

**UTILITIES BOARD
OF THE
CITY OF GULF SHORES**

RESOLUTION NO. 4-90

A Resolution rescinding Water Works Board Resolution 88-1 including all amendments thereto, all Governmental; Utility Service Corporation Resolutions, and Paragraph 2 of Utilities Board Resolution GSUB 1-89, and filing and prescribing procedures, rates and charges for service and facilities to be furnished by the Utilities Board of the City of Gulf Shores and providing for the implementation of said procedures and the collection of such rates and charges.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE UTILITIES BOARD OF THE CITY OF GULF SHORES, ALABAMA WHILE IN REGULAR SESSION THIS 28TH DAY OF APRIL, 2005 AS FOLLOWS:

SECTION 1. The Gulf Shores Utilities Resolution No. 4-90, including all prior amendments thereto; shall be and is amended in the particulars set forth in this Resolution.

SECTION 2. That the words and phrases listed herein shall have the following meanings, when used in this Resolution:

- A. Board - The Utilities Board of the City of Gulf Shores
- B. Usage - Quantity of water as measured by the water service meter.
- C. Control Point - The existing elevated water tank at 149 East 16th Avenue.
- D. Zone I - All areas within an eight (8) mile radius of the Control Point with the particular modification to include only those areas on Fort Morgan Peninsula lying east of the western boundary of Range 3 East.
- E. Zone II - All areas not defined as being within Zone I.
- F. Residential - Any type of living arrangement such as single family detached residential, duplexes, condominium, apartments, hotels, motels, mobile home parks, RV/Travel trailer parks, etc.
- G. Commercial - Any non-residential enterprise.
- H. Unit - Residential arrangement for no more than one (1) family.
- I. General Manager- The General Manager for the Board or its agent.

SECTION 3.

A. SERVICE ZONE

That the current and potential future service area shall be organized into two (2) service zones in general accordance with the relative cost of providing service. Said service zones shall be referred to as Zone I and Zone II and shall be defined as set forth in Section 2.

B. POLICY OF WATER SERVICE OUTSIDE THE CITY OF GULF SHORES CORPORATE LIMITS

Effective immediately and until such time as circumstances are determined by the Utilities Board of the City of Gulf Shores, Alabama to warrant a change in policy, the Board will not approve new water service to any applicant for such service to a location outside the corporate limits of the City of Gulf Shores, Alabama except under the following circumstances:

(a). The water service requested is for property that can be served by connection to existing abutting service lines or by an extension of existing service lines in a manner and at a cost acceptable to the Board; and

(b). (i) The water service requested is for service to a single family or duplex residence located on a lot of record existing on the effective date of this policy; or

(ii) The water service requested is for service to a single family or duplex residence located on a lot of record in a subdivision approved after the effective date of this policy with a density of no more than 2 lots per acre; or

(iii) The water service requested is for service to a multifamily or hotel structure with a residential unit or hotel room density of no more than 4 units or rooms per acre; or

(iv) The water service requested is for service to a commercial structure that is not a residential or hotel structure and the Board determines after specific evaluation of the volume of water to be furnished that the requested service will not place an unacceptable burden on the Board's service capacity.

In the event an unincorporated area served by the Board becomes included within the corporate limits of a municipality other than the City of Gulf Shores by annexation or incorporation, the Board will thereafter continue to serve only those water service customers in such area as are served on the effective date of inclusion and will make no additional water service connections of any kind in such area except such connections as the Board may have contractually obligated itself to provide prior to such date.

The water service policies of the Board are adopted by it in its legislative capacity and are subject to amendment or rescission as thereafter may be determined by the Board to be in the best interest of the Board in fulfilling its function as a utility. The water services policies of the Board as in effect from time to time are not a contractual commitment to any person or entity with respect to the availability of water service at any location.

C. SERVICE TAMPERING

Alabama Law makes it a felony to unlawfully obtain or tamper with utility services. Any customer allowing connection of additional units or enterprises to their service, without payment of the applicable fees in effect, shall be required to pay all applicable fees in effect at the time of discovery plus a penalty of \$600.00 per violation, any legal fees which may be incurred, and applicable service usage fees as determined by the General Manager.

SECTION 4. That rates and charges for the services and facilities to be furnished by the Board be established as follows:

A. USAGE CHARGES

1. MINIMUM MONTHLY CHARGES - ZONE I

METER SIZE	USAGE ALLOWED FOR MINIMUM CHARGE	MINIMUM MONTHLY CHARGE	
		WATER	SEWER
3/4"	4,000 GALS.	\$ 10.00	\$ 15.00
1"	10,000 GALS.	25.00	37.50
1 1/2"	20,000 GALS.	50.00	75.00
2"	32,000 GALS.	80.00	120.00
3"	64,000 GALS.	160.00	240.00
4"	100,000 GALS.	250.00	375.00

2. CHARGES FOR USAGE IN EXCESS OF MINIMUM ALLOWANCE - ZONE I

- A. Water Service - \$ 3.25 per thousand gallons of water usage.
- B. Sewer Service - \$ 4.875 per thousand gallons of water usage.

3. CHARGES FOR USAGE IN ZONE II

- A. Water rates and charges established in Section 4.A.1 and 4.A.2. above plus twenty-five percent (25%).
- B. Sewer rates and charges for minimum usage as established in Section 4.A.1. Usage in excess of minimum allowance shall be charged at \$5.3625 per thousand gallons of water usage.

4. USAGE CHARGES FOR GULF STATE PARK

- A. There shall be no minimum monthly charge.
- B. Usage shall be charges as follows:
 - 1). Water Service - \$ 3.25 per thousand gallons of usage.
 - 2). Sewer Service - \$ 4.875 per thousand gallons of water usage.

5. USAGE CHARGES FOR SEWER ONLY CUSTOMERS

- A. Residential Service - Sewer use charge shall be a flat rate of \$27.50 per month.
- B. Commercial Service - Any commercial user may be required by the Board to install a system to measure sewage flow by an approved means and to pay any usage charges of \$ 6.25 per 1000 gallons. The minimum gallons are calculated to be the same as that for a water meter properly sized for the establishment.

6. In the event the meter is proven to have registered incorrectly, or is inoperable for any cause, or for whatever reason a reading of the meter cannot be obtained, the customer shall pay an amount determined from the records of his previous bills and/or from other proper data. Billings rendered in this manner will be authorized by the General Manager.

B. SERVICE DEPOSITS

1. Each customer shall be required to establish with the Board a service deposit as set forth below:

<u>ACCOUNT TYPE</u>	<u>REQUIRED DEPOSIT</u>
Single Family Residential (Service Applicant is Owner)	\$ 50.00
Single Family Residential (Service Applicant is Not Owner)	\$100.00

Commercial developments, convenience services, Owner Association developments (condominium or residential) and Apartment Complexes, Hotels and Motels of less than 25 units and/or rooms which are served by a single meter shall have a service deposit based on meter size as follows:

3 / 4 Inch Meter	\$ 50.00
1 Inch Meter	\$ 150.00
1 ½ Meter	\$ 300.00
2 Inch Meter	\$ 750.00
3 Inch Meter	\$1,500.00
4 Inch Meter and larger	\$3,000.00

2. City, County, State and Federal Governmental Agencies are exempt from the requirement for service deposits.
3. Customers establishing a water service and a sewer service account for the same property or enterprise shall only be required to establish a single service deposit as set forth above and as follows: Established customers with a good payment record of 18 months or more will not be required to pay a \$50.00 deposit for each meter/account. GSU will reserve the right to charge customers a deposit for failure to comply with good payment policy.
4. Apartment Complexes, Hotels and Motels of 25 units or greater which are served by a single meter shall have a service deposit based on the number of units and/or rooms multiplied by 50% of the established deposit requirement for "Single Family Residential Deposit (Applicant is Owner)"
5. Refund of Service Deposit for Single Family Residential:
 - A. Owners accounts with 2 late charges or less within 18 months.
 - B. Non-owner accounts with 2 late charges or less within 3 years.
6. The Board reserves the right to charge customers a deposit for failure to comply with our good payment policy.
7. Refund of service deposit – Upon request of any customer for discontinuation of service, the service deposit, or as much thereof remains after all service charges to the account have been satisfied, will be refunded without interest, within forty-five (45) days of discontinued service.

SECTION 5. SERVICE INSTALLATION CHARGES

Installation charges serve to partially defray the administrative and technical costs of providing service and a proportionate share of the infrastructure costs to support the individual service connection.

- A. There shall be three (3) categories of service offered by the Board:
Residential Service, Commercial Service and In-Home Commercial Service.
- B. SERVICE WITHIN ZONE I
 1. Residential Service - The basic service level is defined as a permanent, single-family residence. "Service Installation Charges" for basic service level of a permanent, single-family residence are as follows:
 - a. 3/4" Water Service - \$1000.00 per unit
 - b. 3/4" Sewer Service - \$1000.00 per unit
 - c. Special request for residential service of 1" meter size will be multiplied by a factor of 2.0 of basic installation charge.

Zone I - 100% of all connection fees will be due and payable upon application.

Service Installation Charges for different residential arrangements shall be metered by a single master meter of appropriate size and are defined in terms of equivalence to the basic residential service.

<u>Residential Arrangement</u>	<u>Unit Equivalency</u>
Hotel or Motel Unit with kitchen and laundry facilities	1.0 per unit
Unit without kitchen & laundry facilities with one bathroom	0.50 per unit
RV/Travel Trailer Parks	0.75 per unit, per site
Campsite without sewer hook-up	0.33 per unit, per site

The number of units or sites shall be verified by building permit, plans certified by Alabama-Registered Engineer or Architect, and/or determined by inspection by Board personnel or agents.

Restaurants, lounges, laundries, common area facilities and similar facilities associated with multi-unit residential arrangements will be evaluated separately as commercial enterprises.

2. COMMERCIAL SERVICE

- a. Each commercial enterprise is considered a commercial unit whether located in a separate structure or as a part of a multi-unit structure.
- b. Service Installation Charges for all commercial accounts are determined based on the potential peak demand placed upon the water system by all water using fixtures. Water using fixtures are identified from construction plans provided by the customer and/or inspection by Board personnel. The water consumption of each fixture (fixture value) is based on American Water Works Association data or Table of Fixture Values provided by an Architect or Engineer registered in the State of Alabama.
- c. In larger commercial services, potential peak demand is less than the combined fixture value as indicated in the table below. This is due to the probability that all water using fixtures will not be operated at the same time.
- d. Commercial Service Installation Charges

<u>Potential Peak Demand</u>	<u>Service Installation Charge</u>	
	<u>Water</u>	<u>Sewer</u>
Up to 20 GPM	\$1000.00	\$1000.00
Per GPM Over 20	\$ 40.00	\$ 60.00

The commercial installation charges are given by the table below.

COMBINED FIXTURE VALUE	PEAK POTENTIAL DEMAND	SERVICE INSTALLATION CHANGES	
		WATER	SEWER
20 or less	20.0	\$1000	\$1000
21	21.0	\$1040	\$1060
22	22.0	\$1080	\$1120
23	23.0	\$1120	\$1180
24	24.0	\$1160	\$1240
25	25.0	\$1200	\$1300
26	25.9	\$1236	\$1354
27	26.8	\$1272	\$1408
28	27.6	\$1304	\$1456
29	28.4	\$1336	\$1504
30	29.1	\$1364	\$1546
31	29.8	\$1392	\$1588
32	30.5	\$1420	\$1630
33	31.2	\$1448	\$1672
34	31.8	\$1472	\$1708
35	32.5	\$1500	\$1750
36	33.1	\$1524	\$1786
37	33.7	\$1548	\$1822
38	34.3	\$1572	\$1858
39	34.9	\$1596	\$1894
40	35.4	\$1616	\$1924
41	36.0	\$1640	\$1960
42	36.6	\$1664	\$1996
43	37.1	\$1684	\$2026
44	37.7	\$1708	\$2062
45	38.2	\$1728	\$2092
46	38.8	\$1752	\$2128
47	39.3	\$1772	\$2158
48	39.8	\$1792	\$2188
49	40.3	\$1812	\$2218
50	40.8	\$1832	\$2248
51	41.3	\$1852	\$2278
52	41.9	\$1876	\$2314
53	42.4	\$1896	\$2344
54	42.9	\$1916	\$2374
55	43.4	\$1936	\$2404
56	43.8	\$1952	\$2428
57	44.3	\$1972	\$2458
58	44.8	\$1992	\$2488
59	45.3	\$2012	\$2518
60	45.8	\$2032	\$2548

e. Changes in Service Demand

In the event that any changes occur that result in increased service demands, additional fees are due prior to the use of the upgraded service.

3. In-Home Commercial - A customer as otherwise encompassed by the conditions set forth in Section 5.B.1. whoever provides a service or is engaged in an activity of a commercial nature in the home with water-using fixtures only in the residential area and no water-using fixtures located in the commercial area or associated with the commercial activity shall be classified and evaluated under Section 5.B.1. upon the approval of the General Manager.

The General Manager shall conduct such investigations and/or require such customer's submittals that, at his discretion, are necessary to ascertain the appropriateness of classification in accordance with this paragraph.

4. Changes In The Nature Or Character Of Services -

Any and/or all categories or classifications of services are subject to demand and/or operation monitoring by the Board. In the event any change in the nature, character, or operation of any service account results in reassignment to a higher classification or category of service, customer shall pay all additional fees applicable to such new classification or category of service prior to installation of use of such upgraded service or, if such change is discovered after-the-fact, immediately upon such discovery.

5. Interpretation of the changes applicable to any entity, enterprise and/or arrangement shall be made by the General Manager.

C. SERVICE WITHIN ZONE II

1. Residential service installation charges for basic service level of a permanent, single-family residential unit or equivalent residential unit of multiple dwellings within Zone II shall be as follows:

- a. Water Service - \$2,000.00 per unit
- b. Sewer Service - \$ 750.00 per unit

2. Residential service installation with a 1" meter shall be that charged for basic residential service within Zone II multiplied by a factor of 1.5.

3. Commercial service installation charges shall be as set forth for Zone I (Section 5.B.2.) multiplied by a factor of 2.0.

4. Upon submission of a letter of request and only in hardship cases, such as medical disability, an installment schedule for payment of connection fees will be established for a period of one (1) year or less with a nominal interest rate to be determined by the General Manager. Each request will be reviewed on an individual basis by the GSU Board of Directors.

D. PAYMENT OF INSTALLATION CHARGES

The following conditions apply to the payment of installation charges as set forth in Sections 5.B. and 5.C. above:

- 1. To reserve the current installation charge, 100% of the total installation charge must be paid for each service. Installation charges for units or enterprises added at a later date, are subject to the charges in effect at that time of the request for additional units.
- 2. Service installation for Zone I and Zone II must be utilized within six (6) months of application of service, or have a continuously valid building permit in evidence; otherwise, the installation privilege becomes null and void. Upon cancellation of the installation privilege, all installation charges will be refunded, excluding any costs incurred by Gulf Shores Utilities resulting from the anticipated installation.
- 3. All water and/or sewer installation charges associated with property located within the City of Gulf Shores jurisdiction shall pay 100% of the installation charges prior to obtaining a City of Gulf Shores Building Permit.
- 4. Single-family residential units and multi-family complexes of 10 units or less located in Zone II shall pay 100% of the installation charges upon filing an application for service. Any previously paid commitment fees associated with the property shall be applied towards the installation charges.

5. Multi-family residential complexes, in excess of 10 units and located in Zone II, shall pay 100% of the installation charges prior to Gulf Shores Utilities' signature on the final plat. Any previously paid commitment fees associated with the property shall be applied.

E. SERVICE COMMITMENT FOR MULTI-UNIT RESIDENTIAL AND COMMERCIAL DEVELOPMENTS FOR PROPERTIES OUTSIDE THE INCORPORATED BOUNDARIES OF GULF SHORES, ALABAMA.

1. Due to the unique governmental agencies' permit approval process for projects located within the Board's service area, short term service commitments not to exceed sixty (60) days may be granted. To obtain this service commitment, a request must be filed and approval granted by either the Board of Directors or the General Manager. A brief description of the project, showing location, unit count, and anticipated construction date must be submitted for determination of site and requirements. Requests to extend short term service commitments are not routinely granted but may be considered by the Board of Directors on a case-by-case basis.
2. General Manager approval may be granted for short-term service commitments to single-family, multi-family, or commercial projects of 10 units or less. Approval by the Board of Directors is required for all other projects. No fee is charged for short-term service commitments.
3. Upon approval of the project by the appropriate governing authorities, extension of the service commitment beyond the original 60 days may be obtained by the payment of service commitment fee equal to 50% of the total installation charges. Payment must be made within 30 days of the project approval and will extend the service commitment and additional 365 days from the date of project approval. Failure to pay the commitment fees will render all prior commitments by the General Manager or Board of Directors null and void.
4. Service commitment fees for single family subdivision shall be site specific by lot and/or parcel number and shall be applied to the final installation charges for that lot or parcel upon filing an application for service. Upon recording of final plat with the Probate Judge, a legal description of each lot or parcel number shall be provided to Gulf Shores Utilities. Service commitment fee for single family subdivision are not refundable upon Gulf Shores Utilities' signing of final plat.
5. Upon written notification of a commitment cancellation by the customer or the expiration of the Board's commitment to the customer, all commitment fees will be refunded to the customer, less any direct costs incurred by Gulf Shores Utilities resulting from the commitment.
6. Single-family residential subdivision of greater than 10 units may obtain a service commitment by Board's approval of a commitment request letter. Commitment fee of \$1,000 per unit must be paid within 30 days of Board's approval of commitment request, or commitment will expire. A per unit commitment fee will be credited toward each residential service installation charge upon filing an application for service. Installation charges will be based on the rate in effect at the time service is requested.
7. Multi-family residential complex of 10 units or less may obtain a service commitment by General Manager's approval of a commitment request and the payment of \$1,000 per unit commitment fee. A per unit commitment fee will be credited toward service installation charges upon filing an application for service. Installation charges will be based on the rate in effect at the time service is requested.
8. Multi-family residential complex of greater than 10 units may obtain a service commitment by Board's approval of a commitment request letter. A commitment fee of \$1,000 per unit must be paid within 30 days of Board's approval of commitment request, or service commitment will expire. Upon payment of commitment fee, the Board's commitment shall remain in effect for 390 days from the date of customer's commitment request letter. Commitment fees will be credited toward service installation charges, if total installment charges are paid within 390 days of commitment request letter date; otherwise, Board's service commitment will expire. All installation charges must be paid prior to Gulf Shores Utilities signature on final plan or installation of meter, whichever occurs first.

9. Commercial sites may obtain a service commitment by General Manager's approval (for 10 or less units) or Board's approval (for over 10 units) of a commitment request letter and the payment of \$1,000 per commercial unit. A per unit commitment fee will be credited toward each commercial site service installation charge upon filing an application for service. Installation charges will be based on potential service demand level at the rates in effect at the time service is requested.

SECTION 6. SEWER CONSTRUCTION COSTS

- A. Should the Board elect to provide sanitary sewer service to a property, such provision shall be by either Low-Pressure System or Gravity System.
 1. The Low-Pressure System method of service encompasses Board furnished and maintained pressurized sewage transmission mains within the public rights-of-way and/or easements abutting the property served. The customer is responsible for furnishing, installing, operating, and maintaining all elements of a grinder pump system to properly process the waste and sufficiently pressurize the waste flow for introduction to the Board's system.
 2. The Gravity System method of service encompasses Board furnished and maintained gravity-flow sewer lines within the public rights-of-way and/or easements abutting the property served. The customer is responsible for providing and maintaining a gravity-flow service line to deliver the property's waste flow to the Board's system.
- B. Service Installation Charges as set forth in Section 5 hereof shall be applicable.

SECTION 7. SERVICE RE-ESTABLISHMENT/RESTORATION AND TRANSFER FEE

The Service Re-Establishment/Restoration/Transfer Fee serves to partially defray the administrative and logistical costs to re-establish/restore or transfer service. The fee shall be paid at the time of re-establishment, restoration or transfer of service on an active account or on inactive accounts where no changes in the category or classification from the preceding service are evidenced. The Service Fees shall be in the amount as set forth below:

- A. \$50.00 - Re-Establishment/Restoration: If paid within one hundred and twenty (120) days from date of termination or discontinuation of service.
- B. \$100.00 - Re-Establishment/Restoration: If paid after one hundred and twenty (120) days from the date of termination or discontinuation of service
- C. \$50.00 - After Hours Service Charge: If a customer has been disconnected for non-pay and has requested to be reconnected after scheduled business hours, they shall be responsible for the Re-Establishment fee as set forth in Section 7.A as well as the after hours service charge
- D. \$25.00 - Transfer Fee: To be due upon any change of ownership, tenant occupancy or service address of an active account.
- E. Re-Establishment/Restoration of service will be subject to the customer first satisfying any unpaid balance owed to the Board for prior service and then satisfying the deposit requirements of Section 4.B and the payment of the re-establishment/restoration fee as stated above.
- F. Customers re-establishing/restoring a combined water and sewer account for the same property or enterprise shall only be required to pay a single Service Re-Establishment/Restoration fee as stated above.

SECTION 8. SYSTEM MAIN TAP FEES

- A. Connection to water system or sewer system for any purpose other than those addressed in Section 5 shall be made by the Board upon customer request. The Board shall review customer tap request and upon approval, shall construct the main line tap. A letter needs to be obtained from the applicant's fire main contractor stating the size of the tap needed from Gulf Shores Utilities main.
- B. Main line tap fees shall be based on the Board's actual cost for labor, labor burden, materials, and hourly fee for equipment and machinery and 25% of L & M for administrative overhead. Customer shall be required to pay a deposit, according to the following schedule, upon making an application for service. This deposit will be applied towards the total cost of the main line tap construction. If construction cost exceeds the deposit, the balance due will be billed to the customer. Any balance due for the construction of the main line tap will be due upon receipt of the invoice. The Board reserves the right to shut off any main line tap should the Board not receive balance due within 30 days of invoice. If construction cost is less than the deposit, the overpayment will be refunded to the customer within 30 days from the completion of construction.

<u>Tap Description</u>	<u>Deposit Fee</u>
Sewer Tap	\$ 500.00
Fire Protection Tap	\$2,000.00
Distribution Main Tap	\$2,500.00
Fire Hydrant Installation	\$3,000.00

- C. Upon provision of satisfactory evidence of capability and of acceptable assurance of performance, the Board may permit the applicant to construct the requested tap. The tap shall be constructed in full accordance with Board requirements and the work shall be subject to review by the Board. Such permission shall be secured by the applicant from the General Manager in writing prior to the initiation of any work.

SECTION 9. FIRE HYDRANT CHARGES

- A. Annual Demand Charges
 - 1. Within Zone I - Fire Hydrants located on public right of way: \$60.00 per hydrant per annum. Fire hydrants located on private property: \$90.00 per hydrant per annum.
 - 2. Within Zone II - In accordance with above for Zone I plus 100% surcharge.

SECTION 10. FIRE PROTECTION CHARGES

- A. GENERAL
 - 1. Fire protection charges are demand charges.
 - 2. Prior to being considered for service, all systems must be approved by the appropriate fire official having jurisdiction.
 - 3. All installation costs (including applicable charges under Section 8) shall be paid by the applicant.
 - 4. Charges as set forth in Section 10.B. are due one year in advance and are based on the size of the fire service line at its maximum point, using the inside diameter, and apply regardless of type of fire protection devices connected to the customer's fire protection system, such as standpipes or sprinkler heads.
 - 5. Unpaid fees become delinquent sixty (60) days after the date of billing. In the event annual Fire Protection charges are not paid in full within said sixty (60) days, a notice of pending service termination will be sent to the appropriate fire official having jurisdiction and to the customer at the address of record. Should fees remain unpaid ten (10) days thereafter, fire protection service shall be terminated without further notice.

6. For new service, the fire protection charge for the first year will be prorated to have all fire protection charges standardized to start on October 1st of each year. The date of occupancy permit issued by the City Building Official shall be the initiation date for said charges.
7. Should the Board have reason to believe that water is being used via a fire protection service for any purpose other than fire protection, the Board shall install a detector. Should the detector indicate such unlawful use, appropriate action shall be taken by the Board.

B. ANNUAL CHARGES

SERVICE LINE INSIDE DIAMETER	ANNUAL CHARGE	
	ZONE I	ZONE II
2" or less	\$ 75.00	\$ 150.00
3"	\$ 165.00	\$ 330.00
4"	\$ 290.00	\$ 580.00
5"	\$ 450.00	\$ 900.00
6"	\$ 650.00	\$1300.00
8" or less	\$1150.00	\$2300.00
10" or less	\$1800.00	\$3600.00
12" or less	\$2600.00	\$5200.00
16" or less	\$4600.00	\$9200.00

C. Class I Fire Protection Systems Exempted

1. Class I Fire Protection System is defined as a fire system intended for use only by fire department personnel and/or those trained in handling heavy fire streams, specifically defined to mean that no connections for hoses less than 2 1/2" in diameter exist within the system, and with no component of the fire protection system permanently connected to the Board's water system.
2. Fire protection systems meeting the definitions of Class I as set forth in Section 10.C.1. above shall be exempt from the payment of Fire Protection Charges as established in this Section 10.

SECTION 11. HYDRANT METER SERVICE RENTAL AGREEMENT

Procedures and charges for provision of temporary, non-consumptive, non-sewer water service via fire hydrant meters are as follows:

A. REQUIREMENTS AND CONDITIONS:

1. Customer is responsible for any water usage; damages, stolen or misplacement of hydrant meter and accessories; and damage to fire hydrant.
2. GSU will set-up hydrant meter and accessories on the day service begins.
3. Customer is responsible to remove the hydrant meter at the end of each working day and the replacement of meter on any subsequent day of usage.
4. Customer is responsible to maintain hydrant meter and accessories in the same condition as received from GSU.
5. Customer is responsible for the return of hydrant meter and accessories within 28 calendar days of insurance.
6. GSU will set hydrant meter within 48 hours after customer's execution of rental agreement and receipt of hydrant deposit, upon availability of hydrant meter.
7. Usage shall be non-consumptive and no water obtained via this service shall be allowed to enter the sewer system.

8. Hydrant usage will not be allowed on Holiday and Weekends due to demand on system.
9. Hydrant meter can only be used at the site designated on the rental agreement. Any hydrant meter found in any unauthorized locations or connection without proper meter set-up will be removed by GSU personnel and customer will forfeit their right to the meter. (To relocate or obtain another meter, customer will be required to make new application).
10. Customer is required to sign for receipt of hydrant meter and accessories at site location or meter will not be set. Customer may assign an authorized agent to receive hydrant meter at site location.
11. Customer will be charged a set-up fee for each trip to site location by GSU personnel. GSU personnel will leave site location, if customer or authorized agent is not present within 10 minutes of scheduled time.

B. HYDRANT RENTAL CHARGES

1. \$1,000 Deposit required on hydrant meter. Deposit will be applied to charges for hydrant meter rental. Any charges above the deposit amount will be due upon receipt of balance notice. Any remaining balance of deposit after applying charges will be refunded within 30 days of return of hydrant meter.
2. Zone I - \$50.00 service set-up fee. Plus, the greater of \$25.00 per day rental or \$3.25 per thousand gallons water usage. Usage will be prorated over the number of calendar days hydrant meters are issued.
3. Zone II - \$65.00 service set-up fee. Plus, the greater of \$30.00 per day rental of \$4.06 per thousand gallons water usage. Usage will be prorated over the number of calendar days hydrant meters are issued.
4. After a 28 consecutive day period of issuance, per day rental will be double the above stated rate for each zone. Charges will be determined based on gallons usage or daily rental, whichever is greater. Usage will be prorated over the number of calendar days hydrant meters are issued.
5. Special arrangements for extended use of hydrant meter may be obtained by authorization of the General Manager.

SECTION 12. ADJUSTMENT POLICY

The Board recognizes and maintains that any and all usage beyond the meter is the sole responsibility of the customer; however, on occasion, customers experience abnormally high usage due to plumbing failures, unauthorized use, or other such conditions which are substantially beyond the customer's knowledge or control. In such circumstances the Board may consider adjustments to customer billings subject to the following conditions:

- A. Eligibility - Only most recent month's billing and current usage will be considered for adjustment.

- B. Amount of Adjustment
 1. Water Service Billing - The amount of the water service billing adjustment shall be one-half (1/2) of the excess amount billed over and above 125% of the historical average consumption for the particular month.

2. Sewer Service Billing -
 - a. Abnormal Usage Entered Sewer System - The amount of the adjustment shall be one-half (1/2) of the excess amount billed over and above 125% of the historical average usage for the particular month.
 - b. Abnormal Usage Did Not Enter Sewer System - The amount of the adjustment shall be the total excess amount billed over and above 125% of the historical average usage for that particular month.
3. For accounts with no historical record for either or both service billings, the average consumption shall be determined by the General Manager.
4. The determination as to whether the questioned usage was excessive and/or did or did not enter the sewer system shall be made by the General Manager or his agent. The customer shall provide any/all such information, assurances, or other particulars that the General Manager may require to assist in the determination.

C. Limitations - Limitations for customer adjustments are as follows:

1. Each eligible customer account shall be allowed a maximum of one (1) adjustment per twelve (12) months; said period beginning with the date of the adjustment.
2. Application for adjustment does not exempt customer from the obligation of timely payment of account.

B. Adjustment Challenges

1. Should a customer challenge the computation of an adjustment as set forth in Section 12.B the customer may request special consideration by submittal of documentation to the General Manager. After consideration of the customer's documentation and any other required information, the General Manager may authorize additional relief to the customer.
2. Should the customer challenge the decision made by the General Manager, the customer may request consideration from the Board by letter or in person at a regular scheduled board meeting.

SECTION 13. CONVENIENCE SERVICES

A. Convenience Service is defined as a permanent, non-consumptive, non-sewered water service from which the water obtained is used for irrigation, outside showers, swimming pools, hot tubs, and other facilities specifically determined by the General Manager to so qualify.

B. Installation Charges

1. Meter shall be a standard 5/8" x 3/4" service meter. Service connection fees for the 5/8" x 3/4" meter will be \$1000.00.
2. Installation charges set forth in Section 13.B.1. above are for services within Zone I. Installation charges for service within Zone II shall be the same as those for Zone I when GSU provides water and sewer service to the customer at the published rate of \$2,000 per residential unit or unit equivalent for water and \$750.00 per residential unit or unit equivalent for sewer.
3. Upon special request and authorization from General Manager, convenience services may be allowed beyond those stated in Section 13.8.1. at an equitable charge.

- C. Convenience services connected to the water system shall be subject to the following conditions:
1. This connection to the Board's water system will be used exclusively for the purposes stated above, and the customer shall specifically warrant that no water obtained via this connection will be allowed to be discharged in any manner into the sanitary sewer system.
 2. Use of water obtained via this connection for purposes or under circumstances other than specifically permitted herein shall be grounds for immediate disconnection of said service without prior notice, forfeiture of installation fees, and appropriate legal action by the Board.
 3. Usage shall be billed at the current rates, including minimum billings, for the particular meter size installed and service zone location as set forth in Section 4 for water-only accounts.
 4. The customer shall be required to establish with the Board a deposit for each convenience service in accordance with the procedures set forth in Section 4.B.
- D. The Board reserves the right at the time of initiation of service or without notice at any time thereafter to:
1. Inspect customer connections to convenience services prior to any covering or back-filling around said service, and any extension thereto.
 2. Temporarily suspend or discontinue use of convenience services without prior notice in situations deemed by the Board or its staff to be of emergency or critical nature such as firefighting, peak demand periods, water shortages, etc.
 3. Selectively limit the periods of use or convenience services.
 4. Review the demand being imposed.

SECTION 14. RETURNED CHECK PROCEDURES

A fee of \$20.00 shall be charged for any check returned unpaid by any financial institution for any reason whatsoever. Upon receipt of the returned check, the account balance shall be considered un-paid and, if past due, delinquent. The Board may elect to not re-process any check so returned.

The Board reserves the right to refuse payments by personal check from those customers who in any twelve (12) month period have had two (2) returned checks, and said customer shall pay amounts due the Board by cashier check, money order or cash for a minimum period of six months. The Board reserves the right to process uncollected checks through the Office of the District Attorney. Certified notification of such will be given to the maker of the check prior to processing.

SECTION 15. METER ACCESS

Usage meters shall be installed upon all connections to the water system. Agents and/or employees of the Board shall have access at all times to the premises of each customer for such purposes as to read, maintain, replace, modify, remove, etc. any meter, pipes or other facilities of the Board located on the premises.

SECTION 16. CUSTOMER METER TEST

The Board maintains the usage meters installed in the system perform within established limits of accuracy. The Board may test any meter at any time and for any purpose whatsoever. Should a customer request a test of a meter not suspected by the Board to be inaccurate, the following conditions shall apply:

- A. If the meter performance is verified to be within the above referenced limits, a charge of \$25.00 shall be added to the customer's next billing.
- B. If the meter performance is not within the above referenced limits, no charge shall be applied.

- C. Should the customer not accept the results of the Board's test, the General Manager may elect to allow additional, independent testing of the meter. If the additional testing verifies the accuracy of the Board's test, all costs for the additional testing shall be paid by the customer.

SECTION 17. FORFEITURE OF DISCOUNT

Service billings shall be rendered on the basis of the meter readings on the day or days of the month selected thereafter. The usage charges set forth in Section 4 are net, the gross charges being one hundred ten percent (110%) thereof.

In the event the current monthly bill is paid within fifteen (15) days from the date of its issuance, the net charges shall apply; otherwise, the gross charges shall be due. Failure to receive a bill or notice shall not prevent bills from becoming delinquent nor relieve the customer from their obligation.

SECTION 18. PAYMENT POLICY

The date of payment of any billing is defined as the date on which payment is received in the Board Office. Any payment not so received will be untimely and will subject the account to Forfeiture of Discount and/or Termination of Service as may be applicable as set forth elsewhere in this Resolution.

Any payment delivered to the Board Office or its designated postal receptacle by the U.S. Postal Service or recognized private carrier bearing a postmark or like stamping documenting posting prior to any stated action deadline will be considered as being timely received.

Should any stated action deadline fall on a day when the Board Office is not open for regular business, any payment delivered to and received in the Board Office during the regular office hours of the Board on the first business day after such action deadline shall be considered as being timely received.

SECTION 19. TERMINATION OF SERVICE

Service may be terminated for any of the following reasons:

- A. Non-Payment of Bills - Any customer failing or refusing to pay a bill or any part thereof within twenty-five (25) days after the issuance thereof shall be denied the use of the services and facilities afforded by the Board. The service deposit or the necessary portion thereof shall be applied in payment of any unpaid balance only after discontinuance of service.

Prior to resumption of service to such customer, customer must first satisfy any charges which may remain on the account after application of the service deposit, reinstate the deposit as set forth in Section 4.B., and pay the Service Establishment/Restoration Fee as set forth in Section 7.

In the event the Board elects to attempt collection of past due billings at the service location prior to termination of service, customer shall pay all past due billings plus a collection fee of \$50.00.

- B. Tampering with the usage meter or using unauthorized devices or methods to obtain service.
- C. Existence within the service location plumbing of facilities or features that pose a threat to the security and safety of the public water system, including cross-connection(s) to a non-public water supply.

SECTION 20. SUSPENSION OF SERVICES

The Board reserves the right to suspend service without notice for the following reasons:

- A. Customer willful disregard of the Board's rules and regulations.
- B. Emergency repairs.
- C. Inability to serve due to circumstances beyond the Board's control.
- D. Legal process.

- E. Direction of public authorities.
- F. The Board may, in addition to prosecution by law, permanently refuse service to any customer who tampers with a meter or other measuring device.

ATTEST

Clifford E. Johnson, General Manager

Mike Diehl, Chairman
The Utilities Board of the
City of Gulf Shores

Updated To Include Resolutions:

GUSC 93-88, GSU 5-90, 11-91, 12-91, 14-91, 20-91, 40-93, 68-96, 92-99, 97-Y2K, 92-Y2K, 102-01, 105-01, 122-03, 140-05, 157-07, 176-10, 178-10, 181-10, 198-13, 203-14, 218-16, 223-17

