occupants of the premises who are unavailable to permit access to the structure because of employment or other circumstances. Pursuant to this objective, the Utility will attempt to telephone customers when access is denied, or communicate with neighbors or others who may be informed that access to the premises is needed.

6.5.3 The customer shall keep the key box lid and thaw wire exposed and accessible at all times. If access to the key box is obstructed, the customer will bear all costs incurred by the Utility in obtaining access to begin or terminate service.

6.6 Protection of Facilities

6.6.1 Meters, remote reading devices, or other facilities provided at the expense of the Utility for services of the Talkeetna Sewer and Water Service Area are the property of the Utility. However, the customer is responsible for the safekeeping of the property of the Utility on its premises and should take all reasonable precautions against unlawful interference with the facilities. The customer may not interfere with, or cause disruption in the proper operation of the meters.

6.7 Disconnection for Tampering with or Failure to Protect Property

6.7.1 If equipment or facilities owned by the Utility within the Talkeetna Sewer and Water Service Area are damaged, tampered with, seals broken, or otherwise damaged, the Utility will discontinue water service to the customer until such time as satisfactory assurance has been provided that the facilities will be free from future interference. The customer shall reimburse the Utility for any damage to the equipment or facilities, for the estimated loss of revenue, and bring the account balance to zero prior to re-connection. Delinquent accounts disconnected due to tampering shall be turned over to a collection agency by the Utility immediately.

6.8 Connections to Other Systems

6.8.1 The Utility will deny service to or disconnect its service from any premises or facility that is connected to another water system, including a private well or other on-property facility. Service from an

on-property well must be abandoned in accordance with Alaska Department of Environmental Conservation rules and regulations.

6.9 Resale or Redistribution of Water

6.9.1 Water service from the Utility is provided only for the benefit of the premises actually connected and billed and is not to be resold or furnished with or without charge to another premises located in an area where a service connection exists and service could be applied for.

6.10 Required Facilities and Inspection

6.10.1 Water service will not be provided to any premises that is not equipped with an inside shut-off valve. The Utility will inspect all on-property service lines to ascertain the type of pipe and fittings utilized in the line, the position of the service line to the sewer service, and other aspects of the service installation necessary to ensure delivery of the proper volume of uncontaminated water under sufficient pressure.

6.11 Waste of Water

6.11.1 Customer facilities and equipment shall be maintained and utilized in a manner that will avoid unnecessary waste of water. If substantial quantities of water are being wasted due to disrepair of customer facilities, the Utility may, upon fourteen days written notice to the customer concerning the required repair, discontinue service to the premises. Service will be restored upon inspection and approval of the repair by the Utility.

6.12 Unauthorized Connection

6.12.1 No person shall uncover, make any connections with or opening into, use, alter, or disturb water connection or appurtenance thereof without first obtaining a written permit. A violator will be charged for each unauthorized connection in accordance with the rate schedule, plus a 25 percent penalty, which is a part of these Operating Rules, Rates, and Procedures, from the date unauthorized connection was made. If that date cannot be established, the customer will incur a penalty equal to the applicable monthly rate for the entire proceeding year plus 25 percent, or $750 whichever is greater.

7 TEMPORARY CONSTRUCTION SERVICE

7.1 Conditions of Temporary Construction Service

7.1.1 Temporary construction water will be provided only from an approved service connection to the lot to be served. This type of service requires submittal of an application for service with billing for the actual period of service or for a minimum of thirty days, whichever is greater. The customer may not make water service available to another lot or location.

7.2 Conditions of Temporary .Off-Site Construction Service and Bulk Sales

7.2.1 Temporary off-site construction service will normally be provided by permit only during the period between May 15 and September 15 of each year. Service may be made available at other times only if the Matanuska-Susitna Borough Manager determines that a substantial risk of freezing is not probable. Permits for temporary off-site construction service will be issued by the Utility under the following conditions:

7.2.1.1 The permittee must complete an application specifying the type, make and capacity of the tanker truck for which the permit is to be issued. Permittee must indicate the time frame or use of this service. All water will be metered from the Utility's source of supply to the vehicle used for transporting water. The Utility will furnish a hydrant meter as part of the permit fee. The permittee will be charged a refundable deposit for use of the hydrant meter.

7.2.1.2 One permit will be issued for each tanker truck that will be taking water. The permit must be prominently displayed on the tanker truck during the effective period of the permit.

7.2.1.3 Permits issued by the Utility for temporary off-site construction services are revocable at will by the Utility. The permittee must discontinue use immediately. A permit will not be issued to an applicant who has a delinquent account for a similar service.

7.3 Temporary Off-Site Construction Service - Bulk Sales

7.3.1 The Utility will provide bulk sales of water through a designated hydrant or other points of delivery subject to the following conditions:

7.3.1.1 Provisions of Section 7.2.1.1, 7.2.1.2, 7.2.1.3 shall apply.

7.3.1.2 The permittee must complete an application specifying the type, make and capacity of the tanker truck for which the permit is to be issued. A time frame for this use must be provided at the time the permit is issued.

7.3.1.3 The applicant for a permit will be issued a hydrant meter subject to a refundable deposit as set forth in Section 12, Fees and Special Charges - Non-Recurring.

7.3.1.4 All tanker trucks will be metered.

7.3.1.5 Fees and charges for bulk sales shall be in accordance with Section 13, Water Rates.

8 SERVICE CONNECTIONS AND EXTENSIONS

8.1 Required Water Connections

8.1.1 Mandatory hook-up to the Talkeetna Sewer and Water Service Area system is required for all new facilities constructed after March 17, 1992 and for all existing systems that fail. Mandatory hook-up is not required for structures existing prior to March 17, 1992. All new connections shall be installed by November 1st of the same year the application for permit was obtained, or if application is obtained after November 1st, then the period for compliance shall extend until the November 1st of the following year. Failure to connect to water within the specified timeframe allowed shall result in a penalty, whether commercial or residential, as set forth in Section 12, Fees and Special Charges - Non-Recurring, Failure to Connect, until such time as connection is made. An owner of existing property that is required to hook up and has been notified that he or she must hook up to the system and has not connected to the system within 12 months of notification, will also incur a penalty, whether commercial or residential, as set forth in Section 12, Fees and Special Charges - Non-Recurring, Failure to Connect.

8.1.2 A monthly stand-by fee will be charged to a service that requests a temporary shut off as set forth in Section 13, Water Rates.

8.1.3 One service connection shall be constructed and installed from the water main to each building served on the property unless the property owner has accepted responsibility for payment of billings for water service to all premises on the property and has a statement to that effect on file with the Utility. Multiple residential units on one lot shall be charged one monthly residential water fee per unit of residence. If more than one structure, recreation vehicle (RV), or mobile home is connected to a single water service connection, the service must be metered and will be considered a commercial account and charged accordingly.

8.1.4 Property owners with more than one structure, RV, or mobile home connected to a single water source who wish to discontinue service to one or more of the structures may be billed for only the remaining structure(s), commercial or residential, provided they comply with all of the following terms:

a) Submit all as-built drawings and grant utility easements to service branches and meters if installed;
b) Pay for a borough approved tamperproof key box cap that becomes the property of the Utility; and

c) Complete the service work order form and pay the turn on and turn off charge for the job to be performed by the Utility Operator.

8.1.5 All costs associated with water connection will be borne by permittee as described in 8.2.1.

8.2 Connection Permits

8.2.1 The developer, property owner, or authorized agent shall acquire a connect permit from the Utility for each water connection and water extension prior to its construction. The developer, owner, or authorized agent must complete the permit application, designate the size of connection and pay the permit fee as set forth in the schedule of fees and charges. No water connection will be made without the required permit.

8.3 Compliance with Standard Specifications

8.3.1 Water connections shall be constructed and installed in compliance with the Standard Construction Specifications of the Utility. A fee is charged for each connection prior to water being turned on. Fees for this service shall be in accordance with Section 12, Fees and Special Charges - Non-Recurring.

8.3.2 The Utility will require the Contractor/Owner to deposit $500 for each stub-out connection or to deposit $750 for each mainline connection. This deposit is not the permit fee. After the connection is inspected and photographed by the Utility Operator and all drawings and required papers are on file with the Utility, the deposits, which are not interest bearing, will be returned to the Contractor/Owner.

8.4 Governmental Permits

8.4.1 The developer, owner, or contractor shall acquire all permits and pay all fees established by any governmental agency as a condition for the installation or construction of a water service connection or extension. Any governmental unit which would require the Utility to obtain the permit and accept responsibility, the developer, owner, or contractor shall reimburse and indemnify the Utility for all costs incurred to obtain the permit and provide any required guarantee secured by a bond to the Utility sufficient to cover possible damages or liabilities.

8.5 Permits for Roadway Crossings

8.5.1 The applicant for a permit to install a water connection within a Borough right-of-way or easement shall employ a bonded, licensed,

and insured contractor to dig within the borough right-of-way or easement.

9 DEPOSITS, BILLINGS, AND REPAYMENTS

9.1 Establishment of Credit

9.1.1 To ensure the payment of all charges due for water service, an applicant or customer shall make a cash deposit with the Utility per account in an amount equal to two months of monthly charges as set by the Utility. If the amount of the required deposit exceeds five hundred dollars ($500), the person requesting service may furnish a surety bond for the amount in lieu of a cash deposit.

9.2 Refund of a Deposit

9.2.1 The Utility will refund the deposit after two years of service upon request providing that, in the interim period, the Utility has not been forced to disconnect that customer's service for reasons of delinquency in payment of charges or that the customer has not been delinquent in payment more than once in any 12 consecutive months, or is not delinquent at the end of the two year period. When service is discontinued and the account balance is zero, the deposit is to be returned, upon customer request, within 25 days. The deposit is not interest bearing and cannot be assigned.

9.3 Deposit Not to Affect Regular Collection Practices

9.3.1 A cash deposit remitted in compliance with the requirements of these Operating Rules, Rates and Procedures does not relieve an applicant or customer from the obligation to pay bills promptly on presentation. The Utility may discontinue service to any customer failing to pay current bills without regard to the fact that the customer has made a deposit with the Utility to secure payment of those bills or has furnished a guarantee in writing for the bills.

9.4 Rates Applicable

9.4.1 Water will be sold only at rates established in this manual of Operating Rules, Rates and Procedures unless another rate is established by special contract approved by the Matanuska-Susitna Borough Manager.

9.5 Billing

9.5.1 Customers will be billed by the Utility for the Talkeetna Sewer and Water Service at intervals approximating 30 days. Normally, each meter will be read on or about the same date each month and bills will be prepared, utilizing a cycle billing, based on the meter reading. Special contract customers will be billed in accordance with the contract provisions. Billings for service of less than thirty days shall

be pro-rated on the basis of a thirty day month from the day of connection (turn on).

9.6 Delivery of Bills

9.6.1 Bills will be mailed to each customer each month at the premise supplied with water or to another address specified by the customer. Bills will be mailed at approximately the same time every month and the failure to receive a billing will not relieve the customer of the obligation to pay for the service rendered. A customer who has not received a bill for a period of sixty days shall notify the Utility.

9.7 Payment of Bills

9.7.1 Utility bills for services rendered by the Utility for Talkeetna Sewer and Water Service are due and payable on the date of the billing.

9.8 Delinquent Bills

9.8.1 Bills will be considered past due and subject to a late charge or finance charge of 10 ½ percent per annum from due date to collection of the account if not paid within twenty-five days after billing date. Active accounts in arrears shall pay, monthly, 20 percent of the amount in arrears in addition to the current month, plus applicable penalties. Any waiver or other payment agreement must be in writing and signed by the customer and the Borough's authorized representative.

9.9 Discontinuance of Service

9.9.1 The Utility may discontinue water services if a customer permits a bill to become delinquent. Five calendar days after delinquency the Utility will notify the customer of imminent discontinuance of service by a door hanger placed at least forty-eight hours prior to discontinuance of service. There shall be a $30 charge for delivering a shut-off or delinquency notice. Any account which is over 60 days in arrears will be turned over to a collection agency by the Matanuska-Susitna Borough Talkeetna Sewer and Water Service Area and service shall be disconnected. A sum equal to fifteen percent of the outstanding balance of the account will be added as a service charge; and the account balance, including service charge, will accrue interest at the rate of 10 ½ percent per annum from the due date to collection of the account.

9.10 Reconnection of Service

9.10.1 If a customer has had service discontinued for cause, the Utility may refuse to furnish a new service to the customer at the same or any

other location until all charges due to the Utility, including applicable re-connection charges specified in the schedule of fees and charges, have been paid, and satisfactory assurance is given to the Utility that future bills will be paid promptly. Such assurance may include a deposit.

9.11 Estimated Billing

9.11.1 If the Utility is unable to read a meter at the usual or scheduled time due to locked premises, weather conditions, road conditions, presence of dangerous animals, or other circumstances, the Utility will bill the customer the minimum water rates and adjustments to the account will occur after the next meter reading,

9.12 Adjustment of Bills for Meter Error

9.12.1 If a meter test conducted by the Utility for the Talkeetna Sewer and Water Service reveals that a meter is deviating by more than 2 percent from the standard tolerances provided by Section 10.7 of these Operating Rules, Rates and Procedures, the Utility will submit adjusted billings for the period the meter was in use, not exceeding 3 months, to reflect actual consumption based on adjusted meter readings. If the cause for the meter error can be attributed to an act or event for which the date can be fixed, adjusted billings will be prepared back to, but not beyond, that date.

9.13 Disputed or Erroneous Bills

9.13.1 A customer who is unable to obtain an adjustment of a billing that is believed to be in excess of the established rates may file a written complaint with the Matanuska-Susitna Borough Manager as provided in Section 11.1 of these Operating Rules, Rates and Procedures.

9.14 Change of Ownership (Ratepayer)

9.14.1 A customer who is listed on the Utility records as the person or entity responsible for water consumption at a specific location shall give notice in writing by mail, or in person, of an intended change in ownership (ratepayer), specifying the date on which service is to be discontinued. Notice shall be provided at least five days prior to the change of ownership (ratepayer). If the customer fails to provide the required notice, the customer will be charged for water service furnished to the premises until the Utility provides service to a successor owner.

9.15 Adjustments for Water Metered but Not Utilized

9.15.1 The Utility will not adjust any billing to reduce the charge for water circulated through a system to prevent freezing or for any other intentional or negligent consumption of water by the customer, unless requested by the Utility.

9.16 Billing for Unauthorized Service

9.16.1 A person who appropriates or accepts water service from the Utility without applying for service and otherwise complying with these Operating Rules, Rates and Procedures shall be billed at the residential, commercial, or industrial rate that would otherwise be applicable from the date of the turn-on or, if that date cannot be established, from the date of construction of the water connection. In addition, the customer will be billed for a penalty in an amount set forth in the schedule of fees and charges for the unauthorized turn-on or turn-off.

9.17 Establishment of Rates for Service

9.17.1 The Utility will advise the applicant for service of the rate to be applied, to the service requested.

10 METERING

10.1 General

10.1.1 Metering is **required** for all commercial, industrial and residential customer classes receiving water service from the Utility. At least one meter and reader is to be installed for each connection. The meter and reader shall remain the property of the Utility upon installation.

10.2 Meter Installations

10.2.1 All meters and readers required by these Operating Rules, Rates and Procedures will be provided by the Utility. Installation for current customers as of September 15, 2012 will be provided by the Utility. Any meters installed after September 15, 2012 shall be at the expense of the customer. The Utility will provide installation instructions to be used by a qualified contractor for the installation of the meter. The Utility will provide a remote reader for each meter installed. Installation of the remote reader unit shall be by a qualified contractor at the cost of the customer.

10.2.2 Upon notification, the Utility shall retain the right to inspect the installation and remove the meter at any time for testing.

10.3 Meter Standards and Testing

10.3.1 Water meters installed will conform to the specifications and tolerances established by the American Water Works Association for meters.

10.3.2 The Utility will arrange a test on a water meter upon the request of a customer who questions the accuracy of the meter. If the test results demonstrate that the meter varies from the standard tolerance, the Utility will repair or replace the meter and the cost of the test will be borne by the Utility. If the meter does not vary from the standard tolerance, a charge will be made to the customer requesting the test in accordance with the schedule of fees and charges.

10.3.3 The meter test will be conducted during normal business hours in the presence of the customer or other representatives appointed by the customer, if requested by the customer. Meters larger than 2 inches will be tested on the premises.

10.4 Meter Bypass

10.4.1 A meter bypass shall be installed with all meters 3 inches in diameter or larger. A meter bypass shall be sealed in the closed position at the time the meter is installed. The bypass may be used only during

periods when the meter has been removed for repair. The Utility must authorize use of the bypass. If a seal is removed and a bypass valve is opened without authorization from the Utility, the customer shall be billed at the average monthly rate for the preceding year plus 25 percent for the period which the bypass was operative. In addition, the Utility may discontinue service until such time as adequate assurances are provided that unauthorized use of the bypass valve will not occur in the future.

10.5 Responsibility for Meter

10.5.1 The Utility will arrange for the maintenance and repair of meters and reading devices as required, at its expense, but will not maintain or repair any part of the plumbing apparatus connected to the meter. The customer shall provide a location for the meter that is protected from freezing. Any damage to a meter caused by customer neglect, misuse, abuse or freezing from customer neglect or a power outage will be repaired by the Utility at the customer's expense.

10.6 Failure to Install Meter

10.6.1 If a customer fails or refuses to install a meter required by these Operating Rules, Rates and Procedures, the Utility may, after 20 days written notice to the customer, enter upon the premise and install, or contract with a qualified plumber, the required meter. The customer shall be billed for the actual cost of the installation, less the cost of the meter or remote reader. If the Utility determines that the installation costs of the meter will be higher than normal, or that the condition of the plumbing on the premises creates a likelihood that extensive repairs may be necessitated by the installation, or if access to the location for the logical installation of the meter is in any way restricted, the Utility may elect to discontinue service to the customer until the meter is installed as required by these Operating Rules, Rates and Procedures. The customer shall be provided with 30 days written notice of the intent of the Utility to discontinue service as provided in this section.

10.6.2 The Utility will not make billing adjustments for a customer who fails to install a meter pursuant to these Operating Rules, Rates and Procedures, or within such extended period as is specified by the Utility due to inability to obtain a meter.

10.7 Standard Tolerances of Meters

10.7.1 Meters shall meet the following requirements for accuracy with water at a temperature of less than 80°F (27°C).

10.7.2 At any rate of flow within the normal test flow limits specified in Table 1 of AWWA Specifications C700-27, the meter shall register not less than 98.5 percent and not more than 101.5 percent of the water that actually passes through it.

10.8 Water Meter Installation

10.8.1 All water meter installations shall be with the inlet and outlet positioned in the horizontal plane with the dial face vertically upward and protected from freezing.

11 GENERAL PROVISIONS

11.1 Customer Complaints

11.1.1 Customer complaints may be filed in writing, or orally, and directed to the attention of the Matanuska-Susitna Borough Manager, or the designee. The Manager may request that an oral complaint be made in writing and signed by the customer, or the customer's authorized representative who is directly affected by the subject of the complaint.

11.1.2 A complaint shall set forth the name, address, and telephone number of the complainant; the nature of the complaint plus any supporting facts, including dates and times; and the remedy requested. The Utility will investigate the complaint and respond in writing within 15 days.

11.2 Testing of On-Site Plumbing

11.2.1 Water to be used for testing of on-site plumbing in a building will be made a part of the service provided in the provision for construction service.

11.3 Main Shut-offs for Discontinuance of Service

11.3.1 Should a customer intentionally prevent the Utility from discontinuing water service by preventing access to the key box, the Utility may, after 10 days written notice to the customer, excavate and turn the water off at the main by closing the service area's valve at the main. To restore service, the Utility must be paid all outstanding billings as well as the cost incurred to close and re-open the service area's valve.

11.4 Relocation of Fire Hydrants

11.4.1 If a property owner requests the Utility to relocate a fire hydrant that was properly placed initially, the property owner shall reimburse the Utility for the actual cost of relocation.

11.5 Service Turn-on and Turn-off

11.5.1 The Utility will not discontinue service for a billing delinquency during the period 12:00 noon on Friday and 8:00 a.m. Monday. If the customer requests service turn-on or turn-off during this period, the customer must be present.

12 FEES AND SPECIAL CHARGES - NON-RECURRING

Note: Section 12 reflects a 25% Rate Increase as of July 1, 2005 and an additional 25% increase on January 1, 2006. A 2% increase was applied in 2007, 2008 and 2009 as per Ordinance No. 05-077 (AM).

SERVICE	SECTION REFERENCE	FEE OR CHARGE 1/1/2009 - Present
12.1 Water Turn-On or Turn-Off: During Business Hours	3.2	$68.75 per each
12.2 Water Turn-On or Turn-Off: During Non-Business Hours	3.2	$137.50 per each
12.3 Hydrant Use: Wrench Deposit		$24.88 per each
12.4 Hydrant Use: Meter Deposit	7.3	$207.26 per each
12.5 Unauthorized Turn-On or Turn-Off		$99.50 per each
12.6 Meter Test: ¾" through 2" Meter		$68.75 per each
12.7 Return Check		$30.00 per each
12.8 Call-Out: During Business Hours		$68.75 per each
12.9 Call-Out: During Non-Business Hours		$137.50 per each
12.10 Key Box Locate: During Business Hours		$68.75 per each
12.11 Key Box Locate: During Non-Business Hours		$137.50 per each
12.12 Shut-Off/Delinquency Notice & Delivery Fee	9.8.1	$30.00 per each
12.13 Unauthorized Connection	6.12	Monthly charges from the date the unauthorized connection was made plus 25%. If no date can be established, charge the full proceeding year or $750.00 whichever is greater.
12.14 Failure to Connect Penalty – Residential	8.1.1	$35.94 per month until connection is made
12.15 Failure to Connect Penalty – Commercial	8.1.1	$40.25 per month until connection is made
12.16 Refundable Deposit	9.1	Two months water service at applicable monthly rate

TALKEETNA PUBLIC WATER SYSTEM

	SECTION REFERENCE	FEE OR CHARGE 1/1/2009 - Present
12.17 Application Fee (Waiver available for those with proof of two years stub-out payment at that location.)		$100.00 FY06, $200.00 FY07, $300.00 FY08 and forward $385.00 as of 7/1/2015
12.18 Contractor w/Deposit for As-Built Drawings: Stub-Out Connection	8.3.2	$500.00 per each
12.19 Contractor w/Deposit for As-Built Drawings: Mainline Connection	8.3.2	$750.00 per each
12.20 Water Main Connection Permit Fee	8.2.1	$282.00 per each
12.21 Stub-out Connection Permit Fee	8.2.1	$94.00 per each

13 WATER RATES

Note: Section 13 reflects a 25% Rate Increase as of July 1, 2005 and an additional 25% increase on January 1, 2006. A 2% increase was applied in 2007, 2008 and 2009 as each of per Ordinance No. 05-077 (AM).

SERVICE	SECTION REFERENCE	FEE OR CHARGE 1/1/2009 - Present
13.1 Residential	6.2/9.4/9.5	$62.50 per month
13.2 Commercial: Metered	6.2/9.4/9.5/ 10.1	$8.75 per 1,000 gallons ($70.00 per month minimum)
13.3 Commercial: Non-Metered		n/a all have meters
13.4 Late Charge	9.7	$12.50
13.5 Interest Charge		10.5%
13.6 Service Charge	9.8	10.5% of outstanding balance
13.7 Temporary Off Site Construction Service -Bulk Sales: Hydrant Meter Deposit	7.3	$161.81 per each
13.8 Temporary Off-Site Construction Service -Bulk Sales: Service from Fire Hydrant	7.3	$7.00 per 1,000 gallons
13.9 Temporary Construction Service: ¾”	3.3/7.1	$59.86 per month
13.10 Temporary Construction Service: 1"		$105.78 per month
13.11 Temporary Construction Service: 1 ½"		$235.29 per month
13.12 Temporary Construction Service: 2"		$419.26 per month
13.13 Temporary Construction Service: Larger than 2"		By Special Agreement
13.14 Bulk Sales	7.3	$7.00 per 1,000 gallons
13.15 Interrupted Service Fee (Stand-by Fee)	3.2/8.1.2	$41.25 per month

EXHIBIT "A"

BOUNDARIES OF MATANUSKA-SUSITNA BOROUGH
TALKEETNA SEWER AND WATER SERVICE AREA NUMBER 36

Reference Matanuska-Susitna Borough Code Section 5.25.060, Service Area Number 36, Talkeetna Sewer and Water Service, which established the service area and boundaries as described in Matanuska-Susitna Borough 84-79 and 88-89, and as shown on the official service area map.

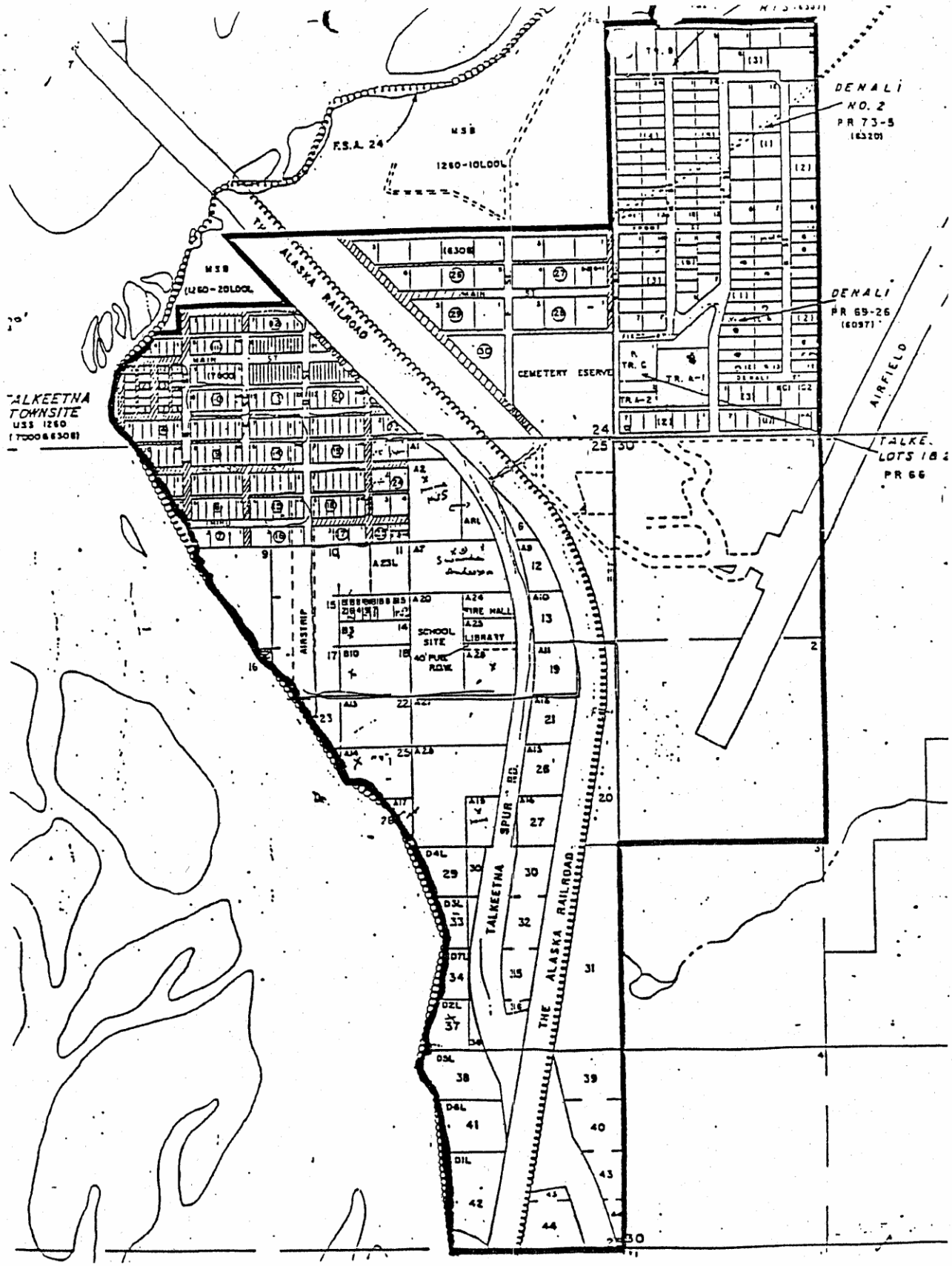
Legal Description: In T26N, R5W:

> Those portions of the S1/2 S1/2 of Section 24 contained within the Talkeetna Townsite, U.S.S. 1260, and easterly of the west boundary of the Alaska Railroad right-of way; and that portion of Section 25 easterly of the east high water mark of the Susitna River; and

In T26N, R4W:

> All of the Talkeetna Heights Subdivision, Denali Subdivision, and Denali No. 2 Subdivision in Section 19; and W1/2 NW1/4 of Section 30;

Seward Meridian, Talkeetna Recording District, Alaska.


DENALI
NO. 2
PR 73-5
(63201)
DENALI
PR 69-26
(6097)
AIRFIELD
F.S.A. 24
MSB
1260-10L00L
MSB
1260-20L00L
ALASKA RAILROAD
MAIN ST
CEMETERY RESERVE
TR. C
TR. A-1
TR. A-2
TALKEETNA
TOWNSITE
USS 1260
(7000&6308)
TALKE.
LOTS 18 &
PR 66
AIRSTRIP
SCHOOL
SITE
40' FUEL
ROW
FIRE HALL
LIBRARY
TALKEETNA SPUR RD.
THE ALASKA RAILROAD

CODE ORDINANCE Introduced by: Borough Manager

MATANUSKA-SUSITNA BOROUGH
ORDINANCE SERIAL NO. 95-141

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY APPROVING THE AMENDMENTS TO THE TALKEETNA SEWER AND WATER SERVICE AREA OPERATING RULES, RATES, AND PROCEDURES.

WHEREAS, the Matanuska-Susitna Borough received a certificate of public convenience and necessity on November 28, 1990 authorizing it to operate a public utility as defined by Alaska Statutes 42.05.990(4)(C) for the purpose of furnishing water and sewer services in Talkeetna; and

WHEREAS, the Matanuska-Susitna Borough is a political subdivision of the state not competing with any other entities in Talkeetna for water and sewer utility service and is therefore exempt from regulation under Alaska Statutes 42.05.711(b); and

WHEREAS, the Talkeetna Sewer and Water Service Area Number 36 Board of Supervisors approved a number of changes to the operating rules, rates, and procedures of the sewer and water system in Talkeetna; and

WHEREAS, the assembly approved, by Ordinance Serial #95-038, an increase in the commercial water and sewer rates; and

WHEREAS, by state statute the assembly must approve any changes to operating rules and procedures that include fees or penalties.

BE IT ENACTED:

Section 1. Classification. Sections 1, 3, and 4 are non-code ordinances. Section 2 is a code ordinance.

Section 2. Amendment of sub-section. MSB 5.25.060(C) is hereby amended to read as follows:

> The borough adopts by reference the "Operating Rules, Rates and Procedures for the Use and Supply of Public Sewer and Water Systems in Talkeetna, Alaska" for the Talkeetna Sewer and Water Service Area, **as amended August 1995.** The Talkeetna Sewer and Water Service Area regulations may be amended by the manager as required for the operation

of the sewer and water system.

Section 3. Operating rules, rates, and procedures. The attached public water service and public sewer system operating rules, rates, and procedures as amended August 1995 is hereby incorporated by reference.

Section 4. Effective date. Ordinance Serial No. 95-141 shall take effect upon adoption by the Matanuska-Susitna Borough Assembly.

INTRODUCTION: 10/17/95 PUBLIC HEARING: 11/7/95

ADOPTED by the Matanuska-Susitna Borough Assembly this 7 day of November, 1995.

BARBARA LACHER, Borough Mayor

ATTEST:

SANDRA A. DILLON, Borough Clerk

(SEAL)

Approved as presented _ with OR 95-141

BOROUGH ASSEMBLY DOCUMENT
CONTROL AND AM/IM FORM

11/7/95

MATANUSKA-SUSITNA BOROUGH
350 EAST DAHLIA AVENUE
PALMER, ALASKA 99645-6488

For Agenda of: October 17, 1995 **No. AM 95-321**

SUBJECT: Ordinance approving the amendments to the Talkeetna Sewer and Water Service Area Operating Rules, Rates, and Procedures

ATTACHMENT(S): FISCAL NOTE _X__YES__NO; Ordinance Serial #95-141; Rules, Rates, and Procedures for Talkeetna Sewer and Water Service Area Public Water Service; Rules, Rates, and Procedures for Talkeetna Sewer and Water Service Area Public Sewer System

Route to:	Department/Committee/Individual	Initials	Remarks
	Originator - Bev Winkler		Originator - PW Dept
	Planning Director		
	Assessor		
1	Public Works Director		
2	Finance Director		FD
3	Attorney		
4	Assistant to the Manager		
5	Mayor		
	Clerk		

SUMMARY STATEMENT: The Board of Supervisors of the Talkeetna Sewer and Water Service Area #36 met and approved a number of changes to the operating rules, rates, and procedures of the water and sewer system in the service area. The major rate increase was to the commercial water and sewer charges and this increase has been approved by Ordinance Serial #95-038. The attached rules, rates, and procedures have been modified to incorporate previously approved changes and make non-substantive clarifications.

RECOMMENDED ACTION: Introduce Ordinance Serial #95-141 at the October 17, 1995 assembly meeting and advance to public hearing.

APPROVED BY:

DONALD L. MOORE, Borough Manager

PW/BW/AMS/951004-2

Number: AM 95-321
ORD 95-141

Re-cap of Changes to Talkeetna Sewer & Water Operating Rules, Rates, and Procedures

1. Added a definition for Utility and used Utility to refer to the Matanuska-Susitna Borough Talkeetna Sewer and Water Service Area.

2. Added an Interrupted Service Fee of $15 per month.

3. Incorporated the commercial rates adopted by the assembly under Ordinance #95-038 of $3.50 per 1,000 gallons of water or $28.00/month minimum, and $48.00/month for sewer.

4. Changed system maximum water pressure from 70 to 60 PSI.

5. Incorporated all changes approved by the assembly on March 17, 1992 by Assembly Memorandum #92-063.

6. Added a clause to require a water meter be installed if more than one building is connected to a single water service connection.

7. Changed charges which were charged by hour to charges per each event.

8. Deleted on property and off property inspection charges and added Connection Permit fees.

9. Changed return check fees from $10 to $25.

10. Changed paragraph 6.10.1 to state that if more than one building is connected to a single sewer service it will be classified as a commercial sewer account.

11. Added a paragraph on improper discharges.

12. Miscellaneous non-substantive clarifications/corrections.

Number: AM 95-321
ORD 95-141

MATANUSKA-SUSITNA BOROUGH
FISCAL NOTE

Agenda Date: 10/5/95

REQUEST: Approving amendments to Talkeetna Sewer & Water Service Area Procedures
SUBJECT: Ordinance approving the amendments to the Talk-etna Sewer & Water SA Operating Rules, Rates, and Procedures

ORIGINATOR: Public Works

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT? (YES) NO
AMOUNT REQUESTED $ 15,000 Approx.	FUNDING SOURCE Fees
FROM ACCOUNT #	PROJECT #
TO ACCOUNT # 293-000-000-349-XXX	PROJECT #
VERIFIED BY: Marie Keen	CERTIFIED BY:
DATE: 10/6/95	DATE:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY96	FY97	FY98	FY99	FY2000	FY01
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING						
CAPITAL						
REVENUE	15.0	15.0	*	*	*	*

FUNDING: (Thousands of Dollars)

General Fund						
Federal Funds						
Other						
TOTAL						

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary) *The rate increase to commercial sewer & water rate as previously approved by Ord. 95-038, are estimated to generate approx. $15,000 increased revenues and will likely exceed that as utilization increases.

PREPARED BY: Phone

DEPARTMENT: Marie Keen, Finance — Date 10/6/95

APPROVED BY: Atty FD — Date 10/6/95

FISCAL.WP

Page 1 of 1

1

AM #95-321
ORD ~~RESO~~ #95-141