

May 17, 2007

ERIE WATER WORKS

ECONOMIC DEVELOPMENT POLICY

The following Economic Development Policy was adopted by the Erie Water Works Board on July 18, 2002. It is hoped that the Policy will help to encourage regional growth and system expansion during a poor economic climate.

General

- The Policy is being implemented for a period of 5 years (Approved by the Erie Water Works Board of Directors at their May 17, 2007 board meeting to extend this policy until December 31, 2008). The Water Authority Board reserves the right to revise or rescind the Policy at any time. The Policy will be revisited in one year and will be extended or revised as appropriate.
- The Policy applies to any application for water service, or water main extension agreement, processed after July 1, 2002.

Economic Development Rate

- This rate applies to any water service connection to any new commercial or industrial facility within our service area.
- Current water rates will be reduced by 40 percent for a period of five (5) years from the date of the initial billing.
- Tapping privileges fees for those commercial and industrial properties installing private fire systems will be based on the size of the domestic service line only. (Note: Currently, the tapping privilege fee is based on the size of the private fire line.)

Water Main Extensions to Serve Existing Homes Currently Served by Private Wells

- The Water Authority will make a capital investment equal to 10 percent of the total cost of a project to extend water to serve existing homes served by well water. The capital contribution will impact front foot assessment for these projects.
- The intent of this investment by the Water Authority is to assist an individual homeowner or a group of homeowner who are cooperating on a water main extension in their neighborhood to serve occupied residences.
- This Water Authority investment is not being made to developers.