




AMERICAN WATER

**Iowa-American
Sewer Tariff**



RATE SCHEDULE NO. 8 – GENERAL SANITARY SEWAGE RATES

APPLICABILITY

Applicable to the territory served by the Company for general service, including residential, commercial, industrial, public authorities not provided for in subsequent rate schedules by separate territory.

Rates Per 100 Gallons (per Month)

The following shall be the rates for monthly consumption and are in addition to the Sewer Service Charge shown below.

Customers in the Blue Grass System:

		Collection and Treatment
	100 Gallons	Rate Per
	<u>Per Month</u>	<u>100 Gallons</u>
For the First	25	\$0.0000
For Remainder	Over 25	\$0.74124

Customers in the Donahue Sewer System:

	Rate Per	(N)
	<u>100 Gallons</u>	(N)
Residential Service	\$0.7605	(N)
Non-Residential Service	\$0.7605	(N)

SEWER SERVICE CHARGES

All general sewer service customers shall pay a Sewer Service Charge as provided below. The Sewer Service Charge rates listed below do not include any allowance.

Customers in the Blue Grass Sewer Systems: Fixed Charge per meter of \$39.48 for all meter sizes.

Customers in the Donahue Sewer System:

	<u>Per Month</u>	(N)
Residential Service	\$24.00	(N)
Non-Residential Service	\$45.00	(N)

UNMETERED SEWER SERVICE CHARGES

All sanitary sewer customers for which a meter is not installed at the premise and the customer does not receive water service from a measurable third party shall pay the charges shown below.

<u>Customer Class</u>	<u>Per Month</u>
Residential	\$50.60
Commercial	\$109.90

TERMS OF PAYMENT

All bills for service furnished under this Schedule will be rendered monthly, in arrears, and are due and payable when rendered.

RULES, REGULATIONS AND CONDITIONS OF SEWER SERVICE

1. RULES AND REGULATIONS GOVERNING RENDERING OF SERVICE

The Rules, Regulations, and Conditions of Service shall govern the rendering of sanitary sewer and wastewater service for all uses and purposes and further shall govern the extension of sanitary sewer and wastewater service, the making of sanitary sewer service connections and the performance of all other duties necessary and related to the operation of sanitary sewer and wastewater collection, treatment and disposal systems by Iowa-American Water Company. Every Customer, upon completing an application for any sanitary sewer service rendered by the Company, or upon the taking of sanitary sewer service, shall be bound by these Rules, Regulations, and Conditions of Service and Rate

2. DEFINITIONS

- (A) Board
"Board" as used in these Rules shall be construed to mean the Iowa Utilities Board, sometimes hereinafter referred to as IUB.
- (B) BOD
The abbreviation for Biochemical Oxygen Demand, which is the quantity of oxygen used in the biochemical oxidation of organic matter under standard laboratory procedures in five (5) days at 20°C (68°F), expressed in milligrams per liter or parts per million. BOD measurements are used as a measure of the organic strength of wastes in water.
- (C) Collection Sewer
The sanitary sewer and wastewater main and the facilities located in the street, avenue, alley, public right-of-way, or dedicated easement adjacent to the property to be supplied with sanitary sewer service and serving such property and others in the immediate vicinity thereof.
- (D) Company
Wherever the word "Company" appears herein, it shall mean Iowa-American Water Company acting through its officers, managers, or other duly authorized employees or agents.
- (E) Company Sewer Lateral
That portion of the sewer and wastewater system from the Collection Sewer to the property line unless the Company designates otherwise.
- (F) Connected Units
Means multiple residential units not individually metered for sewer service.
- (G) Customer
"Customer" as used in these Rules shall be construed to mean any person, co-partnership, firm, association, corporation, limited liability company or municipality, their lessees, trustees, or receivers appointed by any court, or agency of the Federal, state or local government, being supplied with water or water service by the Company.
 - I. Residential – Single premise residences or multiple premise residences where each premise is served through a single separate meter.
 - II. Commercial – Business or manufacturing establishments where service is not used principally in manufacturing or a processing function and multiple premise residences

2. DEFINITIONS (Cont'd)

- III. Industrial – Manufacturing or processing establishments where the service is used principally in manufacturing or a processing function, including public utility plants using water for steam generation, power production, etc.
- IV. Public Authorities – Municipal, county, state or federal agencies including public schools, libraries, public hospitals, and public housing developments.
- V. Miscellaneous – Service provided is usually intermittent in nature and cannot be classified in any of the foregoing categories as defined above.
- VI. Sales For Resale – Private or public utilities where the service is resold to the customers of that utility.
- (H) Customer Sewer Lateral
That portion of the sewer system extending from the Collection Sewer or the property line to the Premises or property to be served, depending upon the ordinances of the Municipality being served.
- (I) FOG
The abbreviation for Fat, Oil and Grease.
- (J) Multiple Unit Building
A building with more than one dwelling or commercial business unit which is, or is about to be, supplied with sanitary sewer service by the Company.
- (K) Municipality
"Municipality" refers to any City or County.
- (L) Nitrogen (TKN)
The abbreviation for Total Kjeldahl Nitrogen, the total amount of organic and ammonia nitrogen present in a wastewater sample.
- (M) Overhead Plumbing
Means any sanitary waste fixtures, including, but not limited to, those on the first floor, which are either at least three (3) feet above the rim elevation of the nearest sanitary sewer manhole or discharged into a gas-tight and vented sump from which the waste is lifted and discharged into the building gravity sewer lateral system by automatic pump equipment.
- (N) Owner
The person, firm, corporation or association having an ownership interest in any Premises or property which is, or is about to be, supplied with sanitary sewer service by the Company and who, when not the Customer, is ultimately responsible for payment of service.
- (O) Premises
"Premises" as used herein shall be restricted to the following:
 - I. A building under one roof owned, leased or rented by one party and occupied as one residence or one place of business.
 - II. A combination of buildings owned, leased or rented by one party, in one common enclosure, occupied by one family as a residence or one corporation or firm as a place of business.
 - III. Each unit of a double or Multiple-Unit Building wherein each unit is under separate ownership or lease.
 - IV. Each unit of a double or multiple unit building served by a separate service.
 - V. A building owned or leased by a Customer, having two or more apartments, residences, offices, or suites of offices.
 - VI. A single plot, used as a park or recreational area.

2. DEFINITIONS (Cont'd)

- (P) Sewer Exempt Meter
A meter that measures water that does not reach the sewer system. Examples include irrigation, industrial process, truck filling and fire protection.
- (Q) Sewer Lateral
Includes the Company Sewer Lateral and the Customer Sewer Lateral
- (R) SS
The abbreviation for Suspended Solids, which is the quantity of material removed from wastewater in a laboratory test, as prescribed in industry standards and state administrative rules and referred to as nonfilterable residue.
- (S) Tenant
Anyone occupying any Premises or property under lease, oral or written, from the Owner and obtaining sanitary sewer service from the Company's sewer mains.
- (T) Wastewater
Water that has been used in the home, business, or as part of an industrial process. Sewage is a wastewater most synonymous with residential usage. Wastewater and sewer are used interchangeably to describe the Company's collection and treatment system.

3. APPLICATION FOR SEWER SERVICES

- (A) Application for service or connection shall be made by the owner of the premises, or his/her duly authorized agent, on forms provided for that purpose.
- (B) A Customer who has made application for sewer service to any premises shall be liable for all sewer service furnished to such premises until such time as the Customer properly notifies the Company to discontinue the service for his/her account.
- (C) When an application for sanitary sewer service is made, the Company reserves the right to require a deposit in cash commensurate with the probable size of the applicant's bill for the purpose of establishing or maintaining any Customer's credit.
- (D) No agreement for sanitary sewer service will be entered into by the Company with any applicant until all arrears and charges due by such applicant for the same class of service supplied by the Company shall have been paid.
- (E) The Company reserves the right to inspect for compliance with these Rules, Regulations and Conditions of Service prior to establishment of water or sanitary sewer service.

4. CUSTOMER SEWER LATERAL CONNECTIONS

- (A) Where its Collection Sewers are now or may hereafter be laid in Municipalities in which the Customer Sewer Lateral does not extend all the way to the Collection Sewer, the Company will at its expense, install the Company Sewer Lateral between the Collection Sewer up to the property line provided that the lateral is required for the immediate and continuous supply of sewer service to premises abutting the public street or highway in which such Collection Sewer are located; and all such laterals and appurtenances shall be Installed only by the Company.
- (B) The Customer Sewer Lateral shall be installed in a workmanlike manner and shall be furnished, installed and maintained by the Customer at his/her own expense and risk.

4. CUSTOMER SEWER LATERAL CONNECTIONS (Cont'd)

- (C) Company Sewer Laterals servicing a premise shall not pass through or across any premises or property other than that receiving service, or across any portion of the property that could practicably be sold separately from the immediate premises, and pipes or laterals in any premises shall not be extended from there to an adjacent or other property.
- (D) The Company will make all connections to its Collection Sewer and will specify the size, kind, quality and location of all materials entering the Collection Sewer.
- (E) The Customer Sewer Lateral and all connections and fixtures attached thereto shall be subject to the inspection of the Company before service is commenced. All premises, and fixtures within the said premises, shall at all reasonable hours be subject to inspection by any duly authorized employees of the Company.
- (F) The Customer shall install the Customer Sewer Lateral to the Collection Sewer or property line, depending upon the ordinances of the Municipality being served, at a point designated by a manager of the Company, after which the Company will install the Company Sewer Lateral if required from the Collection Sewer to the property line.
- (G) Where the Company Sewer Lateral is already installed to the property line, the Customer shall connect with the lateral as installed.
- (H) The Customer shall make all changes in Customer Sewer Lateral required on account of changes of grades, relocation of Collection Sewer and other causes.
- (I) No fixture shall be attached to, or any branch made in, the lateral between the Premise and the Collection Sewer.
- (J) There shall be no more than one lateral supplying sewer service to a single premise and each premise shall be supplied through an independent lateral unless otherwise approved by the Company in writing.
- (K) Customer Sewer Lateral must be kept and maintained in good condition and free from all leaks, blockages and defects at the Customer's cost and expense, and for failure so to do, the water service may be discontinued.
- (L) Alterations made to Company property resulting in damage or mis-operation shall be repaired by the Company at the customer's expense.
- (M) No plumber or other person shall turn on water to any premise or allow any person in his/her employ to do so without written permission from the Company. Any violation of this Rule may subject plumber or any other person to prosecution by law, and result in discontinuance of water service.
- (N) No plumber, Customer, occupant, owner or any of his/her agents shall connect to the Company's Collection Sewer or to any Company Sewer Lateral, or extend the pipes there from to any premises for the purpose of securing sewer access, until application has been made therefore to the Company as provided in these Rules and Regulations, and permission for doing so has been granted by the Company in writing.

4. CUSTOMER SEWER LATERAL CONNECTIONS (Cont'd)

- (O) In cases where the city orders Company Sewer Laterals installed in anticipation of street improvements, from the Collection Sewer to vacant property or where service is not to be used immediately, the Company will install such service connection when the cost thereof is advanced to it by the property owner or owners or their agent which advance will be applied as a credit on future bills for sewer service to said respective premises, when service is later applied for and furnished; provided, however, that in case title to the premises is later transferred through sale or otherwise, all or any part of the deposit not then refunded shall automatically become a credit to the account of the succeeding owner or owners, to be refunded in like manner.

5. METERING

- (A) The total amount of water delivered to the Customer will be measured by a water meter installed by the Company. Billing for sewer service will be based on the consumption of water as measured by the water meter or collection of water meters. Any Customer receiving both water and sanitary sewer service from the Company may request use of a combination of meters for the purpose of measuring the amount of water that reaches the wastewater collection system and the amount of water that does not subject to Subsection B below. Installation of the combination of meters must be consistent with the standards as stated in the Company's Rules, Regulations and Conditions of Service. Submetering shall not be permitted. (N)
(N)

- (B) At the option and expense of the Customer, the Company will install a separate meter (Sewer Exempt Meter) for purposes of measuring water that is piped to areas that do not reach the collection system.

I. Billing for sanitary sewer service with multiple meters may be based one of the following configurations of meters:

- (a) The Company will install, subject to the provisions of Section 8 Multiple Meter Settings of the water section of this tariff, a separate water service line and meter (Irrigation Meter), to supply water which will not reach the collection system. Thus, by this method of metering, the Customer is not billed for the water consumption volume not entering the collection system; or
- (b) The Company will install, at Customer's request and expense, a combination of meters, on a single water service line, that includes a separate meter downstream from the water meter. Meter charges will apply for the irrigation meter in accordance with the water service charges. The water consumption as measured by the Irrigation Meter will be deducted from the water consumption as measured by the water meter. This water consumption difference represents the volume of water entering the wastewater collection system and upon which the volumetric portion of the wastewater bill will be calculated. Thus, by this method of metering and calculation, the Customer is not billed for the water consumption volume not entering the wastewater collection system.
- (c) Both configurations and all meters installed, including those associated with the water consumption not entering the wastewater collection system shall be established as a separate water service account and billed the appropriate water rates.

- (C) Meters used solely for Fire Protection service shall be considered Sewer Exempt Meters for the purposes of sewer service.

5. METERING (Cont'd)
 - (D) Notwithstanding anything else in this Section, the Company reserves the right to design and implement special water and wastewater meter arrangements, where appropriate, to correctly gauge the amount of water entering the sewer system. Related expenses shall be the responsibility of the Customer at actual cost.
 - (E) Where no water is delivered to the customer by a third party and a meter cannot be installed by the Company, the Customer will be billed the unmetered sewer service charge consistent with the Premises class of service.
6. ADJUSTMENT OF BILLS
 - (A) Adjustments to bills for sewer service will be made in accordance with Section 10 Adjustments of Bills of the water service section of this tariff.
7. CUSTOMERS' GUARANTEE DEPOSITS
 - (A) Customer deposits for sewer service will be made in accordance with Section 11 Customer's Guarantee Deposits of the water service section of this tariff.
8. TERMS AND CONDITIONS OF BILLING AND PAYMENT
 - (A) Customer deposits for sewer service will be made in accordance with Section 12 Terms and Conditions of Billing and Payment of the water service section of this tariff.
9. LATE PAYMENT CHARGE
 - (A) The late payment fee shall be in accordance with Late Payment Charge on Sheet No. 9 of the water service tariff and allowed by 199.21.12(4)a.
10. DISCONTINUANCE OF SERVICE
 - (A) Discontinuance of water services is the method used for discontinuation of sewer services. Discontinuance for sewer service will be made in accordance with Section 13 Discontinuing Water Service of the water service section of this tariff. For these purposes, sewer service shall be considered a charge due under the Company's Rates, Rules and Regulations described in Section 13 (B) IV.
11. RENEWAL OF SERVICE AFTER DISCONTINUANCE AND TURN ON CHARGE
 - (A) Renewal of water service after discontinuance for sewer services will be made in accordance with Section 14 Renewal of Water Services After Discontinuance and Section 15 Turn-On Charge of the water service section of this tariff.
12. PLUMBING WORK MUST BE INSPECTED BY COMPANY
 - (A) All plumbing work done in connection with pipe and fixtures connected with the Company's Collection System shall be submitted for the inspection of the Company before such underground work is covered up. Whenever the Company determines that plumbing work is defective, although not necessarily in direct violation of these Rules and Regulations, the Company may insist upon its being corrected before the water will be turned on and sewer service commenced.
13. LIABILITY OF COMPANY
 - (A) The Company's liability is in accordance with Section 24 Liability of Company of the water service section of this tariff.
14. OWNERSHIP OF PROPERTY
 - (A) Ownership of property for sewer service will be made in accordance with Section 25 Ownership of Property of the water service section of this tariff.

15. PLUMBERS AND PLUMBING REGULATIONS

(A) Plumbers and Plumbing Regulations for sewer service will be made in accordance with Section 26 Plumbers and Plumbing Regulations of the water service section of this tariff.

16. General

- (A) General provisions of Section 27 General of the water service section of this tariff apply for sewer service by reference.
- (B) No Customer, Owner, Tenant, or occupant of Premises receiving sanitary sewer service shall discharge, cause to be discharged, allow to be discharged or permit to be discharged (directly or by pump, sump pump or device, any storm water) surface water, roof run-off, surface drainage, groundwater drainage, footing drainage, window well drainage, driveway drainage, garage floor drainage, patio drainage, downspout drainage, crawl space drainage, non-sanitary basement floor drainage, non-sanitary sump pump drainage, cooling water, unapproved industrial process water, or any other non-sanitary sewage drainage into the Collection Sewer or into the Customer Sewer Lateral so as to reach said Collection Sewer.
- (C) Sanitary sewer service will not be furnished where Customer Sewer Laterals are broken, obstructed, inferior, defective, leaky or imperfect, so that sewage or drainage escapes into surrounding soil or into adjacent Premises, or ground or surface water or other matter enters the sewer.
- (D) Where two or more Customers are supplied through a single Customer Sewer Lateral, any violation of these Rules, Regulations and Conditions of Service by any such Customer shall be considered a violation by all and the Company may take such action as may be taken for a single Customer committing the violation; provided that any notice of such action which is required for a single Customer shall be given to each Customer affected.
- (E) When such conditions described in (B), (C) or (D) are discovered, the Company reserves the right to discontinue service unless immediate repairs or replacements are made. Such replacements or repairs shall be made by and at the expense of the Owner/Customer.
- (F) Title to the Collection Sewers and to all of the Company Sewer Laterals from the Collection Sewer to the property line or easement line of the Customer is vested in the Company and these shall at all times remain the sole property of the Company and shall not be trespassed upon or interfered with in any way.
- (G) The Customer is responsible for maintenance of the Customer Sewer Lateral.
- (H) If a Customer and the Company both agree that it would be prudent to replace their respective Sewer Laterals at the same time, there may be costs associated with these replacements that can be shared by the Customer and the Company. In this situation, the Company and the Customer may enter into a cost sharing agreement.

17. SANITARY SEWER SERVICE WASTE AND DISCHARGE REQUIREMENTS

- (A) In addition to storm and drainage except with written permission from the Company, neither the Customer, Tenant, nor any occupant of the Premises shall discharge, or cause to be discharged into the Customer Sewer Lateral connection or into the Collection Sewer, any of the following described waters or wastes:
- (I) Any liquid or vapor having a temperature higher than one hundred fifty degrees Fahrenheit (150°F);
 - (II) Any water or waste which may contain more than one hundred fifty (150) parts per million by weight of FOG;
 - (III) Any garbage that has not been properly shredded through a disposal unit or other shredding device;
 - (IV) Any ashes, cinders, sand, mud, straw, shavings, metal, glass, tar, wood or any other solid or viscous substance capable of causing obstruction to the sewers, mains or outlets or interference with the proper operation of said sewer system;
 - (V) Any water or waste having a toxic or poisonous substance in sufficient quantity so as to constitute a hazard to the sanitary sewer treatment process;
 - (VI) Any noxious or malodorous gas or substance capable of creating a public nuisance;
 - (VII) Any water or waste containing more than two hundred fifty (250) parts per million by weight of SS;
 - (VIII) Any water or waste containing more than two hundred (200) parts per million by weight of BOD;
 - (IX) Any water or waste having a pH less than five (5.0) or greater than nine (9.0); or having any other corrosive property capable of causing damage or hazard to structures, pipes, equipment and personnel of the sewer system. The term "pH" as used in this subparagraph shall mean the logarithm of the reciprocal of the weight of hydrogen ions in grams per liter of solution;
 - (X) Any water or waste in violation of a Company-approved wastewater pre-treatment program; or
 - (XI) Any other discharge limits approved by the IUB or other regulatory agencies.
- (B) The Customer shall provide FOG traps or other appropriate devices when necessary for the proper handling of liquid wastes containing FOG or other deleterious materials in excessive amounts or when required by the Iowa Plumbing Code. Prior to the installation of any traps, plans shall be submitted to the Company for approval. All traps and drains shall be located to be readily and easily accessible for cleaning and inspection. Where installed, all FOG traps shall be maintained by the Customer/Owner, at the Customer or Owner's expense, in continuously efficient operation always.
- (C) The basic standard for all measurements, tests and analyses of the characteristics of waters and wastes to which reference is made herein shall be determined in accordance with appropriate industry standards and the laws of Iowa. Samples for analyses shall be a grab sample, a composite sample consisting of three (3) grab samples collected at appropriate intervals, or a twenty-four (24) hour composite sample collected and proportioned according to time and flow. One or more of the samples, as determined by the Company to be representative, shall be collected for analyses.

17. SANITARY SEWER SERVICE WASTE AND DISCHARGE REQUIREMENTS Cont'd

- (D) Neither the Customer, Tenant, nor any occupant of the Premises or property shall discharge, or cause to be discharged, into the Customer Sewer Lateral or into the Collection Sewer any "industrial wastes" consisting of solids, liquids or gaseous wastes resulting from any industrial or manufacturing operation or process, or from the development of any natural resource, without first obtaining written permission for such discharge from and authorized representative of the Company, and from any regulatory authority or governmental unit having jurisdiction over such a discharge of wastes.
- (E) Where Iowa DNR approved pretreatment programs have not been established, the Owner/Customer shall meet the following requirements, at the Owner's/Customer's expense:
 - (I) Pretreatment to meet all prohibitions of Subsection A above including but not limited to pH, temperature, FOG and odor;
 - (II) Such preliminary treatment as may be necessary to reduce the BOD to two hundred (200) parts per million daily average;
 - (III) The SS to two hundred fifty (250) parts per million daily average;
 - (IV) Reduce objectionable characteristics or constituents to within the maximum limits provided for in these Rules, Regulations, and Conditions of Service;
 - (V) Control the quantities and rates of discharge of such waters or wastes;
 - (VI) Plans, specifications and any other pertinent information relating to proposed preliminary sanitary sewer treatment facilities and the operational records thereof shall be submitted for the approval of the Company and the appropriate regulatory agencies prior to construction;
 - (VII) No construction shall commence until all approvals necessary are obtained in writing;
 - (VIII) Where preliminary sanitary sewer treatment facilities are provided/required for any waters or wastes, they shall be maintained continuously in satisfactory and effective operation by and at the expense of the Owner/Customer and in compliance with these Rules, Regulations and Conditions of Service.
- (F) Either the Customer or any Tenant of the Premises or properties served by a Customer Sewer Lateral carrying industrial or commercial wastes and discharging the same into a Collection Sewer shall install a suitable 36-inch or larger control manhole in the Customer Sewer Lateral to facilitate observation, sampling and measuring of such wastes. The Company may also require the installation of automatic sampling and flow measuring devices when deemed necessary to obtain representative samples. Such required manhole and sampling device shall be accessible to the Company and safely located, constructed in accordance with plans approved by the Company and installed and maintained at the expense of the Customer or Tenant of the Premises or property to which sanitary sewer service is supplied.
- (G) Water pressure ejectors or siphons or Overhead Plumbing sewer installations shall not be installed for the discharging of sewage or waste unless adequately protected against back siphonage.
- (H) In the event water or waste is discharged in violation of this Section, acceptance of waste not meeting these limits may be subject to surcharges covering actual costs of remediation or such surcharge as approved by the Board.

18. EXTENSION OF SEWER MAINS (COLLECTION SEWERS)

- (A) The Company will extend its Collection Sewers and/or Company Sewer Laterals or permit developers to construct Collection Sewers and/or Sewer Laterals which attach to the Company's sanitary sewer system if capacity is available and upon the following terms and conditions:
- I. Unless other terms and conditions are approved by the Board, extension of the Company's Collection Sewer shall be in accordance and/or consistent with Board Rule 21.3(5). Advances for construction costs shall include the associated income tax liability (gross-up method) and refunds shall also include an additional amount representing the associated income tax at the time of refund;
 - II. The estimated construction costs for a sewer collection system shall also include the proposed Collection Sewer extension to the end of the lot or frontage of the most remote original applicant to have service applicable; provided, however, that if this is a corner lot or a lot immediately adjacent to a corner lot, the terminal point of the extension shall be located so that the main constructed hereunder ties in with the existing main located in such intersecting street, or if there is no main located in such intersecting street, the terminal point of the extension made hereunder shall be located at the nearest right-of-way line of such intersecting street. If the street in which the main is to be laid dead-ends in a cul-de-sac or appears to be permanently dead-ended against a railroad, creek, river, or other physical or natural barrier, the estimated cost of the Collection Sewer extension, if serving the most remote lot or frontage, shall be based on a termination point at the most remote Sewer Lateral connection;
- (B) If the estimated cost of the proposed extension is not greater than the free extension equal to that provided in the Board Rule 21.3(5), the Company will finance and make the extension without the requirement of any payment.
- (C) If the estimated construction costs to provide a Collection Sewer extension are greater than the free extension provided in the Board Rule 21.3(5), the extension shall be made pursuant to a Sewer Main Extension and Deposit Agreement.
- (D) The Sewer Main Extension and Deposit Agreement is Appendix IV starting on Sheet 69.

APPENDIX III: COLLECTION SEWER EXTENSION DEPOSIT AGREEMENT

This Collection Sewer Extension Deposit Agreement will be completed by Iowa-American Water Company from the DATA sheet supplied by the depositor.

**COLLECTION SEWER EXTENSION
AND DEPOSIT AGREEMENT**

THIS AGREEMENT, made and entered into this _____ day of _____, 20__ by and between IOWA AMERICAN WATER, _____, hereinafter called the "WATER COMPANY", and _____, hereinafter called the "DEPOSITOR".

WITNESSETH;

In consideration of the reciprocal covenants herein contained and of each act done or to be performed by the DEPOSITOR and the WATER COMPANY pursuant to this Agreement, the parties hereby agree as follows:

FIRST: THE WATER COMPANY contracts and agrees to lay the sewer main(s) and appurtenances as shown on the drawing attached hereto and made a part hereof, hereinafter called the "Collection Sewer Extension", described and located as follows:

SECOND: The WATER COMPANY shall construct the Collection Sewer Extension with reasonable diligence consistent with good business and sound construction practices and the availability of labor, equipment and materials, but the means of making such construction, the methods and materials used therein and the scheduling thereof shall be matters within the exclusive control and determination of the WATER COMPANY.

THIRD: The DEPOSITOR hereby agrees to deposit with the WATER COMPANY prior to commencement of construction of the Collection Sewer Extension the cash or equivalent sum of \$__ amount being equal to the estimated cost of installing said Collection Sewer Extension (\$_____) less five (5) times the estimated annual revenue for _____ customers (\$_____) who shall be connected directly to such Collection Sewer Extension between its original beginning and original terminus within (30) days of the date said Collection Sewer Extension is completed. The deposit of the foregoing advance for construction cost shall include the associated income tax liability. The estimated annual revenue to be considered in making this allowance shall be based upon similarly situated customers of the WATER COMPANY. If the required deposit is not made prior to commencement of construction of the Collection Sewer Extension, the WATER COMPANY shall have the right to revise the estimated cost of the Collection Sewer Extension, and no work will be performed hereunder until the required deposit has been made. No adjustment of deposit will be made because of a variance between the estimated construction cost of the Collection Sewer Extension and its actual cost of construction.

FOURTH: The WATER COMPANY expressly reserves and shall have the right in the construction and installation of the Collection Sewer Extension to determine the size of the sewer main required to supply the needs of the DEPOSITOR based on sound engineering principles, and further, shall also have the right to use, lay, and install pipe of a larger diameter than the size contemplated by this Agreement and as shown on the drawing attached hereto, provided, however, that the WATER COMPANY shall be responsible for the increased cost of the larger diameter pipe over the cost of the pipe contemplated by this Agreement.

Issued: October 12, 2022
By: Randy A. Moore, President
5201 Grand Ave.
Davenport, IA 52807

Effective Date: October 26, 2022

FIFTH: During the first ten (10) years after the date upon which the aforesaid deposit is made, the WATER COMPANY hereby agrees to refund to the DEPOSITOR in the following manner:

(a) during the first ten (10) years after the date of the deposit and after the stated number of original prospective customers, used for purposes of the allowance in Paragraph THIRD, are taking sewer from this Extension, The Water Company shall make refunds for each additional new customer taking service through a service lateral directly attached to said Collection Sewer Extension between its original beginning and original terminus. Such refunds shall be made once in each calendar quarter for each new customer based upon five (5) times the estimated annual revenues for each such customer based upon similarly situated customers of WATER COMPANY, plus an additional amount representing the associated income tax effect at the time of refund. Only one refund shall be allowed for each premise served by a service lateral attached to the Collection Sewer Extension.

(b) provided, however, that the total amount of the refunds to be made by the WATER COMPANY to the DEPOSITOR under this Agreement shall not exceed the original Deposit, without interest thereon, such Deposit being the limit of the WATER COMPANY'S obligation for such refunds hereunder, and that all or any part of the Deposit not refunded within said ten (10) year period shall become the property of the WATER COMPANY.

SIXTH: The Collection Sewer Extension and all pipes, mains, meters and other equipment, apparatus and facilities of which said Main Extension is composed shall be and remain the sole property of the WATER COMPANY, the WATER COMPANY having the responsibility for maintenance and repair of the same, and the DEPOSITOR shall have no right, title or interest in such Collection Sewer Extension or any part thereof by reason of or on account of the DEPOSITOR having made the Deposit hereunder.

SEVENTH: It is expressly understood and agreed that if the WATER COMPANY shall be delayed or prevented from installing the Collection Sewer Extension and other facilities, if any, herein above described because of its failure to secure pipe or other construction materials, or because of strikes, unusual delay in transportation, unavoidable casualties or for any other causes beyond its control, such failure or delay in performance shall be excused; provided, however, if such failure or delay in performance shall extend for a period of more than one (1) year from the date hereof, the DEPOSITOR shall have the right to cancel and terminate this Agreement on thirty (30) days' written notice to the WATER COMPANY by registered mail and thereafter both parties shall be relieved of all duties and obligations arising hereunder.

EIGHTH: The rights created by this Agreement shall inure to the benefit of, and the obligations created hereby shall be binding upon, the successors and assigns of the parties hereto.

NINTH: This Agreement shall be valid and binding on the WATER COMPANY only when executed by its President or Vice President.

TENTH: Any notice given hereunder shall be deemed sufficient if in writing and sent by registered mail to WATER COMPANY at:

**5201 Grand Avenue
Davenport, Iowa 52807**

and to DEPOSITOR at: _____.

Executed in triplicate by the parties hereto on the first above written.

WITNESS

WATER COMPANY

Signature

By _____
President or designee

WITNESS

DEPOSITOR

Signature

Signature

Signature

Signature

DEPOSIT RECEIVED ON: _____

IOWA AMERICAN WATER

COLLECTION SEWER EXTENSION AND DEPOSIT AGREEMENT

BASIS OF DEPOSIT

1. Estimated cost of installing main extension and lateral: \$ __
2. Advance credits:
 - a. Original customers: _____
 - b. Estimated annual revenue per customer: \$ _____
 - c. Total credit: [a x b x 5]: \$ _____
3. Tax factor: _____
4. Gross deposit (1 - 2c) : \$ _____

Base deposit \$ _____	12" deposit
\$ _____	8" deposit
\$ _____	Boring or special construction requirement
\$ _____	Sewer Lateral
TOTAL \$ _____	