SECTION 7
MAIN EXTENSIONS

A. The Authority may make extension of distribution mains after petition of the owners of real estate or their authorized agents, along the proposed line, and upon their payment of the entire estimated cost of installing the necessary pipe lines and appurtenances other than service connections; and including, but not limited to engineering and legal fees as determined by the Authority. If the actual cost of main extension is greater than the estimated cost, this difference shall be paid by the applicant before service is rendered. Should the estimated cost be greater than the actual cost, this difference shall be returned to the applicant.

B. The Authority may, at its own discretion, extend any distribution main without petition or refuse any petition.

C. If a prospective customer wishes to extend any water mains using a contractor of his choice, the customer shall retain an engineer, acceptable to the Authority, to design, prepare plans and specifications and supervise construction of the water main extension. The customer shall bear all costs for the extension, including, but not limited to construction, engineering and legal expenses and full time or periodic inspection and testing by the Authority. The customer, or developer, making an extension to the Authority's water distribution system shall provide the Authority with an accurate as-built plan prepared by the customer's or developer's engineer, and which accurately displays the location of all pipes, valves and appurtenances. The as-built plan shall be submitted on reproducible mylar to the Authority.

D. All subdivision and land development plans in the Authority's service area shall be submitted, in full detail, to the Authority for review, comment and/or approval by the Authority's consulting engineer and the Authority Board. In order for the consulting engineer's comments to be prepared for Board consideration, such plans must be submitted at least ten (10) calendar days before the Board meeting. Notwithstanding the foregoing, engineering review shall not occur unless and until appropriate escrows have been deposited with the Authority in accordance with this section 7. The Authority's consulting engineer shall review plans submitted under

these provisions and shall address a review letter including comments and/or recommendations to the Board, for Board consideration and action. A copy of the consulting engineer's review letter shall be released to applicant at the time of the Board meeting at which the Authority considers the consulting engineer's comments and recommendations. The Authority shall then prepare an official letter of review constituting the position of the Board, addressed to the applicant. The Board shall have full authority to accept, reject and supplement points raised in the consulting engineer's report, and the position of the Authority as to any proposed plan shall not be final until Board consideration and action. (Rev. 8/4/99) Evidence of Board approval of any subdivision or land development plan shall be accomplished by the affixing of the seal of the Authority on two copies of the approved version of the plans showing the water system improvements, together with the endorsement of an authorized officer of the Authority evidencing the approval by the Board. Following endorsement by the Board, an authorized representative of developer shall counter-sign the approved plans. One copy of the plans, so sealed and endorsed, shall be retained by the Authority. The other copy shall be released to the developer for use by the developer, and its contractors and field representatives, in performing excavation and installation of water system improvements in accordance with the conditions of approval of the Authority, and in accordance with these Rules, the Authority's Specifications for Additions and Extensions to the Water System as well as any Municipal Improvements Agreement then in force between the developer and the Authority. (Rev. 4/04/01)

E. Main extension on newly developed land will only be approved where (i) there has been a dedication of streets and ways or satisfactory permanent easements are separately provided to the Authority and (ii) where all plot plans have been approved by the local planning commission and such other planning commissions as shall be in existence at the time of application. (Rev 8/4/99)

F. Main extensions on private property will only be approved after private rights-of-way have been granted to the Authority, which rights-of-way shall provide that the Authority shall be the exclusive utility with rights within such right-of-way, except insofar as the Authority's exclusive rights shall be specifically waived by the Board (Rev. 4/04/01)

G. All main extensions shall become the property of and be maintained by the Authority.

H. The Authority shall determine the size and type of the pipe to be installed for transmission and distribution mains. The minimum size for any new water distribution system main shall be eight (8) inches diameter. The Authority may require installation of larger diameter mains.

I. The terminal point of all main extensions shall be at the farthest extremity of the most distant premises to be served.

J. Any land subdivision or land development project, or other proposed extension to the Authority's water distribution system shall require the filing of an escrow deposit to cover the Authority's legal, engineering and administrative costs associated with plan review, preparation of legal agreements and other Authority tasks related to the project. The developer shall tender to the Authority $10,000.00 as an initial deposit (the "Plan Review Escrow Account") to cover any and all expenses of the Authority associated with the engineering, legal and administrative review of the subdivision or development plan and preparation of legal documents including easements, municipal improvements agreement and other necessary documents. This deposit shall be in addition to and separate from any deposits which may be required by the Township, the Township Planning Commission or the County planning agency or the Sewer Authority or any other agency with jurisdiction. In the event this initial deposit is deemed by the Authority to be insufficient to meet its expenditures, the developer will be so notified and shall within ten (10) days make further deposits as required into this Escrow Account. Funds in this Escrow Account will be used to satisfy all expenditures incurred by the Authority for plan review. The Authority shall not be responsible or otherwise liable to pay interest on any funds deposited into the Developer's Escrow Account.

Any fund insufficiencies shall be satisfied prior to approval of plans. Any remaining funds shall be returned to the Developer at the time of approval of plans, or shall be used toward the construction phase escrow account.

Prior to any water main construction, the developer or other party undertaking the construction shall fund an escrow account with sufficient monies to pay the Authority's costs for engineering, construction observation, and administrative costs incurred during the construction phase of the project (the "Construction Escrow Account"). The amount of such construction escrow account shall be established by the Authority Board, following the recommendations of its consulting engineer. The Authority may, but shall not be required to, allow the transfer of any remaining fund balance in the Plan Review Escrow Account to be transferred into the Construction Escrow Account. When the construction work is to be performed by the subdivider or developer or its agents or constructors, the subdivider or developer shall post a bond, escrow account or irrevocable letter of credit in an amount determined to be adequate to cover the construction through municipal sponsorship in the event of default or bankruptcy of the subdivider or developer. The subdivider or developer shall employ the contractor to install the water main extension, corporation stop, service connections, and curb stops. The standards for construction and materials shall be established by the Authority and its engineer.

The Authority staff shall serve as the Authority's agent for administration of the escrow funds on deposit for any project. Separate escrow accounts will be maintained for each project. (Rev. 2/1/06)