



William Biddlecombe	Joe Dike	Sam Artino	Monty Tapp	Mark Claus	Matt Grieves	Joel Hagy
Councilmember	Councilmember	Councilmember	Mayor	Vice-Mayor	Councilmember	Councilmember

CITY COUNCIL UTILITIES COMMITTEE — COMMITTEE MEETING

Wednesday, February 5, 2025 @ 5:00 PM

Huron City Hall - Main Conference Room

I. Call to Order

II. Roll Call

III. Approval of Minutes

III.1 Minutes of the January 11, 2023 Utilities Committee meeting.

III.2 Minutes of the March 1, 2023 Utilities Committee meeting.

III.3 Minutes of the April 5, 2023 Utilities Committee meeting.

III.4 Minutes of the August 2, 2023 Utilities Committee meeting.

III.5 Minutes of the December 6, 2023 Utilities Committee meeting.

IV. Old Business

V. New Business

V.1 Proposed Water Tower Maintenance Program

V.2 HPP Rate Review

V.3 General Update

VI. Other Business

VII. Adjourn



TO: Mayor Tapp and City Council Utilities Committee
FROM: Jack Evans
RE: Proposed Water Tower Maintenance Program
DATE: February 5, 2025

Subject Matter/Background

The city is wanting to partner with USG Water Solutions for water tower maintenance, inspections, and painting. USG has been highly recommended and serve many other municipalities within Ohio. The unique service contracts offered by USG will allow the city to cost spread the painting of the water tower over the next decade. For example, the East Side Tower requires 2 exterior coats of paint that is going to cost approximately \$600,000. The contract with USG allows the city to pay less than \$100,000 each year for 5 years and approximately \$20,000 per year over years 6-11. It is critical that the East Side Tower is painted in 2025 as the top coat is nearly nonexistent, but the base coat is still intact. Should this painting be delayed and the base coat deteriorates, the tower will need sandblasted which would cost an additional \$300,000. The contract also covers interior washouts, which have not been done in the past. This work needs to be performed to satisfy OEPA requirements and asset management. Contractual pricing has also been provided for the Rye Beach Tank in the amount of \$2,500 per year for 10 years. This includes general maintenance and 3 washouts. It is likely that this tower will be taken out of service when the new water tower is constructed. It is my suggestion that the city does not enter into a contract on this tower, but pay for the service up front to bring the tower up to code which would total approximately \$25,000. If this tower remains in service, it will require a full blast and repaint within 5-6 years, which would cost upwards of \$1,000,000. This cost has not been taken into consideration in any of the budgets presented.

[East Side Budgetary pricing.pdf](#)

[Rye Beach Budgetary pricing.pdf](#)

[CITY OF HURON OH DRAFT MSA CONTRACT 12.04.24.pdf](#)

[CITY OF HURON OH - EAST SIDE TANK - 500KG PED - DRAFT SOW1 CONTRACT 12.06.24.pdf](#)

East Side Tower

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Exterior Painting - 2 Coat system	Visual Inspection	Visual Inspection	Visual Inspection	Wet interior NSF Approved	Visual Inspection	Visual Inspection	Visual Inspection	Visual Inspection	Washout	Exterior Painting - 1 Coat system
96,325	96,325	96,325	96,325	96,325	18,921	19,591	20,285	21,003	21,746	22,529



\$481,625

Repairs

Safety Cable Climb
Foundation Grout

New Vent
Screen on the overflow

Compliant with Ohio EPA asset management program

Compliant with Ohio Revised Code 9.29

You can cancel anytime

Includes all engineering

Includes all Permitting with OEPA

Exterior painting -washouts/visuals included in future

Rye Beach Budgetary Pricing

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Repairs and Washout	Visual Inspection	Visual Inspection	Visual Inspection	Washout	Visual Inspection	Visual Inspection	Visual Inspection	Visual Inspection	Washout
2,497	2,497	2,497	2,497	2,497	2,497	2,497	2,497	2,497	2,497

Repairs

Interior Dry Pressure wash

Add rubber boot around roof access tube

Interior Wet Washout

Remove notched rail and add cable safety climb

Compliant with Ohio EPA asset management program

Includes all engineering

Compliant with Ohio Revised Code 9.29

Includes all Permitting with OEPA

You can cancel anytime

MASTER SERVICES AGREEMENT
Terms and Conditions

This MASTER SERVICES AGREEMENT ("Agreement") is entered into by and between **City of Huron** with a principal business address of 500 Cleveland Road West, Huron, Ohio 44839 ("Owner"), and **Utility Service Co., Inc.**, a Georgia corporation with a principal business address of 535 General Courtney Hodges Boulevard, Post Office Box 1350, Perry, Georgia 31069 ("Company").

WHEREAS, the Owner and the Company (individually, "Party"; collectively, "Parties") desire for the Company to provide goods and services to the Owner under the terms set forth herein;

NOW THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Scope. The Company agrees to provide the Owner with certain goods and services ("Services") set forth on each properly executed Scope of Work ("SOW") to be attached hereto and incorporated herein by reference. Each SOW shall be subject to the general terms and conditions (the "Terms and Conditions") set forth in this Agreement. Each time Owner engages Company to perform Services, a new SOW shall be prepared specifying the scope of Services specific to that engagement. Unless otherwise indicated in any given SOW, Company shall be responsible for furnishing all labor, materials and tools to perform the Services. Each new SOW represents a separate contract between Company and Owner that incorporates the Terms and Conditions and is governed by this Agreement. All changes to any SOW may only be made by a written amendment to such SOW and signed by an authorized representative of each Party. Owner may terminate a SOW in accordance with the terms of each SOW. In the event there is a conflict between any term of an SOW and this Agreement, the term(s) of the SOW shall control.

2. Term. The effective date of this Agreement shall be _____, 2024 ("Effective Date"). The term of this Agreement shall commence on the Effective Date and shall continue in full force and effect for one year ("Term"). This Agreement will automatically renew for successive one-year terms ("Renewal Terms") unless terminated as set forth in Section 9 of this Agreement. The term of a SOW shall begin on the commencement date provided in that SOW and continue in effect for the agreed term provided in that SOW.

3. Fees. For all Services performed, Owner shall pay Company in accordance with the terms of each SOW. The fees paid in accordance with each SOW shall constitute the full and complete compensation to Company for the Services performed pursuant to the SOW. Unless otherwise expressly set forth in any given SOW, Company shall be responsible for expenses it incurs in connection with its provision of the Services.

4. Independent Contractor. The Company is, and shall at all times remain, an independent contractor. The Company and each of the Company's employees and principals shall not be deemed for any purpose to be the Owner's employees, and they shall not be entitled to any claims, rights, benefits and privileges to which an employee of the Owner or any of its respective affiliates may be entitled under any retirement, pension, insurance, medical or other plans which may now be in effect or which may hereafter be adopted. The Owner is not responsible to any governing body or to the Company for paying or withholding payroll taxes and other employee expenses related to payments made to the Company. Notwithstanding anything to the contrary, this Agreement does not, and shall not be deemed to, constitute a partnership or joint venture between the Parties and neither Party nor any of their respective directors, officers, officials, or employees shall, by virtue of the performance of their obligations under this Agreement, be deemed to be an agent or employee of the other. No Party has the authority to bind the other Party except to the extent approved in writing by the Party to be bound.

5. Insurance. Company shall maintain statutory minimum Worker's Compensation as required by the laws of any jurisdiction in which Services are performed, and commercial general liability insurance covering Company's liabilities hereunder and for injury to persons or damage to property with limits of not less than \$2,000,000 per occurrence. Upon Owner's request, Company shall furnish Owner with a certificate of insurance evidencing this coverage.

6. Representations. Company represents and warrants that Company has the full power and authority to enter into and perform under this Agreement; that the execution, delivery and performance of this Agreement has been duly authorized and constitutes a valid and binding agreement of Company; and that the execution, delivery and performance of this Agreement will not result in the breach of, or constitute a default under, or violate any provision of, any agreement or other instrument to which Company is a party to a non-competition agreement or bound by any competitive restrictive covenant concerning or relating to, in any manner, the performance by Company of services similar to the Services to be performed hereunder.

7. Indemnification.

a. Indemnification by Company. The Company shall indemnify the Owner and its officers and employees from and against any claims, actions, and suits resulting from and to the extent of the Company's negligence while performing hereunder. The Company's indemnification obligations hereunder shall be subject to Owner's prompt written notification to the Company adequately describing any third-party claim(s) resulting from the Company's performance hereunder.

b. Indemnification by Owner. The Owner shall indemnify the Company and its officers, directors and employees from and against any claims, actions, and suits resulting from and to the extent of the Owner's negligence. The Owner's indemnification obligations hereunder shall be subject to the Company's prompt written notification to the Owner adequately describing any damages resulting from the Owner's negligence.

8. Assignment of Receivables. The Company reserves the right to assign any outstanding receivables from this Contract to its financial institutions as collateral for any loans or lines of credit.

9. Termination.

a. Right to Terminate. Once all SOWs that have been issued under this Agreement have expired or have been terminated, pursuant to the termination provision(s) in each SOW, either Party may terminate this Agreement by giving ten (10) days' advanced written notice to the other Party.

b. Termination Provisions in SOWs. The termination of each individual SOW shall be governed by the applicable termination provision in each SOW.

10. Intellectual Property. The Owner acknowledges and agrees that (a) all intellectual property rights in the Company's performance, methods and all related know-how are owned by the Company, its licensors, or suppliers; and (b) this Agreement shall not be construed as a license for the Owner to use, deliver, or exploit the intellectual property used by the Company in its performance, except as expressly set forth in this Agreement. To the extent that any new intellectual property or know-how is developed as a result of the Company's performance, the new intellectual property rights will all be owned by the Company, its licensors, or suppliers, and the Owner agrees that it will not make a claim to any such new intellectual property rights.

11. Limitation of Liability.

a. **IN NO EVENT WILL THE COMPANY OR ITS RESPECTIVE AFFILIATES, SUBSIDIARIES, OFFICERS, DIRECTORS, OFFICIALS, EMPLOYEES, SUPPLIERS OR AGENTS BE LIABLE FOR ANY LOSS OF REVENUE, PROFITS, OR DATA, OR FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL, INCIDENTAL, OR PUNITIVE DAMAGES HOWEVER CAUSED AND REGARDLESS OF THE THEORY OF LIABILITY (CONTRACT, TORT, NEGLIGENCE, OR OTHERWISE) WHICH ARISES OUT OF THE COMPANY'S OR ITS SUPPLIERS' PERFORMANCE OR NON-PERFORMANCE UNDER THIS AGREEMENT. THE TOTAL LIABILITY OF THE COMPANY, ITS AFFILIATES, SUBCONTRACTORS, EMPLOYEES, SUPPLIERS AND AGENTS ARISING OUT OF PERFORMANCE OR NON-PERFORMANCE OF OBLIGATIONS UNDER THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO THE SALE, DELIVERY, STORAGE, INSTALLATION, REPAIR, MODIFICATION OR USE OF THE EQUIPMENT, THE RENDITION OF OTHER SERVICES IN CONNECTION THEREWITH, SHALL NOT EXCEED, IN THE AGGREGATE, AN AMOUNT EQUAL TO TWENTY-FIVE PERCENT (25%) OF THE SUM OF ALL FEES PAID BY THE OWNER TO THE COMPANY PURSUANT TO THE TERMS OF ALL SOWs.**

b. **NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, ANY LIABILITY ON THE PART OF THE COMPANY FOR MATTERS RELATED TO OR ARISING FROM CYBER SECURITY (A) SHALL BE LIMITED TO CLAIMS RELATING TO THE HARDWARE AND SOFTWARE WITHIN THE DIRECT CONTROL OF THE COMPANY THAT IS THE DIRECT AND PROXIMATE CAUSE OF ANY LOSSES OR DAMAGE, AND (B) SHALL BE LIMITED TO ONLY THOSE CLAIMS OR PORTIONS OF CLAIMS THAT ARE COVERED BY INSURANCE REQUIRED TO BE MAINTAINED PURSUANT TO THE TERMS OF THIS AGREEMENT OR ANY SOW.**

12. Rules of Construction. In construing this Agreement, the following principles shall be followed: (i) no meaning may be inferred from any presumption that one Party had a greater or lesser hand in drafting this Agreement; (ii) examples do not limit, expressly or by implication, the matter they illustrate; (iii) the plural shall be deemed to include the singular and vice versa, as applicable; and (iv) the headings are for convenience only and do not affect the meaning or construction of any such provision. Furthermore, the Parties specifically acknowledge and agree that they have in fact read this Agreement and are fully informed and have full notice and knowledge of the terms, conditions and effects of this Agreement. Each Party further agrees that it will not contest the validity or enforceability of any provision of this Agreement on the basis that it had no notice or knowledge of such provision or that such provision is not conspicuous.

13. Miscellaneous.

a. **Notices.** All notices hereunder shall be in writing and shall be sent by certified mail, return receipt requested, or by overnight courier service, to the address set forth below each Party's signature, or to such other addresses as may be stipulated in writing by the Parties pursuant hereto. Unless otherwise provided, notice shall be effective on the date it is officially recorded as delivered by return receipt or equivalent.

b. **Entire Agreement; Amendment.** This Agreement supersedes all prior agreements, arrangements, and undertakings between the Parties and constitutes the entire agreement between the Parties relating to the subject matter thereof. This Agreement may not be amended except by written instrument executed by both Parties. The invalidity or unenforceability of any provision of this Agreement shall in no way affect the validity or enforceability of any other provision of this Agreement.

c. **Assignment.** Neither Party may assign this Agreement without the prior written consent of the other Party. Any attempt to assign this Agreement without the prior written consent of the other Party shall be null and void. A Change in Control of a Party shall not be deemed an assignment of this Agreement. For purposes of this Agreement, "Change in Control" shall mean an event deemed to occur if a person or entity, that is either affiliated or unaffiliated with the Company, acquires more than fifty percent control over the Party's voting securities.

d. **Force Majeure.** If either Party is prevented from performing any of its duties or obligations hereunder (other than duties or obligations with respect to payment) in a timely manner by reason or act of God or force majeure such as fire; war; earthquake; strike; lock-out; labor dispute; flood; public disaster; pandemic or epidemic event (to include but not limited to COVID-19); interruptions or delays in reasonably available means of transportation; acts of any government or its agencies or officers, or any order, regulation, or ruling thereof; equipment or technical malfunctions or failures; power failures or interruptions; or any other reason beyond its reasonable control, such condition shall be deemed to be a valid excuse for delay of performance or for nonperformance of any such duty or obligation for the period during which such condition(s) exist.

e. **Survival of Certain Provisions.** The provisions of Sections 10 and 11 of this Agreement shall survive the termination or expiration of this Agreement and continue to bind the Parties and their legal representatives, successors and permitted assigns.

f. **No Waiver.** The waiver of any breach or failure of a term or condition of this Agreement by any Party shall not be construed as a waiver of any subsequent breach or failure of the same term or condition, or a waiver of any other breach or failure of a term or condition of this Agreement.

g. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same Agreement. The Parties may utilize electronic means (including facsimile and e-mail) to execute and transmit the Agreement and all such electronically executed and/or transmitted copies of the Agreement shall be deemed as valid as originals.

h. Dispute Resolution. In the event a dispute arises among the Parties, the disputing Party shall provide the other Party with written notice of the dispute, and within twenty (20) days after receipt of said notice, the receiving Party shall submit to the other a written response. The notice and response shall include a statement of each Party's position and a summary of the evidence and arguments supporting its position. Each Party shall designate a high level manager with authority to resolve the dispute to work in good faith with the other Party's designated manager to resolve the dispute; the name and title of said employee shall also be included in the notice and response. The managers shall meet at a mutually acceptable time and place within thirty (30) days of the date of the disputing party's notice and thereafter as they deem reasonably necessary to resolve the dispute. If the managers, having acted in good faith, have not resolved the dispute within ninety (90) days of receipt of the initial written notice, then the Parties shall attempt to resolve the dispute in good faith by non-binding mediation administered by the American Arbitration Association ("AAA") under its Commercial Mediation Rules. If either Party is unsatisfied with the results of mediation and cannot resolve the dispute and/or claim at mediation, it shall be submitted to binding arbitration. Any such dispute and/or claim will be resolved by binding arbitration in accordance with the Rules for Commercial Arbitration of the American Arbitration Association before a panel of three (3) arbitrators, one appointed by each Party, and the third appointed by the Agreement of the first two arbitrators. The decision or award of a majority of the arbitrators shall be final and binding upon the Parties. Any arbitral award may be entered as a judgment or order in any court of competent jurisdiction. Each Party's costs and expenses attributed to the negotiation, mediation, and/or arbitration shall be borne by such Party.

i. Governing Law. This Agreement shall be governed by the law of the State of Georgia; provided, however, that the Company's obligation to comply with applicable laws shall be limited to laws that apply to the Company.

SIGNATURE PAGE TO FOLLOW

WHEREFORE, for the purpose of being bound, the Parties execute this Agreement by their duly authorized representatives as of the date(s) set forth below.

OWNER

City of Huron

By: _____

Name: _____

Title: _____

Date: _____

COMPANY

Utility Service Co., Inc.

By: _____

Name: _____

Title: _____

Date: _____

Notice Address for Each Party:

City of Huron

Attn: _____

Utility Service Co., Inc.

Attn: Customer Service Department

535 General Courtney Hodges Boulevard

Post Office Box 1350

Perry, Georgia 31069

SCOPE OF WORK NO. 1
TO THE MASTER SERVICES AGREEMENT BETWEEN
UTILITY SERVICE CO., INC.
AND
CITY OF HURON, OH

WATER TANK MAINTENANCE – 500,000 GALLON PEDISPHERE – EAST SIDE TANK

1. **Effective Date.** The Effective Date for this Scope of Work No. 1 (“SOW1”) shall be _____, 20____ .
2. **Term.** The Owner agrees to engage the Company to provide the professional services needed to maintain its **500,000** gallon water storage tank located at **900 Cleveland Road East, Huron, Ohio 44839** (hereinafter, “the Tank”). This SOW1 shall commence on the Effective Date and shall continue in full force and effect for one year. This SOW1 will automatically renew for successive one-year terms unless terminated as defined in Section 10 herein. For purposes of this SOW1, “Contract Year” shall mean the 12-month period which commences on the first day of the month when the SOW1 is executed by the Owner and each successive 12-month period thereafter (hereinafter, “Contract Year” or collectively, “Contract Years”).
3. **Company’s Engagement and Responsibilities.** This SOW1 outlines the Company’s responsibility for the upfront renovation (hereinafter, the “Upfront Renovation”) of the Tank and the care and maintenance of the Tank thereafter. The services (collectively, “the Services”) that the Company will provide include the following:
 - a. The Tank shall receive an Upfront Renovation, which will include: **exterior renovation, interior dry touch up, and repairs prior to the end of Contract Year 1; interior wet renovation prior to the end of Contract Year 5.**
 - b. The Company will annually inspect the Tank. The Tank will be inspected to ensure that the structure is in a sound, watertight condition. The Company will provide a written inspection report to the Owner following each inspection.
 - c. Every four years, after the Tank is drained by the Owner, the Company will clean the interior of the Tank and perform a condition assessment on the Tank (hereinafter “Washout Inspection”). During each Washout Inspection, the Tank will be cleaned to remove all mud, silt, and other accumulations from the interior of the Tank. After a Washout Inspection is completed, the interior of the Tank will be thoroughly inspected and disinfected prior to returning the Tank to service; however, the Owner is responsible for draining and filling the Tank and conducting any required testing of the water before returning the Tank to service.
 - d. The Company shall provide the engineering and inspection services needed to maintain and repair the Tank during the term of this SOW1. The repairs include: the Tank’s expansion joints, water level indicators, sway rod adjustments, vent screens, manhole covers/gaskets, and the Tank’s other steel parts not otherwise excluded hereinafter.

- e. The Company will clean and repaint the exterior of the Tank at such time as complete repainting is needed. The need for exterior painting of the Tank is to be determined by the appearance and protective condition of the existing paint. At the time that the exterior requires repainting, the Company agrees to paint the Tank with a coating that is the same color as the existing coating and to select a coating system which best suits the site conditions, environment, and general location of the Tank. When exterior painting of the Tank is needed, all products and procedures as to coating systems will be equal to or exceed the requirements of the **State of Ohio** and the American Water Works Association's D102 standard in effect as of the Effective Date (defined hereinafter).
- f. The Company will install a lock on the roof hatch of the Tank; however, the provision of such lock does not guarantee the Tank's security during the term of the SOW1. For the avoidance of doubt, security of the Tank and the site where the Tank is located (hereinafter, "Tank Site") are the responsibility of the Owner.
- g. In the event of an emergency involving the Tank, the Owner shall provide written notice of such emergency to the Company via its email hotline at the following address: customerservice@usgwater.com. The Company will provide emergency services for the Tank, when needed, to perform all repairs covered under this SOW1. Reasonable travel time must be allowed for the repair unit to reach the Tank Site.
- h. When the Tank is taken out of service, the Company will furnish pressure relief valves, if requested by the Owner, so that the Owner can install the valves in its water system while the Tank is being serviced. The Owner assumes all risk and liability for the installation and use of the pressure relief valves.
- i. The Company will furnish the Owner with current certificates of insurance, which will summarize the Company's insurance coverage.

4. Price/Annual Fees. For the performance of the Services required by Section 3, the Owner shall pay the Company an Annual Fee (hereinafter, "Annual Fee") for each Contract Year of the SOW1. The first **five (5)** Annual Fees shall be **\$94,325.00** per Contract Year. The Annual Fee for Contract **Year 6** shall be **\$18,921.00**. Each Contract Year thereafter, the Annual Fee shall be adjusted to reflect the current cost of service. The adjustment of the Annual Fee shall be limited to a maximum of 5% annually. All applicable taxes are the responsibility of the Owner and are in addition to the stated costs and fees in this SOW1.

5. Payment Terms. The Annual Fee for Contract **Year 1**, plus all applicable taxes, shall be due and payable **on August 1, 2025**. **Each subsequent Annual Fee, plus all applicable taxes, shall be due and payable on August 1 of each Contract Year thereafter.** If the Annual Fee, plus all applicable taxes, are not paid within ninety (90) days of the date of invoice, the Company may charge the Owner a late fee on unpaid balances and may also terminate or suspend Services under this SOW1 without notice. The late fee will be 1.5% per month.

6. **Changes or Delays to Services.** For purposes of this Section 6, “Unreasonable Delay” shall mean the Owner’s delay in releasing the Tank or making the Tank available to the Company for the performance of any of the Services described herein for a period of twenty-four (24) months following the Company’s written request for release or access to the Tank. In the event of Unreasonable Delay, the Company reserves the right to recover its reasonable costs related to the Unreasonable Delay, and the Owner agrees to negotiate with the Company in good faith to determine the amount of its reasonable costs caused by such Unreasonable Delay. Furthermore, the Owner hereby agrees that the Company can replace a Washout Inspection of the Tank with a visual inspection, remotely operated vehicle inspection (“ROV Inspection”), or unmanned aerial vehicle inspection (“UAV Inspection”) without requiring the modification of this SOW1.

7. **Structure of Tank and Tank Site Conditions.** The Company is accepting this Tank to maintain pursuant to the requirements of this SOW1 based upon its existing structure and components as of the Effective Date (defined hereinafter). ***Any modifications to the Tank, including antenna installations, shall be approved by the Company, prior to installation and may warrant an increase in the Annual Fees.*** In addition, changes in the condition of the Tank Site and/or any adjoining properties (e.g., construction of a mall next to the Tank Site which significantly increases the risk of overspray claims, etc.) following the Effective Date, which cause an increase in the cost of the maintenance of the Tank, will be just cause for an equitable adjustment of the Annual Fees in this SOW1.

8. **Environmental, Health, Safety, Labor, or Industry Requirements.** The Owner hereby agrees that the promulgation of, enactment of, or modification to any environmental, health, safety, or labor laws, regulations, orders, or ordinances (e.g., EPA or OSHA regulations or standards) following the Effective Date of this SOW1, which cause an increase in the cost of the maintenance of the Tank, will be just cause for an equitable adjustment of the Annual Fees in this SOW1. Furthermore, modifications to industry requirement(s) including, but not limited to, standard(s) or other guidance documents issued by the American Water Works Association, National Sanitary Foundation, and the Association for Materials Protection and Performance, which cause an increase in the cost of the maintenance of the Tank, will be just cause for an equitable adjustment of the Annual Fees in this SOW1. Said equitable adjustment of the Annual Fees in this SOW1 will reasonably reflect the increased cost of the Services with newly negotiated Annual Fee(s).

The work performed under this Contract is subject to prevailing wages, and the workers who are performing work under this Contract are to be paid no less than the prevailing hourly rate of wages as set by the appropriate authority. Any future work performed by workers under this Contract will be subject to the wage determination of the appropriate authority which is in effect when the work is performed. However, the Owner and the Company hereby agree that if the prevailing wage rates for any job or trade classification increases by more than 5% per annum from the effective date of this Contract to the date in which any future work is to be performed under this Contract, then the Company reserves the right to re-negotiate the annual fee(s) with the Owner. If the Company and the Owner cannot agree on re-negotiated annual fee(s), then: (1) the Company will not be obligated to perform the work and (2) the Company will not be obligated to return past annual fee(s) received by the Company.

9. **Excluded Items.** This SOW1 does NOT include the cost for and/or liability on the part of the Company for: (i) containment of the Tank at any time during the term of the SOW1; (ii) disposal of any hazardous waste materials; (iii) resolution of operational problems or structural damage due to cold weather; (iv) repair of structural damage due to antenna installations or other attachments for which the Tank was not originally designed; (v) resolution of operational problems or repair of structural damage or site damage caused by physical conditions below the surface of the ground; (vi) negligent acts of Owner's employees, agents or contractors; (vii) damages, whether foreseen or unforeseen, caused by the Owner's use of pressure relief valves; (viii) repairs to the foundation of the Tank; (ix) any latent defects or inaccessible areas of the Tank or its components (including, but not limited to, (a) corrosion from the underside of the floor plates, and (b) inaccessible areas of the Tank such as the area between the bottom of the roof plate and the top of the roof rafter); (x) the maintenance, repair or replacement of any electrical components (to include any lighting, such as aviation lights); (xi) the maintenance, repair or replacement of fill lines, insulation, and/or frost jackets; (xii) the maintenance, repair, or replacement of piping of any kind below ground level;; and (xiii) other conditions which are beyond the Owner's and Company's control, including, but not limited to: acts of God and acts of terrorism. Acts of God include, but are not limited to, any damage to the Tank or Tank Site which is caused by seismic activity, hurricanes, and/or tornadoes. Acts of terrorism include, but are not limited to, any damage to the Tank or Tank Site which results from an unauthorized entry of any kind to the Tank or Tank Site.

10. **Termination.** **This SOW1 is an annual contract that shall automatically renew on an annual basis for successive Contract Years so long as:** (i) the Owner pays each Annual Fee to the Company in accordance with the terms herein and (ii) does not terminate the SOW1 pursuant to the terms of this Section. This SOW1 is subject to termination by the Owner only at the end of the then-current Contract Year if written notice of intent to terminate is received by the Company at least ninety (90) days prior to the first day of the upcoming Contract Year. If the notice of intent to terminate is not received at least ninety (90) days prior to the first day of the upcoming Contract Year, this SOW1 shall renew for an additional Contract Year and expire at the end of the upcoming Contract Year. In such an event, the Owner agrees that it shall be responsible to pay the Annual Fee for the upcoming Contract Year. The notice of intent to terminate must be sent by certified mail, with return receipt requested, to Utility Service Co., Inc., Attention: Customer Service, Post Office Box 1350, Perry, Georgia 31069, and signed by three (3) authorized voting officials of the Owner's governing body (e.g., commission or council). Notice of intent to terminate cannot be delivered electronically or verbally (e.g., email, text, phone call, etc.). The Owner acknowledges and agrees that the Company has advanced Services to the Owner, and the Company has not received full payment for the Services previously performed. Therefore, if the Owner elects to terminate this SOW1 prior to remitting the first **five (5)** Annual Fees, then the balance for work completed shall be due and payable within thirty (30) days of the Owner's issuance of the notice of intent to terminate at the end of the then-current Contract Year.

11. **Visual Inspection Disclaimer.** This SOW1 is based upon a visual inspection of the Tank. The Owner and the Company hereby acknowledge and agree that a visual inspection is intended to assess the condition of the Tank for all patent defects. If latent defects are identified once the Tank has been drained and is made available to the Company, the Owner agrees and acknowledges that the Company shall not be responsible to repair the latent defects unless the Owner and the Company re-negotiate

the Annual Fees. The definition of a “latent defect” shall be any defect of the Tank which is not easily discovered (e.g., corrosion of the floor plates, corrosion of the roof plates or rafters, corrosion in areas inaccessible to maintain, damage to the roof of the Tank which is not clearly discoverable during the visual inspection, etc.).

- 12. Excessive Inflation.** In the event that the aggregate of the Annual Inflation Rates (defined hereinbelow) established for two (2) consecutive calendar years during the term of this SOW1 exceeds 12% in total, the Owner and the Company agree to renegotiate the Annual Fees and increase the Annual Fees throughout the remaining term of this SOW1 to compensate the Company for the excessive inflation. For purposes of this provision, the Annual Inflation Rate for each calendar year shall be established by the *Engineering News Report – Construction Cost Index (“ENR-CCI”)*. In the event that the ENR-CCI index is discontinued, the Owner and the Company will negotiate and agree to an alternative index or methodology to address the excessive inflation. For illustrative purposes, if a SOW is executed in 2022, the first equitable adjustment could not be made until both the 2023 inflation rate and the 2024 inflation rate have been established. If the annual inflation rates for 2023 and 2024 are 5.0% and 7.1%, respectively, the Owner and the Company agree to renegotiate the current year’s Annual Fee as well as the remaining Annual Fees for the remainder of the term of the SOW to address the excessive inflation.

13. Ohio Revised Code § 9.29.

- a. The Owner is not required to make total payments in a single year that exceed the excess of (a) the Owner’s water utility charges over (b) the operating expenses of the water system payable from such charges and the principal, interest, and other debt charges, including reserves and coverage requirements, for outstanding debt due in that year.
- b. The work performed under this Agreement shall be performed under the supervision of a professional engineer licensed under Chapter 4733 of the Revised Code, who certifies that the work will be performed in compliance with all applicable codes and engineering standards.
- c. If, on the date of commencement of the Agreement, the water tank or appurtenant facilities require engineering, repair, sustainability, water quality management, or service in order to bring the tank or facilities into compliance with federal, state, or local requirements, the Company must provide the engineering, repair, sustainability, water quality management, or service. The cost of the work necessary to ensure such compliance shall be itemized separately and may be charged to the Owner in payments spread over a period of not less than three years from the date of commencement of the Agreement or SOW. The charges shall be paid after provision is made to pay operating expenses and the principal, interest, and other debt service charges, including reserves and coverage requirements for outstanding debt due in that year.

SIGNATURE PAGE TO FOLLOW

The SOW1 is executed and effective as of the date last signed by the parties below.

OWNER

COMPANY

City of Huron

Utility Service Co., Inc.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

DRAFT

UPFRONT RENOVATION SPECIFICATIONS

Year 1

Exterior

1. All exterior surfaces must be pressure washed with a minimum of 4,000 P.S.I. washer to remove any surface contamination.
2. All rusted areas must be Hand/Power tool cleaned per SSPC-SP2, SP3 cleaning methods.
3. All rusted or bare areas must be spot primed with a rust inhibitive metal primer.
4. One (1) full intermediate coat of a Tnemec compatible Series coating shall be applied to the complete exterior surfaces (100%) at the manufacturer's recommended thickness.
5. One (1) full finish coat of a Tnemec compatible Series coating shall be applied to the complete exterior surfaces (100%) at the manufacturer's recommended thickness.
6. Retrace all logos.

Repairs

1. Install 24" pallet style roof vent.
2. Install cable safety climb device.
3. Install overflow pipe screen.
4. Caulk and grout foundation.

Interior Dry

1. Rusty and or delaminating areas should be hand tool (SSPC-SP2) or power tool (SSPC-SP3) cleaned to tightly adhered rust or existing paint, and spot primed. Edges of existing coating should be feathered to form a smooth transition prior to spot priming. All surfaces prior to painting must be clean, dry and free of all contaminants.
2. Apply one spot coat of Tnemec 135 Chembuild Epoxy or equivalent to all cleaned areas of the interior dry surfaces at the manufacturer's recommended coating thickness.
3. Apply one spot top coat of Tnemec Series 20 white Pota-Pox or equivalent to the previously primed areas at the manufacturer's recommended coating thickness..

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Interior Wet

1. The complete interior (100%) shall be abrasive blast cleaned to SSPC-SP No. 10 "Near White" finish.
2. After abrasive cleaning, all surfaces shall be cleaned of any dust residue or foreign debris.
3. A high build epoxy liner manufactured by the Tnemec Company shall be applied as follows:
 - a. Primer Coat: One [1] complete coat of Tnemec Series 93 H2O zinc or equivalent zinc shall be applied to 100% of the interior surfaces at the manufacturer's recommended coating thickness.
 - b. Finish Coat: One [1] complete finish coat of Tnemec Series FC22 epoxy or equivalent epoxy shall be applied to 100% of the interior surfaces at the manufacturer's recommended thickness.
 - c. Contrasting Color: Each coat of epoxy paint shall be of contrasting color.
 - d. Stripe Coat: One additional coat of epoxy shall be applied by brush and roller to all weld seams.
4. After the liner has properly cured, the interior surfaces shall be disinfected per A.W.W.A. Spray Method No. 2 (200 PPM).
5. The spent abrasive media shall be tested per TCLP-(8) Heavy Metals as mandated by the State.
6. Once the tests results confirm the non-hazardous status of the wastes, the spent abrasive shall be disposed of properly.
7. The Tank shall be sealed and made ready for service.



TO: Mayor Tapp and City Council Utilities Committee
FROM: Stuart Hamilton , Service Director
RE: HPP Rate Review
DATE: February 5, 2025

[Current Rates Ordinance No. 2021-14 \(adopted 5-25-21\).pdf](#)

ORDINANCE NO. 2021-14

Introduced by Trey Hardy

AN ORDINANCE ESTABLISHING RATES, TERMS AND CONDITIONS FOR ELECTRIC SERVICE THROUGH HURON PUBLIC POWER.

WHEREAS, the City of Huron established electric service in order to serve customers within and outside its community; and

WHEREAS, the City of Huron previously established rates, terms and conditions for providing electric service (hereinafter referred to as "Rules" and set forth in Appendix "A"), pursuant to Ordinance 2003-6 adopted by City Council on February 24, 2003; and

WHEREAS, said Rules contain rates, terms and conditions for providing electric service to the customers of Huron Public Power; and

WHEREAS, the City of Huron understands the need to update its rates, terms and conditions for electric service in anticipation of a de-regulated market as set forth by the laws and administrative rules and regulations of the State of Ohio; and

WHEREAS, the City of Huron desires to maintain the best possible electric service to its customers and to operate a financially stable electric utility system.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Huron, Ohio:

Section 1. That Appendix "A" attached hereto and made a part hereof shall be, and the same hereby is, adopted as the rates, terms and conditions ("Rules") for providing electric service to the customers of Huron Public Power.

Section 2. That said Rules shall be effective for service provided on and after July 1, 2021.

Section 3. This Council hereby finds and determines that all formal actions relative to the adoption of this Ordinance were taken in an open meeting of the Council and that all deliberations of this Council and of its committees, if any, which resulted in formal action, were taken in meetings open to the public in full compliance with applicable legal requirements, including Ohio R.C. 121.22.

Section 4. That this Ordinance shall take effect and be in force from and after the time period contained in Section 3.06 of the Charter of the City of Huron.

ATTEST:


Clerk of Council


Monty Tapp, Vice-Mayor

ADOPTED: 25 MAY 2021

**RATES, TERMS AND CONDITIONS OF ELECTRIC SERVICE
FOR CUSTOMERS OF HURON PUBLIC POWER**

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SECTION I – DEFINITIONS

As used herein:

1. “City” shall mean the City of Huron;
2. “Council” shall mean the City of Huron, City Council;
3. “Utility” shall mean City of Huron Utilities Department of the City of Huron, Ohio;
4. “Customer” shall refer to an individual, partnership, corporation, or other legal entity receiving one class of service through one meter at one structure at one location, subject to these Rules and Regulations;
5. “Landlord/Customer’ refers to the owner of the structure and/or location where a Customer is taking service, if the owner is different from the end user of service and the owner is responsible for payment of the electric bill for the structure and/or location;
6. “Month” shall mean the elapsed time between two successive meter readings, approximately thirty (30) days apart;
7. “Service” shall mean electric unless otherwise specified;
8. “Meter” shall mean electric, unless otherwise specified.

SECTION II – RATES AND CHARGES FOR ELECTRIC SERVICE

A. RESIDENTIAL SERVICE- [SERVICE NOT CURRENTLY AVAILABLE]

B. GENERAL SERVICE

1. Availability. Available to non-Residential installations requiring secondary, primary, or transmission voltage service. Where a Customer required both single and three phase service, all service shall be metered through one three phase meter and so billed, unless circumstances not under the control of the Utility make it impractical or not feasible to do so.

2. Service. Alternating current, 60 Hz, at nominal voltages of 120/240 or 120/208 single phase, or 120/208 or 277/480 three phase, as may be available from suitable distribution facilities of adequate capacity adjacent to the premises to be served. Other secondary voltages or service from primary or transmission facilities may be obtained from available facilities provided the Customer owns, operates and maintains all necessary transforming, controlling, regulating and protective equipment. All rates and services provided under this tariff shall be consistent with and in accordance with the terms of any electric services agreement entered into between Utility and Customer. The Utility will own and provide the transformation facilities up to 1000 kVa. For customers that exceed

1000 kVa, the customer shall be responsible for purchasing and maintaining the transformation facilities.

Customer will also be responsible for operating its facilities in a manner that is with and complies with the requirements of the energy services agreement.

3. Power and Energy Charge; AMP Service Costs . Utility shall pass through all costs to Customer related to the Utility's purchase of energy, power, ancillary services, and other related services from American Municipal Power, Inc. ("AMP") regarding the provision of utility service to Customer. Customers who use at least 10,000,000 kWh per year may, at sole discretion of the Utility, enter into an agreement with the Utility regarding AMP's purchase and delivery of power and energy on Customer's behalf. Utility shall charge Customer each month for any and all costs incurred related to AMP's services as it relates to the Customer's utility service.

4. Rates for Service. The distribution rate shall be charged on a per kWh usage basis in incremental blocks. The charge per kWh shall decrease as set forth in following blocks:

The first 0 – 100,000 kWh used during the applicable month:		\$0.018/kWh
The next 100,001 – 2,000,000 kWh used during the applicable month:		\$0.012/kWh
The next 2,000,001 – 8,000,000 kWh used during the applicable month:		\$0.007/kWh
All kWh used above 8,000,000 kWh during the applicable month:		\$0.003/kWh

5. Distribution Rate Cap for April 2021-December 2021: The charges set forth in paragraph 4 of Section II.B of this tariff for electricity consumed from April 1, 2021 to December 31, 2021 shall be capped at \$487,500.00. This rate cap applies to only those charges set forth in paragraph 4 of Section II.B of this tariff, and does not apply to any other obligations, charges, fees, penalties, taxes, or riders contained in this tariff, or any applicable contract, regulation, or law.

6. Annual Distribution Rate Cap: Customer shall not be charged more than \$650,000.00 during a 12-month period for distribution charges. This annual distribution rate cap applies to only those charges set forth in paragraph 4 of Section II.B of this tariff, and does not apply to any other obligations, charges, fees, penalties, taxes, or riders contained in this tariff, or any applicable contract, regulation, or law. The application of this annual cap of \$650,000.00 will begin on January 1, 2022. The Utility reserves the right update this ordinance to modify the distribution rate cap in the future. Utility will provide Customer notice of any planned modification of the rate cap prior to such modification.

7. Riders. Customers under this schedule shall be subject to the applicable kWh Tax Rider as specified in this tariff.

8. Tap in fee. The tap in fee is \$2 per amperage of the main distribution service not to exceed \$1,000.

9. Terms of Payment. If a bill payment is not received by Utility offices or by Utility's authorized agent on or before the specified payment date, Utility reserves the right to impose a late penalty fee of five percent (5%) of the amount of the bill or \$5,000.00, whichever is greater, which will become due and payable as part of Customer's total obligation.

10. Billing. Utility shall bill the Customer each month based upon actual usage. However, the Utility may also modify its billing practices to pre-bill Customer. Utility will provide Customer notice of any modification of its billing practices.

11. Modifications to the Total Charge. Utility has the right to assess Customer charges related to regulatory events. Upon the occurrence of a regulatory event or change in law that results in a costs increase for the Utility, Utility shall give written notice to Customer that such event has occurred. Upon such event, Utility shall increase customer's rate to recover the increased cost, effective with the first month after such notice to Customer.

12. Demand Measurement. The billing demand in KW shall be taken each month as the highest single 60-minute peak in KW as registered during the month by a demand meter or indicator.

C. GENERAL SERVICE – LARGE – [SERVICE NOT CURRENTLY AVAILABLE]

D. PRIVATE AREA LIGHTING SERVICE -[SERVICE NOT CURRENTLY AVAILABLE]

E. KILOWATT HOUR (KWH)TAX RIDER

1. Applicability. The kWh Tax Rider is based on actual kWh delivered to all Customers for all service (including the municipality) on the distribution system, excluding Federal facilities. If no meter is used, usage shall be estimated. All charges assessed under this rider shall be consistent with R.C. 5727.81.

2. Tax Rates.

First 2,000 kWh:	\$0.00465
Next 13,000 kWh:	\$0.00419
All Over 15,000 kWh:	\$0.00363

The above rates are based on a 30-day billing cycle. If the billing cycle is more or less than 30 days, the tax shall be based on the Daily Calculation.

The Daily Calculation shall be determined as follows:

- a. Determine the total number of kWh used during the billing cycle;
- b. Divide the total kWh by the number of days in the billing cycle (daily average usage);
- c. Multiply the daily average usage over the following rate blocks to calculate the average daily tax:

First 67 kWh:	\$0.00465
Next 13,000 kWh:	\$0.00419
All Over 15,000 kWh:	\$0.00363

- d. Multiply the average daily tax by the number of days in the billing cycle.

3. Self-Assessor. A Customer that is determined to be eligible for self-assessment by the State of Ohio under R.C. 5727.81(C)(2) shall pay the Utility the self-assessment amount as set forth in R.C. 5727.81(C).

SECTION III - MISCELLANEOUS CHARGES FOR UTILITY SERVICES

A. MISCELLANEOUS CHARGES

1. Reconnection Charge. When a customer has previously requested a disconnect and desires to be reconnected at the same address, or if a reconnection is made subsequent to a service disconnection made in violation of provision of these Rules and Regulations, a reconnection charge of Fifty Dollars (\$50.00) will be made if the reconnection is made during regular business hours. If the reconnection is requested and made during after business hours, the charge is Seventy-Five Dollars (\$75.00).

2. Late Payment Charge. If a bill payment is not received by the Utility offices or by the Utility's authorized agent on or before the specified payment date, a one-time, additional amount of ten percent (10%) of the amount of the bill will become due and payable as part of the Customer's total obligation.

Where the due date falls on a weekend or holiday, the due date shall be the next business day.

3. Dishonored Check Charge. Whenever a Customer pays a bill by check and the check is returned to the Utility by the Customer's financial institution for lack of sufficient funds in the Customer's account, the Customer will be assessed a dishonored check charge of Fifteen Dollars (\$15.00) for each check returned.

4. Meter Test Charge. The Utility shall test the meter at the request of the Customer. Such test shall be performed by an independent certified test facility. If the meter is found to be correct, as defined in Section V, Paragraph E, the Customer shall pay the then prevailing fee for the testing.

SECTION IV - SERVICE AND PHYSICAL PROPERTY

A. **SERVICE BOUNDARY.** Unless waived by Council, the Utility shall exclusively supply all electric service within the corporate limits of Huron. Subject to Article XVIII of the Ohio Constitution, the Utility may extend service to Customers outside the corporate limits of the City.

B. **APPLICATION FOR SERVICE/REQUIRED INSTALLATIONS BEFORE SERVICE.** A Customer can apply for service from the Utility by contacting Utility and requesting electric service. The Utility, in its sole discretion, shall determine if the Customer is eligible for service. Utility shall make this determination based upon the adequacy of Customer's current facilities and whether the existing facilities provide for the safe and adequate electric service. If the Utility determines that certain upgrades are necessary for it to initiate electric service for the Customer, Utility shall inform Customer of the installations and/or upgrades that will be required before the provision of electric service. Unless otherwise addressed in this tariff, Customer shall be responsible for all costs of the installations/upgrades needed for the Utility to initiate safe and adequate electric service for the Customer.

A copy of the schedules and standard terms and conditions under which service is rendered to Customers will be furnished upon request at the Utility Office. The Utility Office shall determine which schedule is applicable to serve Customers. Once an application for service is approved, service will be commenced and a copy of the service agreement will be furnished to the Customer upon request. If a Customer desires delivery of energy at more than one point, a separate agreement shall be required for each separate point of delivery. Service delivered at each point of delivery shall be billed separately under the applicable schedule.

The Customer (or Landlord/Customer), after making proper application for service, shall notify the Utility when Customer desire service to be established. In no case shall the Customer, Landlord/Customer, Customer's agent, or Customer's employee turn on service. Service shall be turned on, upon the date specified, by an authorized agent of the Utility. If the Utility finds itself unable to establish service on the date specified, it shall notify the Customer as much in advance as possible and a new day shall be established by mutual agreement.

Where Landlord/Customer make application for service, the tenant(s)' name(s) shall be included on the application.

C. **SERVICE NOT TRANSFERABLE.** No person may commence the use of service until after making application therefore and requesting the Utility to turn on the service in accordance with Paragraph B above. In the event of the violation of this provision, in addition to other rights of the Utility, such person shall be liable for all electricity consumed in the premises. Any successor in interest to a Customer, including without limitation, heirs, executors, administrators, assignees, trustees, guardians, receivers, and conservators, shall be deemed to be a person who must make application for service, provided that any successor in interest whose rights arise from death or incompetence of the Customer shall have thirty (30) days in which to make application.

D. **CUSTOMER INDEBTED TO UTILITY.** Service will not be supplied to any premises if at the time of application for service, the applicant is indebted to the Utility for service previously supplied at the same or other premises, until payment of such indebtedness or other arrangement

satisfactory to the Utility shall have been made. Unpaid balances of previously rendered final bills may be transferred and included on the initial or subsequent bill for a like service account. Such transferred final bills, if unpaid, will be part of the past due balance of the transferred account and subject to the Utility's collections and disconnection procedures. The transfer of final bills is limited to like service, i.e., electric-to-electric, residential-to-residential, commercial-to-commercial. The Utility may not transfer a delinquent Commercial Service account to any account where any end user is a Residential Service Customer.

E. SERVICE CONNECTIONS. The customer assumes all responsibility for property owned by the Customer on Customer's side of the point of delivery. For electric service, it is generally the outlet side of the meter box. The Customer is also responsible for the service supplied or taken, as well as for the installation of appliances used in connection therewith, and will save the Utility harmless from and against all claims for injury or damage to persons or property occasioned by or in any way resulting from such service or the use thereof on the Customer's side of the point of delivery.

When electric service is provided from an overhead system, the Customer's wiring must extend at least 15 inches beyond the building. Where a Customer installs service entrance facilities which have capacity and layout specified by the Utility, and/or install and use certain utilization equipment specified by the Utility, the Utility may provide or offer to own facilities on the Customer's side of the point where service wires attach to the building. All inside wiring must be grounded in accordance with the requirements of the *National Electric Code*, or the requirements of any local inspection service authorized by the City of Huron. When a Customer desires that energy be delivered at a point or in a manner other than that designated by the Utility, the Customer shall pay the additional cost of same. Where service is supplied from an underground distribution system, the Customer shall supply and install a continuous run of cable conductors, including necessary ducts from the transformer, manhole or connection box to the meter base. The Customer shall pay the cost of installing the portion of cable and duct from the property line to the terminus or able outside the building. When a real estate developer desires an underground distribution system within the property which he is developing or when a Customer desires an underground service, the real estate developer or the Customer shall bear the costs for such underground facilities.

F. CONTINUITY OF SERVICE. The Utility shall furnish necessary and adequate service and facilities. The Utility shall not be liable in damages for failure to supply electricity, or for interruptions in service, and shall be relieved of its obligation to serve and may discontinue or modify service, if such failure or interruption is due to acts of God or the public enemy, military actions, wars, insurrections, riots, civil disturbances, vandalism, strikes, fires, floods, washouts, explosions, acts or orders of any civil, judicial or military authorities, and without limitation by the foregoing accidents, contingencies or other causes beyond the control of the Utility.

Without incurring any liability therefor, the Utility may also suspend service for such periods as may be reasonably necessary in order to make repairs to or changes in its facilities or other property; provided that the Utility shall keep a record of any interruption of service affecting its entire system, or a major division thereof, including a statement of time, duration and cause of interruption. It will also notify Customers affected by the interruption in advance of the contemplated work, and approximately how long the interruption will last.

Subject to Section V, Paragraph I, the Utility shall not discontinue service to any Customer without giving the Customer reasonable notice. Such notice shall be delivered either personally or telephonically when possible and practical. In circumstances, however caused, when time does not permit the giving of such notice in advance of a discontinuance of service or a change in services caused by circumstances beyond the control of the Utility, reasonable notice shall be given whenever possible and practical to all Customers affected advising them that service is off and of the time at which service is expected to be restored.

In the event that there has been an interruption of service to any premises, however caused, the Utility shall, before restoring such service, ascertain and assure itself that precautions have been taken to prevent accidents.

G. CUSTOMER'S LIABILITY. In the event of loss or injury to the property of the Utility through misuse, or the negligence of, the Customer or agents of the same, the Customer thereof shall pay the cost of the necessary repairs or replacement to the Utility. No one except the agents of the Utility shall be allowed to make any internal or external adjustments of any meter or other piece of apparatus, which shall be the property of the Utility. The Utility shall have the right at all reasonable hours to enter the premises of the Customer for the purpose of installing, reading, removing, testing, replacing or otherwise disposing of its apparatus and property, and the right of entire removal of the Utility's property in the event of the termination of service for any cause.

H. SERVICE NOT TO BE DISTURBED. No Customer shall attach or use any appliance which may result in the altering of service provided through the Utility's electric lines. Without prior approval from the Utility, no Customer shall attach or use any appliance or device which will increase, decrease or otherwise alter service provided through the Utility's lines to such extent as to interfere at any time with continuous service to other Customers.

I. NO CUSTOMER SHALL SELL TO ANOTHER. Service furnished by the Utility is for the sole use of the Customer and shall not be resold by the Customer except on written permission obtained from the Utility. The renting of premises with the cost of service included in the rental as a incidence of tenancy will not be considered a resale of such services.

J. ACCESS TO PREMISES. Neither the Utility nor its agents or employees shall enter into the interior of any structure on the premises of a Customer without the express permission of such Customer except in cases of emergency. Any agent or employee seeking entrance into or upon the premises of Customer shall have and show symbols of identification. Any agent or employee seeking entrance to the interior of any structures on the premises shall advise the owner or occupant as to his purposes in doing so. Except in cases of emergency, no Customer shall be obligated to afford entrance or access to his premises except during normal business hours and then only to such parts of the premises as may be the location of the Utility-owned property.

K. RIGHT-OF-WAY. The Customer, without reimbursement, will make or procure conveyance to the Utility of right-of-way or right of entry and installed electric lines satisfactory to the Utility to permit the Utility to cross property between the Utility's lines and the Customer's property at the location where service is to be furnished, including property owned or controlled by the Customer for the Utility's electric distribution lines, extensions thereof or appurtenances necessary or incidental to the supplying of service to the Customer.

L. METER FURNISHED. The Utility will furnish each Customer with a meter and appropriate socket of such size and type as the Utility may determine will adequately serve the Customer's requirements. Such meter and equipment shall be and remain the property of the Utility, and the Utility shall have the right to replace it, as the Utility may deem necessary.

M. METER LOCATION. The Utility shall determine the location of the meter. When changes in building or arrangements there render the meter inaccessible or exposed to hazards, the Utility may require the Customer, at the Customer's expense, to relocate the meter setting together with any portion of the Customer's service line necessary to accomplish such relocation.

N. ONLY UTILITY CAN CONNECT METER. As used in this section, "Tamper" means to interfere with, damage, or bypass a utility meter, conduit or attachment with the intent to impede the correct registration of a meter or the proper functions of a conduit or attachments so as to reduce the amounts of utility service that is registered on the meter.

No customer shall tamper with a meter, conduit, or attachment of the Utility that has not been disconnected by the Utility. The owner or Customer shall not permit anyone who is not an authorized agent of the Utility to connect or disconnect the Utility's meters, or in any way alter or interfere with the Utility's meters. Proof that a meter, conduit, or attachment of a utility has been tampered with is prima facie evidence that the person who is obligated to pay for the service rendered through the meter, conduit, or attachment and is in possession or control of the meter, conduit, or attachment at the time the tampering occurred has caused the tampering with intent to commit a theft offense.

Tampering with or bypassing a meter constitutes a theft offense that could result in the imposition of criminal sanctions.

O. METER TEST. All meters shall be tested at such intervals and using such methods as may be prescribed by generally accepted standards. The meter shall be removed from the Customer's premises for such test and a substitute meter, newly tested, shall be installed in its place. After the meter has been tested and before it is returned to service at the same or a different location, it shall be adjusted to be accurate within three percent (3%) plus or minus.

The Utility shall also test the meter at any time, at the request of the Customer. If the meter is found to be correct, as defined below, the Customer shall pay the fee as listed in Section III, Paragraph A, Item 4 for the testing. The date of inspection shall be stamped on the meter.

P. CORRECT METER. A meter registering between three percent (3%) fast and three percent (3%) slow shall be deemed for all purposes to be registering correctly. A meter registering incorrectly shall be replaced by the Utility at its expense.

Q. INDOOR WIRING AND PIPING. For electric service, the Customer shall install and maintain, at the Customer's expense, indoor wiring from the outlet of the meter. The Utility shall have no obligation to install, maintain or repair said wiring.

R. APPLIANCES. The Customer shall install and maintain all electric appliances. The Utility shall have no obligation to install, maintain or repair appliances.

S. INSPECTION OF ALTERED SERVICE. It shall be the duty of the Customer to notify the Utility promptly of any additions, changes, alterations, remodeling or reconstruction affecting service on the Customer's premises.

T. EXTENSION OF ELECTRIC DISTRIBUTION LINES. The Utility shall require the applicant or applicants to cover construction costs of that portion of the line extension which is not deemed economically justified at the Utility's expense. The non-refundable construction cost is that portion of the construction in excess of one year's estimated distribution energy charge.

U. DISTRIBUTED GENERATION. No Customer shall operate any distributed generation facility to self-generate electricity or interconnect with the Utility's system without obtaining written authorization from the Utility. The Utility, in its sole discretion, may enter into an interconnection agreement with a Customer to allow the Customer to operate its distributed generation facility in parallel with the Utility's system. The Utility may establish a distributed generation policy and regulations governing the potential interconnection and operation of distributed generation within its service territory. "Distributed generation" shall mean all or part of a system of an electrical generator installed at or near the Customer's facility that is intended to operate in parallel with the Utility's system and generate electricity for the Customer or other customers.

SECTION V – METERING AND BILLING

A. QUANTITY OF SERVICE DELIVERED BY METER. Meters installed by the Utility, which shall be and remain the property of the Utility, shall measure electricity. Subject to certain exceptions, enumerated below, consumption shall be determined on the basis of the meter registration and bills shall reflect the consumption so registered.

B. BILLING PERIODS. Electric bills will be rendered by the Utility to the Customer on a monthly basis. Non-receipt of bills by Customer does not release or diminish the obligation of the Customer with respect to payment thereof. Electric meters will be read at monthly intervals.

C. ESTIMATED BILL. When the meter is not read, the Utility may estimate the quantity of service consumed and render a bill for such quantity.

D. INCORRECT METER READINGS/BILLING. During any period that an incorrect meter reading is established, the meter reading and bills based thereon shall be adjusted by the Utility on the basis of all available information concerning the use of service by the Customer.

Whenever the Utility has overcharged any customer as the result of a meter or metering inaccuracy or other continuing problem under its control, the Utility will, for the period of time that incorrect billings can be established, adjust the meter readings and billings to reflect available information concerning the actual use by the Customer. The reimbursement of overcharges shall take the form of a credit to the Customer's account or by direct payment to the Customer, at the Utility's direction.

Except as provided below, any underpayment as a result of a meter or metering inaccuracy, or other continuing problem, will be billed to the Customer. The Utility will, at the Customer's request, attempt to arrange a reasonable payment schedule in the event of underpayment. Should

the amount of the adjustment be under bona fide dispute, the Utility shall continue to supply service and the Customer shall continue to pay all amounts billed until a final determination is made.

Whenever the Utility has undercharged any customer as the result of a meter or metering inaccuracy or other continuing problem under its control, the Utility may only bill the customer for the amount of the unmetered service rendered in the three hundred sixty-five (365) days immediately prior to the date the Utility remedies the meter inaccuracy. The Utility, in the first bill to collect the amount for unmetered service, shall state the entire amount that it seeks to collect. The maximum portion of the undercharge for unmetered service rendered that may be recovered from the Customer in any billing month shall be determined by dividing the amount of the undercharge by twelve (or the corresponding number of adjustable months) and the quotient is the maximum portion of the undercharged that the Utility may recover from the Customer in any billing month, in addition to either regular monthly charges or any type or regular level payment amounts billed in accordance with an agreement between the Customer and the Utility. The time period over which the undercharge may be billed shall be twelve (or the corresponding number of adjustable months) consecutive months.

The Utility shall not recover any interest charge, service charge, or fee, whether or not a percentage is utilized for its computation, for the portion of billings due to incorrect meter readings as provided for under this section.

Nothing in this section shall be construed to prevent the customer from paying an undercharge or any portion thereof in a time shorter than that stated in this section. Nothing in this section shall be construed to prevent the Utility from collecting an undercharge or any portion thereof in a time longer than that stated in this section.

This section does not apply to any act that is a theft offense, as defined in Section IV of these Rules and Regulations that involves tampering with utility equipment or theft of utility service, or where a physical act of a customer or its agent causes inaccurate or no recording of the meter reading, or inaccurate or no measurement of electricity rendered.

E. PAYMENT OF BILLS. The Customer shall pay bills at the Utility office during the regular office hours or to any of the Utility's authorized collecting agents during the regular office hours of such agent. Any remittance received by mail at any office of the Utility bearing U.S. Postal Office cancellation date corresponding with or previous to the last date on which said bill is payable "Net" will be accepted as within the net payment period.

Any payment received after 4:00 p.m. shall be processed during the next business day.

F. INITIAL AND FINAL METER READINGS. When service is terminated for any reason, the Utility will render a final bill addressed to the Customer's forwarding address, if known, or to the last known address, for the entire balance of the account, including a calculation from the last reading date to the requested final bill date. The Customer may request that the Utility attempt to obtain an actual final meter reading. However, the Utility may estimate the reading for the final bill date, or allow the Customer to provide the final meter read subject to the Utility's review for reasonableness, and if necessary, the actual reading.

All final bills are due upon receipt.

When the Customer begins use of service, an initial bill is normally rendered for the period from the initial date of service to the first regular meter reading date, this period normally being less than thirty (30) days, except no bill will be rendered if the period is less than three (3) days. However, the Customer's usage for that unbilled period will be included and billed in the next month's bill.

The Utility may estimate the reading for the initial date of service. However, upon Customer request, the Utility will attempt to obtain an actual reading at the initial date of service or allow the Customer to provide the initial meter read.

G. DEPOSITS. A deposit of 150% of an average monthly bill may be required if the Customer at any time, or from time to time before or after service is commenced. Deposit criteria will be affected by, but not limited to: (1) past general credit history; (2) past payment history (with the Utility); (3) end use of service; and (4) duration of service.

The Utility office shall have a reasonable time in which to ascertain that the obligations of the Customer have been fully performed before being required to return any deposit. Said deposit shall be credited to the Customer's account when payments have been made by the due date on twelve (12) consecutive months, unless the Customer's account has been terminated. The Customer, in writing, must request refunds. Where the account has been terminated, any remaining deposit not used to credit the account shall be directly reimbursed to the Customer within thirty (30) calendar days.

H. CHARGES AND PAYMENT FOR TEMPORARY SERVICE. In addition to regular payments for service used, the Customer shall pay the cost for all material, labor, and other necessary expense incurred by the Utility in supplying service to the Customer at his request for any temporary purpose or use. The Utility may, at its option, require that any Customer for temporary service deposit with the Utility a sum equal to the Utility's estimate of the cost to be incurred by it for temporary service.

I. RIGHT TO DISCONTINUE SERVICE. After giving notice as specified in Paragraph J below, the Utility shall have the right to discontinue service for any of the following reasons or purposes:

1. Refusing reasonable access to the Utility's facilities;
2. Non-payment of bills for service when bills are due;
3. Failure to furnish or maintain a required security deposit; and
4. Material violation of any of these Rules and Regulations not otherwise covered in this provision.

The Utility shall have the right, without notice, to discontinue service, and disconnect and remove from the premises of a consumer, the meter and any other property belonging to the Utility for any of the following reasons or purposes:

1. Non-use of service;

2. Fraudulent representation or practice and theft of service; and
3. Whenever deemed necessary by the Utility for safety reasons.

J. **TERMINATION PROCEDURES.** It is determined that a Customer is delinquent in rendering payment for service when the billing for service remains unpaid after five (5) business days from the due date. Whenever a Customer is delinquent in providing payment for service from the due date of the bill, the Utility shall mail a Delinquency Notice to the Customer (and Landlord/Customer if applicable).

The Utility may, after proper and reasonable notice of pending termination of service (not less than ten (10) days), terminate the Customer's service during normal Utility business hours in compliance with the following condition:

1. No delinquent bill disconnections may be made after 12:30 p.m. on the day preceding a day that all services necessary for the Customer to arrange and the Utility to perform reconnection are not regularly performed.
2. On the day of termination of service, the Utility will provide the Customer with a Termination Notice, securely attached in a conspicuous location, prior to termination.
3. Those Utility employees who normally perform the termination of service will be authorized to either:
 - a. be able to accept payment, or
 - b. be otherwise able to make available to the Customer means to avoid disconnection.

Such employees at the premises shall not be authorized to make extended payment arrangements.

4. In conjunction with service to the Customer of the termination notice provided for herein, the Utility shall advise Customer of the business address, telephone number, business hours, and a Utility representative to contact in the event the Customer desires to dispute the reasons for such termination and of the Customer's right to complain or appeal to the Service Representative, should he or she be dissatisfied with the Utility's reasons for terminating service. Upon request of the Customer, the Utility shall provide an opportunity for review of the initial decision concerning such dispute.

5. The notice of termination sent to the service address (and billing address, if different) shall be in writing, and shall:

- a. identify the amount owed, the date which service may be terminated ,and the reason for termination; and
- b. include an explanation of the payment alternatives available to a Customer whose account is delinquent.

Termination of service of nonpayment is prohibited without the approval of Council when the termination of service would make operation of necessary medical or life-supporting equipment, known by the Utility to be in service, impossible or impractical. Service shall not be terminated if the Customer enters into and makes payments in accordance with an extended payment plan.

If a guarantor is required in order to reestablish service, the guarantor must sign an acknowledgment or willingness to accept the responsibility for payment of the Customer's bill in case of the Customer's default.

K. LANDLORD-TENANT PROVISION. The Utility may terminate utility service to individuals whose utility services are included in rental payments and of consumers residing in master-metered premises owned by Landlord/Customers, in accordance with the following:

1. The Utility has provided the notices as required by provisions of these Rules and Regulations. The Utility in its Delinquency Notice must:
 - a. summarize the remedies tenants may choose to prevent disconnection or to have service reconnected; and
 - b. inform tenants that a list of procedures and forms to prevent disconnection or to have service reconnected are available from the Utility upon request.
2. Customers inquiring in response to the posted notice shall be informed of the amount due for the current month's service and that by submitting a single payment to the utility in that amount, tenants may prevent disconnection of service.
3. Payment by tenants equal to or exceeding the Landlord/Customer's current utility service bill for those premises shall be credited to the appropriate account, provided that the Utility is under no obligation to accept partial payment from individual tenants and may choose to accept only a single payment from a representative acting on behalf of all tenants.
4. The Utility shall not disconnect service to master-metered premises when:
 - a. A tenant delivers to the Utility a copy of the written notice signed by fifty percent (50%) or more of the tenants of the occupied dwelling units, which notice shall designate the imminent disconnection of utility service (as shown by the disconnection notices received) as reason for the notice;
 - b. A tenant informs the Utility in writing of the date of the last day on which rent may be paid before a penalty is assessed or the date on which default on the lease or rental agreement can be claimed; and
 - c. The tenants who sign the disconnection notice timely invoke the remedies provided below:
 - i. Deposit all rent that is due and thereafter becomes due to the landlord, with the clerk of the municipal or county court having jurisdiction; and

- ii. Apply to the court for an order to use the rent deposited to remedy the condition or conditions specified in the tenant's notice to the landlord (including but not necessarily limited to payment to the Utility rendering the disconnection notice).

5. If service has been terminated to consumers whose utility services are included in rental payments or who are residing in master-metered premises, the Utility shall inform the consumers upon their inquiry that service will be reconnected upon payment of the amount due for the current month's service plus any reconnection charge if such payment is made within fourteen (14) days of termination, and that service will continue so long as payment for each month's service (based upon actual or estimated consumption) is made by the tenant's representative by the due date of the bill thereof. If the Customers choose to have their service reconnected by paying the current month's bill and payment is not made by the due date each month, the Utility shall post the notice in a conspicuous location on the premises and make a good faith effort by mail or otherwise to notify each household unit of a multi-unit dwelling or tenant receiving service in the master-metered premises of the impending service termination. The Utility shall not be required to reconnect service pursuant to this paragraph where the landlord resides on the premises.

6. Concurrent with the effective date of this rule, the Landlord/Customer must be the designated customer on all new applications accepted by the Utility for service to residential master-metered premises. Utility acceptance of new applications for service to master-metered premises requires the designated Landlord/Customer to provide to the Utility an accurate list specifying the individual mailing addresses of each unit served at the master-metered premises. The Landlord/Customer, in a timely fashion, must update such list.

L. CHANGE OF ADDRESS OF CUSTOMER. When a Customer changes his address, he shall give notice of his intent to do so to the Utility prior to the date of change. The Customer shall be responsible for all service supplied to the former premises until such notice has been received and the Utility has had a reasonable time, but not less than three (3) regular business days, to discontinue service.

M. CHANGE IN TENANCY OR OWNERSHIP. At such time as the Utility is notified of a change of tenancy or ownership, the Utility shall make a final meter reading and prepare and mail a final bill. The former Customer is responsible for all service supplied to the premises until such final notice has been received and the Utility has had a reasonable time to make a final meter reading. Reasonable time is defined as being three (3) regular business days.

SECTION VI – GENERAL

A. These Rules and Regulations are subject to, and include as part thereof, all orders, rules, and regulations applicable to the Utility from time to time issued or established by the City of Huron City Council under its emergency powers.

B. The Utility reserves the right to make such further policies regulating utility service in order to carry out the purposes of these Rules and Regulations as experience may suggest, and as the Utility may deem necessary or convenient in the conduct of its business.

C. These Rules and Regulations shall not apply during periods of shortage in the supply of electricity available to the Utility, to the extent that compliance by the Utility with such Rules and Regulations is precluded by the shortage in supply. During periods of shortage of supply to the Utility, restrictions on new service and curtailment of existing service shall be governed strictly by the Utility.

D. Disputes arising from the Rules and Regulations between Customers and the Utility shall be resolved, to the best of its ability, by Utility personnel. Decisions or actions taken by Utility personnel may be appealed by the Customer to the City Council.