

| | | | |
|---|-------------------|-----------------------|-------------------------|
| TOWN OF STRATFORD UTILITY CUSTOMER CAPITAL CONTRIBUTION POLICY | | | |
| Policy Number: | 2009-SU-01 | Approval Date: | October 14, 2009 |

1. Introduction

The Stratford Utility Corporation initiated a policy of charging customers a portion of the cost of extending water and sewer services to areas of the Town presently served by on site servicing. The contribution is designed to ensure that the rates of existing customers are not impacted by new extensions. The policy also recognizes that the property owner who have an existing well or septic system will avoid significant capital costs when the well or septic system is replaced or substantially upgraded.

2. Capital Contribution Policies

- a. The capital contribution for water extensions is \$4.20 per foot of property fronted by water pipe with a minimum charge of \$420.
- b. The capital contribution for sewer extensions is \$5.70 per foot of property fronted by sewer pipe with a minimum charge of \$570.
- c. The capital contribution shall be assessed at the time of substantial completion of the project as a one time charge, shall be subject to normal utility interest charges and shall become a lien on the property if not paid.
 - i. Customers may elect to pay the capital contribution in five equal annual installments (as quarterly payments on the regular bills) as follows:
 - (1) \$1.00 per foot per year for water with a minimum charge of \$100 per year.
 - (2) \$1.35 per foot per year for sewer with a minimum charge of \$135 per year.
 - ii. Customers with frontage over 500 feet, or who receive water and sewer service at the same time, may elect to pay the capital contribution in ten equal annual installments (as quarterly payments on the regular bills) as follows:
 - (1) \$0.57 per foot per year for water with a minimum charge of \$57 per year.
 - (2) \$0.77 per foot per year for sewer with a minimum charge of \$77 per year.
- d. The capital contribution for corner lots shall be calculated using the average length of both sides with each side deemed to be a minimum length of 100 feet.

3. Repeal of Earlier Policy

Policy 2008-SU-01, Customer Capital Contribution Policy is hereby repealed.