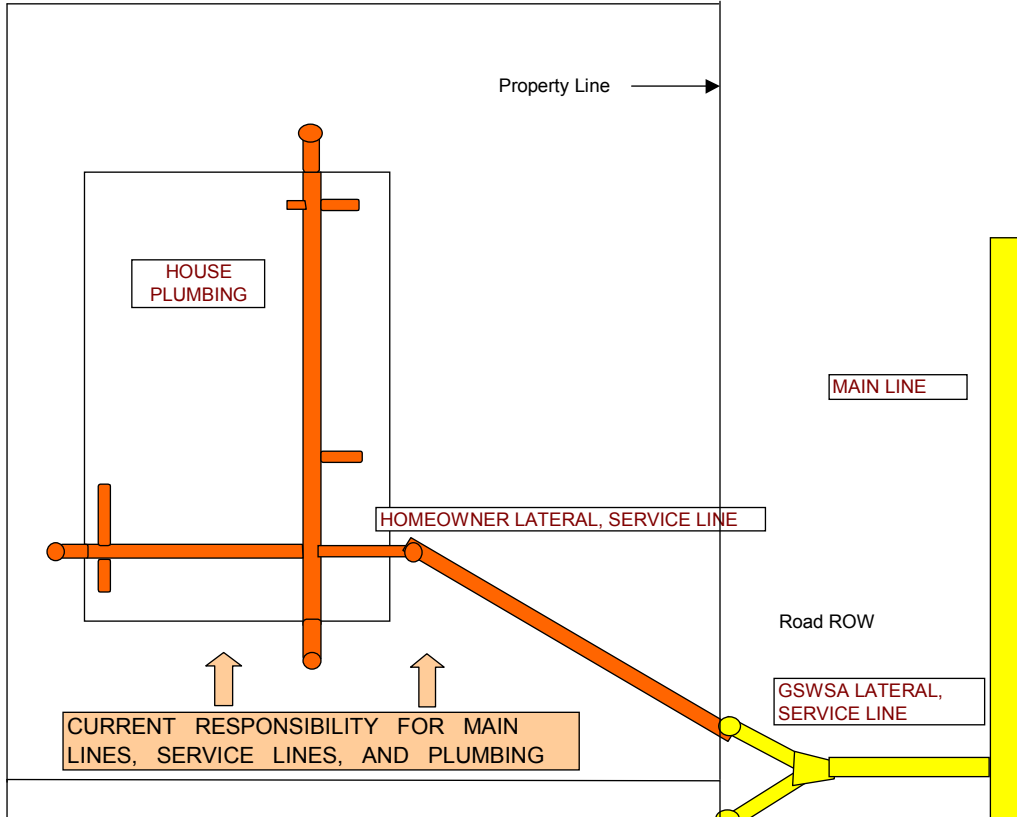
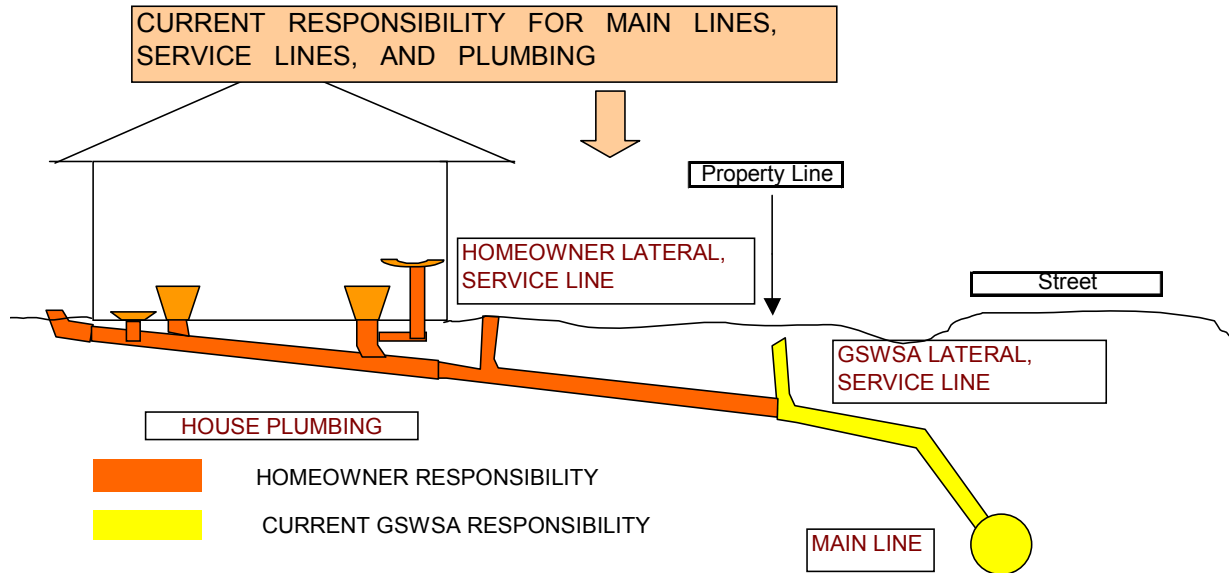


GRAND STRAND WATER AND SEWER AUTHORITY SEWER SERVICE LINE MAINTENANCE PROGRAM SUMMARY

PRACTICES FOR CUSTOMERS NOT ON SERVICE LINE MAINTENANCE PROGRAM

GSWSA is responsible for mainline in the street and service lateral from main line to the property line. Usually there is a cleanout at the property line and the homeowner is responsible for the service lateral between property line cleanout and house as well as the lines in and under the house.



PRACTICES FOR CUSTOMERS ON SEWER SERVICE LINE MAINTENANCE PROGRAM

Customers must sign up for the voluntary sewer service line maintenance program. The cost to customers is \$2.50 per month for a single residential equivalency unit (REU). Multi-REU commercial services may sign up at \$2.50 for the first REU and \$0.50 for each additional REU.

Multi-unit buildings such as condominiums may also sign up, but GSWSA requires that all units sign up at one time.

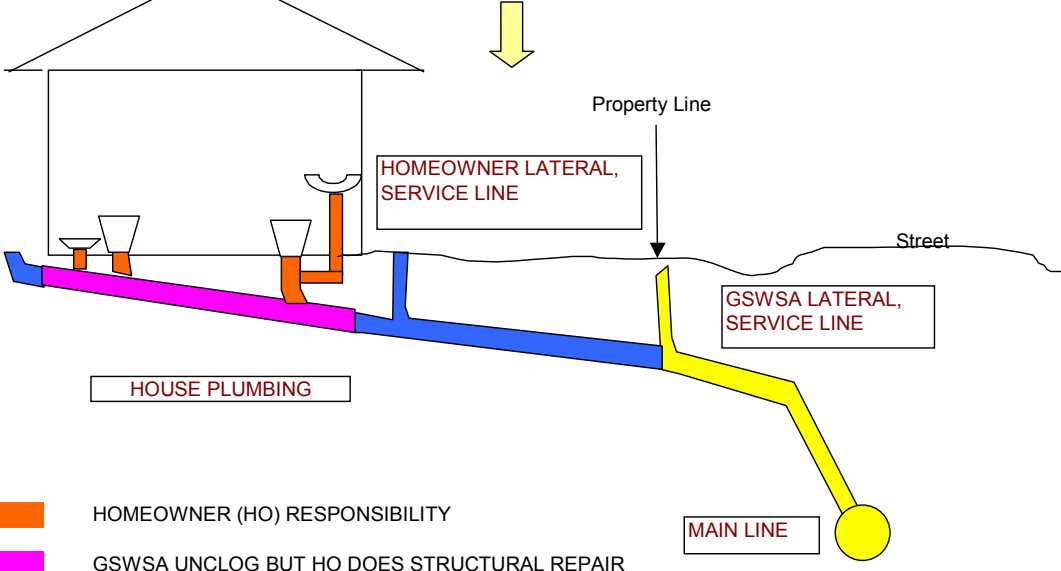
Once a customer has signed up for the voluntary sewer service line maintenance program, GSWSA is responsible for following:

- Clear sewer clogs from customer bottom floor level to the main line, except that GSWSA will clear only those lines in or under the building that can be adequately accessed through a cleanout located at or outside the perimeter of the building. GSWSA will not go in or under a building to clear the lines.
- Clear blockages and repair all sewer system damage or improper installation that causes blockages in any part of the line from the perimeter of the building to the main line.
- Restore yard, landscape, driveways and walks damaged during GSWSA's repair.
- Reimburse owner the cost associated with a sewer back up, including cleanup and repair of building and contents if backup is caused by clog or problem outside the perimeter of the house.

Customers remain responsible for following:

- Monthly maintenance charge.
- Leaks, clogs or damage to appliances inside the house such as leaking or clogged sink drains or toilet wax seal leaks.
- Repairs to sewer lines under the building, such as crushed lines, separated lines, leaking joints, bellies or improper grades, improper sized lines, or poor workmanship by original plumber. GSWSA will clear clogs under a building if cleanouts are available to operator for cleaning work, but will not make repairs under the building.
- Costs associated with cleanup and repair of damage to building and contents if associated with plumbing problem within the perimeter of the building.

PROPOSED RESPONSIBILITY FOR MAIN LINES, SERVICE LINES, AND PLUMBING



HOUSE PLUMBING

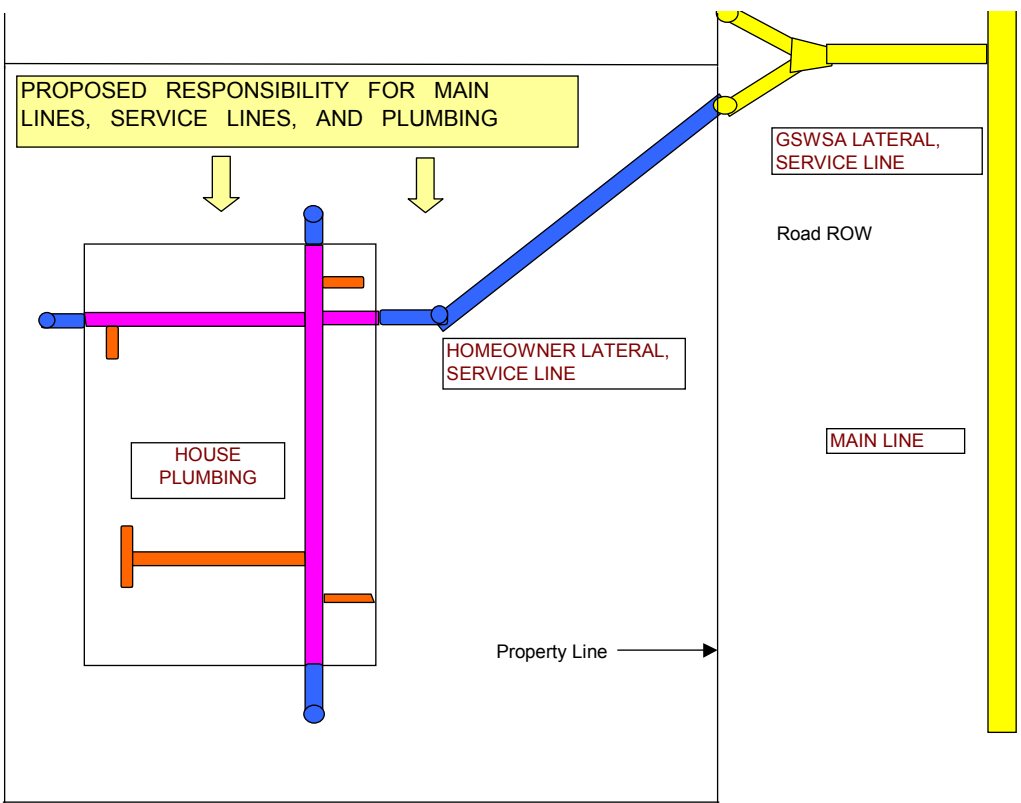
HOMEOWNER LATERAL, SERVICE LINE

GWSA LATERAL, SERVICE LINE

MAIN LINE

- HOMEOWNER (HO) RESPONSIBILITY
- GWSA UNCLOG BUT HO DOES STRUCTURAL REPAIR
- GWSA UNCLOG AND ALL REPAIRS, RESTORATION OF LANDSCAPE, DRIVES, WALKS
- CURRENT GWSA RESPONSIBILITY

PROPOSED RESPONSIBILITY FOR MAIN LINES, SERVICE LINES, AND PLUMBING



HOUSE PLUMBING

HOMEOWNER LATERAL, SERVICE LINE

GWSA LATERAL, SERVICE LINE

MAIN LINE

Property Line

Road ROW

Benefits of the voluntary sewer service line maintenance program include:

- Customer gets one telephone call service on a 24 hour per day/7 day per week basis at no additional charge for all sewer backups and for most repairs.
- GSWSA repairs to service laterals include identifying and eliminating residential sources of infiltration & inflow (I/I).
- A routine program to install cleanouts at property lines and at building and TV these service lines. Service lines with bellies, roots or leaks found during TV inspection will be permanently repaired as a preventive measure for both future backups and I/I.

WHO WOULD BE ELIGIBLE FOR THIS SERVICE

GSWSA will service any single-family residential units or commercial buildings that were one building with one REU at \$2.50 per month. Multi-REU buildings such as apartments, condominium units, shopping centers and office complexes may obtain the service at \$2.50 for first REU and \$0.50 for each additional REU if master metered. Individually metered multi-unit buildings are treated the same as single family units except that all units in a building must participate to obtain the service.

MAKE CUSTOMERS AWARE OF PROGRAM

GSWSA uses billing insert to advise all current customers of service and give customer instructions on how to participate. GSWSA issues repeat reminders annually with note on bills or billing inserts. Additional public information is provided by:

- Provide information on service on the GSWSA web page.
- New customers are advised of program at the time they apply for service.
- Owners of accounts that are being transferred are advised of the program at the time of transfer.
- GSWSA sewer operators carry blank agreements to each call and will offer customers the opportunity to sign up while the GSWSA representative is on site.

CLAIMS HANDLING

If the claim is less than insurance deductible, GSWSA offers to settle claim with customer. If the claim is greater than deductible, GSWSA forwards the claim to the GSWSA's insurance carrier and works through the adjuster that was assigned to settle claim.