

**Service Agreement
For
Water, Sewer and Gas Service
For
Harmony Ridge Subdivision**

Date: 07/03/02

1. Responsibilities of South Alabama Utilities:
 - A. South Alabama Utilities will permit, construct, and obtain approval to use the Waste Water Treatment Plant.
 - B. South Alabama utilities will construct gas mains for the development at no direct cost to the Developer.
 - C. South Alabama Utilities will construct the gas service and meter at no cost to the lot owner.

2. Responsibilities of the Subdivision Developer:
 - A. The Developer will construct the water and sewer lines in the streets and the water and sewer service and service lines from the main to the right of way line in accordance with South Alabama Utilities requirements and turn them over to South Alabama Utilities for operation and maintenance.

3. Responsibilities of the Lot Owner:
 - A. Each Lot Owner shall be required to sign a User's Agreement for water, sewer and gas service from South Alabama Utilities at the time of application for service. One of the provisions of this agreement will be that the Lot Owner agrees to pay at least the minimum bill for 24 months once service to that dwelling is initiated. The actual cost for water, sewer and gas service will be shown hereinafter in Item 5.

4. Connection Fee by the Lot Owner includes:
 - A. The combined connection fee for water, sewer and gas will be **\$4,500 per lot paid at the time of application for service for the lot.**
 - B. The Lot Connection Fee will include the following:
 1. Water meter in the meter box at the right-of-way.
 2. Interceptor tank, sewer effluent pump, sewer line from interceptor tank to the sewer connection point at the right-of-way.
 3. Gas meter and gas service line from the meter to the gas main.

5. Monthly charges for water and sewer service:

	<u>Water Rates</u> *	<u>Sewer Rates</u>	<u>Gas Rates</u>
First 2,000 Gallons	\$6.95 (minimum)	\$13.05 (minimum)	Standard SAU
All Over 2,000 Gallons	\$2.57 per 1,000 gallons	\$ 4.15 per 1,000 gallons	System Rates

The above rates shall be effective for a 24-month period. *For standard 3/4" meter; rates for meters larger than 3/4" shall be determined by South Alabama Utilities.

6. Operation and Maintenance of the completed facilities will be by South Alabama Utilities

- A. Maintenance of the interceptor tank, pump, service line and sewer line from interceptor tank to Treatment Plant will be by South Alabama Utilities.
- B. Tanks should require pumping on an average interval of 5 to 10 years (by S.A.U.).
- C. Cost for maintenance is included in the monthly service fees (including pumps).