GULF SHORES UTILITIES BOARD POLICY OF WATER SERVICE OUTSIDE THE CITY OF GULF SHORES CORPORATE LIMITS

Effective immediately and until such time as circumstances are determined by the Utilities Board of the City of Gulf Shores, Alabama to warrant a change in policy, the Board will not approve new water service to any applicant for such service to a location outside the corporate limits of the City of Gulf Shores, Alabama except under the following circumstances:

- (a). The water service requested is for property that can be served by connection to existing abutting service lines or by an extension of existing service lines in a manner and at a cost acceptable to the Board; and
- (b). (i) The water service requested is for service to a single family or duplex residence located on a lot of record existing on the effective date of this policy; or
- (ii) The water service requested is for service to a single family or duplex residence located on a lot of record in a subdivision approved after the effective date of this policy with a density of no more than 2 lots per acre; or
- (iii) The water service requested is for service to a multifamily or hotel structure with a residential unit or hotel room density of no more than 4 units or rooms per acre; or
- (iv) The water service requested is for service to a commercial structure that is not a residential or hotel structure and the Board determines after specific evaluation of the volume of water to be furnished that the requested service will not place an unacceptable burden on the Board's service capacity.

In the event an unincorporated area served by the Board becomes included within the corporate limits of a municipality other than the City of Gulf Shores by annexation or incorporation, the Board will thereafter continue to serve only those water service customers in such area as are served on the effective date of inclusion and will make no additional water service connections of any kind in such area except such connections as the Board may have contractually obligated itself to provide prior to such date.

The water service policies of the Board are adopted by it in its legislative capacity and are subject to amendment or rescission as thereafter may be determined by the Board to be in the best interest of the Board in fulfilling its function as a utility. The water services policies of the Board as in effect from time to time are not a contractual commitment to any person or entity with respect to the availability of water service at any location.