

INDIANA-AMERICAN WATER COMPANY, INC.
AGREEMENT FOR WATER MAIN EXTENSION
DEVELOPER INSTALLED - WITH REVENUE REFUND
NO SUBSEQUENT CONNECTOR

THIS AGREEMENT, made and entered into this ____ day of _____, 20____, by and between Indiana-American Water Company, Inc., an Indiana corporation (hereinafter referred to as the "Utility"), and applicant name, mailing address (whether one or more individuals, partnerships, corporations or other entities, herein referred to as the "Developer"). The Utility and the Developer may be referred to jointly as the "Parties" and individually as a "Party".

WITNESSETH:

WHEREAS, the Utility owns and operates the water utility system serving the community of city of district, Indiana and surrounding vicinity; and

WHEREAS, the Developer is engaged in developing "Development Name" located in County Name County, Indiana, (the "Development") and has requested the Utility to provide water service to the Development; and

WHEREAS, the Developer hereby requests the Utility to review the Developer's plans and estimated costs (Exhibit A and B, respectively, which are attached and incorporated by reference) to install water mains and appurtenances (the "Main Extension") to the Development; and

WHEREAS, the Utility has reviewed the attached Exhibits; and

WHEREAS, the Parties agree that the Developer shall, at its sole cost and expense, furnish the necessary engineering services, labor, and materials to install the Main Extension in accordance with the Utility's specifications and obtain all necessary easements, permits, right-of-way grants, or other authority, which is required to provide water service to the Development.

NOW, THEREFORE, in consideration of the premises, covenants and agreements herein contained, the Parties, respectively, agree as follows:

1. Developer Installation. The Developer must obtain and furnish to the Utility all necessary easements, permits, right-of-way grants and approvals from the State, County, City, or any other authority or required party in which the Main Extension is to be installed prior to the start of construction. In addition, before the Main Extension can begin, the Developer must have construction of the road grade completed and all centerline or off-set stakes must be set and maintained until construction of the Main Installation is completed. The Developer hereby agrees that during installation of the Main Extension, the Utility has the authority to inspect the installation at the Utility's convenience. The Developer further agrees the Utility may, at its sole discretion during the installation, as a result of unforeseen field conditions, request, and the Developer shall honor such request, reasonable and necessary changes in the Main Extension related to location, workmanship and materials. Upon a determination by the Utility that the installation is in accordance with the reviewed plans and the Utility's specifications, water service will be provided to the Development as shown on Exhibit A. The Parties agree that the Main Extension as shown on Exhibit A is of the size and at the location required in order for the Utility to furnish the water service requested by the Developer.

The Utility expressly reserves and shall have the right to require the construction and installation of water main of a larger diameter than the size originally contemplated on Exhibit A hereto, provided, however, that the Utility shall bear the cost difference for materials and labor between the larger diameter main and the smaller diameter main. The Utility will pay the actual cost difference, estimated at \$N/A to the Developer after the transfer of ownership of the facilities and the reconciliation of the actual cost for materials and installation. The Utility may, in its sole discretion, request an itemized cost breakdown together with supporting data for the justification of the cost difference.

2. Construction of Main Extension by Developer. The Developer agrees to commence construction within one hundred and twenty (120) days after the date of this Agreement, and to bring such construction to full completion with all reasonable diligence consistent with good business practices and the availability of required equipment, materials and labor. The Developer shall provide periodic inspections of the Main Extension by a professional engineer, registered in the State of Indiana. The Developer shall, within thirty (30) calendar days after the Main Extension has been installed, convey title to same to the Utility by the execution and delivery of appropriate bills of sale or transfer of ownership documents including copies of paid invoices and instruments of conveyance, free of all liens and encumbrances incurred by Developer.
3. Ownership of Main Extension. Upon the conveyance of title to the Main Extension from the Developer to the Utility, including all mains, valves, fire hydrants, and other equipment of which said Main Extension is composed or to which the same is or may be connected shall become the sole property of the Utility. The Utility shall be responsible for the maintenance and repair of Main Extension after the transfer of ownership. The Developer shall have no right of property in the Main Extension or any part thereof by reason of or on account of the Developer having furnished a part or all of the funds used in the purchase of materials and equipment for, or the employment of labor in connection with, the construction and installation of the Main Extension.

4. Other Requirements of Developer. Coincident with delivery of the appropriate bill of sale or transfer of ownership documents required hereinabove by the Developer to the Utility there shall also be delivered to the Utility by the Developer:
- a. Record drawing of the Main Extension certified by a professional engineer,
 - b. Certification of construction in accordance with the Utility's specifications, signed by a professional engineer,
 - c. Recorded easements and legal survey, all permits, and any other information pertaining to the Main Extension; said easements, survey and permits shall be in a form and substance satisfactory to the Utility (all easements shall be conveyed on the Utility's standard easement form, and any variations to or from the standard easement form must have the prior written approval of the Utility),
 - d. Final platted map of the Development in digital format with addresses,
 - e. Waivers of Lien for all materials and contractors,
 - f. A one (1) year warranty on Main Extension for materials and workmanship,
 - g. A schedule itemizing all materials and costs used in the construction of the Main Extension, certified as being accurate,
 - h. Payment of fees related to Main Extension,
 - i. Evidence, to the satisfaction of the Utility, demonstrating that the Main Extension has been
i) flushed; ii) pressure tested; iii) chemically and bacteriologically clean; and \
 - j. iv) otherwise conforms to all of the Utility's standards.
5. Determination of Cost of Main Extension. The Utility and Developer agree that the actual cost of the Main Extension shall be the amount appearing on the transfer of ownership documents rendered by the Developer to the Utility plus the Utility's fees attributable to the Main Extension.
- The Utility's fees related to the Main Extension shall be an amount equal to 13.99% of the amount appearing on the transfer of ownership documents to cover engineering, administrative costs, legal costs, direct labor cost, direct labor overhead and transportation costs incurred by the Utility. If applicable, the Utility's cost in connecting the Main Extension to the Utility's water system will be added to the cost of the Main Extension. The estimated cost for such connection(s) is \$ N/A.
6. Refund of Advance The Utility shall establish on its records, for the benefit of, and in the name of the Developer, a "Refundable Advance Account" in an amount equal to the actual cost of the Main Extension, which shall be subject to refund to the Developer to the extent, at the time and in the manner provided herein. The Utility agrees, that for a period of ten (10) years after the date of transfer of the Main Extension, for each customer which is directly connected to the Main Extension, the Utility will, as soon as practicable, but no less than one time per year, refund to the Developer an amount by which is equal to three (3) times the estimated annual revenue from the service to each new customer, less the amount of the Utility's investment, if any, to connect the service. All refunds paid under this Agreement shall reduce the amount in the Refundable Advance Account established in the Developer's name. In no event shall the total amount of refunds to be paid by the Utility to the Developer under this Agreement exceed the Cost of the Main Extension, such amount being the limit of the Utility's obligation for refunds hereunder.

7. Basis for Calculating Refunds. In calculating the amount of refunds, if any, to be made under the provisions of Section 6 above, the Utility and Developer agree that the following shall be applicable:
- a. Residential Service In determining the “estimated annual revenue” to the Utility for each new residential customer connected to the Main Extension, the Utility shall be entitled to use its average annual revenue per residential customer realized by the Utility from comparable residential customers on its **district** water utility system in the calendar year preceding such connection, adjusted for any changes in the applicable rates and charges for such service which have become effective in such prior calendar year or in the current year on or before the date of the connection. In determining the Utility's investment, if any, in connecting each such residential customer, the Utility shall be entitled to use the average of its costs for the same size service connections for all residential customers incurred for its **district** water utility system during the preceding calendar year. Such investment in connecting may include all costs in connecting service to new customers, including services, meters and meter vaults and installation thereof.
 - b. Commercial and Industrial Customers. In determining the “estimated annual revenue” to the Utility for each commercial or industrial customer connecting to the Main Extension, all known factors affecting probable usage by such customer under the applicable rates and charges shall be considered, including the amount of consumption or annual revenues, if any, specified in any contract or agreement executed between the Utility and such customer by virtue of which the customer is or becomes obligated to take a specified quantity of water or guarantee specified revenues for a designated period of time. The Utility's investment, if any, in connecting each such commercial or industrial customer shall be the costs incurred by the Utility in order to provide the requested service, which may include the cost of service, meter, meter vault and any other equipment or facilities required and the cost of installation thereof. In the event an estimate of annual revenue cannot be computed upon connection of a commercial or an industrial customer, the actual revenue received for the first twelve (12) months, shall be used in the calculation of the refund due. After the twelve (12) months revenue figure is ascertained, it shall be multiplied by three (3), the Utility's investment in connection shall be deducted, and the excess, if any, due shall be paid as a refund.

- c. Fire Protection Service. If the Main Extension is designed to provide fire protection service, each fire hydrant or private fire service installed on the Main Extension pursuant to order of any authorized governmental body or pursuant to any contract or agreement with any private firm or person, shall be considered as a customer connection for purposes of refunds hereunder. The “estimated annual revenues” to be used for such purposes shall be the applicable annual public fire hydrant surcharge, private fire hydrant charge, and private fire service charge as specified in the schedule of rates and charges of the Utility for its **district** water utility system as in effect at the time of connection of each such fire hydrant or service. The Utility's investment, if any, of connecting each such fire hydrant or service, shall be the actual cost of installation and all necessary appurtenances.
8. Disposition of Un-refunded Advances. At the expiration of ten (10) years from the date of completion of the Main Extension, any balance of the Refundable Advance Account not refunded or subject to refund hereunder shall, subject to applicable law, become the property of the Utility.
9. No Refunds Based Upon Other Main Extension. Notwithstanding any other provisions of this Agreement, the Utility shall have the absolute right at any time to construct and install other main extensions and appurtenant facilities connecting to the Main Extension. Neither the connection of any other main extension nor any service furnished by or from another main extension shall be subject to or in any manner affect this Agreement, and no Developer hereunder shall be entitled to any refund of all or any portion of the deposit made hereunder by reason of the connection of such other main extensions or connections for service therefrom.
10. Indiana Utility Regulatory Commission. This Agreement is entered into by the Utility and Developer in conformity with and subject to the rules and regulations of the Indiana Utility Regulatory Commission and the Utility's Rules, Regulations and Conditions of Service on file with and approved by such Commission. In the event of any conflict between the terms of this Agreement and the rules and regulations of such Commission and the Utility's Rules, Regulations and Conditions of Service, the rules and regulations of such Commission and the Utility's Rules, Regulations and Conditions of Service shall control and shall supersede any inconsistent terms herein.
11. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the parties hereto, including any subsequent connectors, and their respective successors and assigns.

IN WITNESS WHEREOF, the Utility and the Developer have properly executed this Agreement or caused the same to be properly executed as of the date hereinabove set forth.

INDIANA-AMERICAN WATER COMPANY, INC.

By: _____

Name: Ezat Nayeri

Title: Engineering Manager

Name of Developer

By: _____

Name: _____

Title: _____

**INDIANA AMERICAN WATER COMPANY, INC.
DEVELOPER INSTALLED MAINS**

COST ESTIMATE FORM

ITEM DESCRIPTION	QUANTITY	PRICE	/UNIT	TOTAL COST
DR14, C-900 PVC OR POLY PIPE				
3" PVC OR POLY & APPURTENANCE			/FT.	\$ -
4" PVC OR POLY & APPURTENANCE			/FT.	\$ -
6" PVC OR POLY & APPURTENANCE			/FT.	\$ -
8" PVC OR POLY & APPURTENANCE			/FT.	\$ -
12" PVC OR POLY & APPURTENANCE				
CLASS 50 DUCTILE IRON PIPE (OR PRESSURE CLASS 350)				
6" DUCTILE IRON PIPE & APPURTENANCE			/FT.	\$ -
8" DUCTILE IRON PIPE & APPURTENANCE			/FT.	\$ -
12" DUCTILE IRON PIPE & APPURTENANCE			/FT.	\$ -
16" DUCTILE IRON PIPE & APPURTENANCE				
VALVES				
4" GATE VALVE & BOX			/EA.	\$ -
6" GATE VALVE & BOX			/EA.	\$ -
8" GATE VALVE & BOX			/EA.	\$ -
12" GATE VALVE & BOX			/EA.	\$ -
16" BUTTERFLY VALVE & BOX				
TAPPING SLEEVES AND VALVES W/ BOX				
___ " X ___ " TAPPING SLEEVE & ___ " VALVE W/BOX			/EA.	\$ -
___ " VALVE BOX			/EA.	\$ -
___ " X ___ " TAPPING SLEEVE & ___ " VALVE W/BOX			/EA.	\$ -
___ " VALVE BOX			/EA.	\$ -
FIRE HYDRANTS				
FIRE HYDRANT 5 1/4 V.O. W/3 NOZZLES			/EA.	\$ -
6" HYDRANT GATE VALVE & BOX			/EA.	\$ -
HYDRANT LATERAL			/EA.	\$ -
FLUSING OUTLETS				
			/EA	\$ -
RETIRAL			/EA	\$ -
TOTAL COST				\$ -