

VERONA SPECIAL UTILITY DISTRICT

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Blue Ridge, Texas 75424
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RATE ORDER

CERTIFICATE OF CONVENIENCE AND NECESSITY NO. 10184

COLLIN COUNTY, TEXAS

Amended and Restated February 11, 2021

Last Amended November 13, 2025

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ARTICLE A

ADOPTION & AUTHORITY

1. **Effective Date.** This amended and restated Rate Order was adopted on February 11, 2021, by the board of directors of the Verona Special Utility District by passage of Ordinance No. 2021-001. This Rate Order supersedes all district service policies, rates, rules and tariffs adopted or passed by the board prior to the date of its adoption.

2. **Preexisting Penalties and Vested Rights.** The adoption of this Rate Order shall not affect any offense or act committed or done, or any penalty or forfeiture incurred, or any contract or vested right established or accrued prior to the effective date or adoption of this Rate Order.

3. **Original Rate Order.** An original of this Rate Order shall be maintained in the official records of the district and all additions, deletions, and amendments hereto shall be clearly indicated.

4. **Copies Available.** An official copy of the Rate Order, as amended, shall be available to the public for examination at the district's regular offices during regular office hours. A copy of the Rate Order shall be made available upon request and payment of a reproduction charge.

5. **Conflicts.** Rules and regulations of state and federal agencies having applicable jurisdiction, promulgated under any applicable state or federal law, shall supersede all terms of this Rate Order that directly conflict with such state and federal rules or regulations. If any section, paragraph, sentence, clause, phrase, word or words of this Rate Order are declared unconstitutional or in violation of law, the remainder of this Rate Order shall not be affected thereby and shall remain in full force and effect.

ARTICLE B

STATEMENTS

1. **Organization.** The district was formed on May 16, 2002, by Order of the Texas Commission on Environmental Quality granting the request of Verona Water Supply Corporation for conversion to and creation of Verona Special Utility District under the authority of Article XVI, Section 59 of the TEXAS CONSTITUTION and TEXAS WATER CODE, Chapters 49 and 65. Said Order grants to the district all of the rights, powers, privileges, authority, and functions conferred by the Commission and the general laws of the State of Texas relating to special utility districts, including the right and authority to furnish potable water service and sewer service to the public. The district is governed by a board of directors responsible for adopting all district policies, rates and regulations. Members of the board are elected at-large by qualified voters residing within the boundaries of the district.

2. **Non-discrimination Policy.** Service is provided to all applicants that comply with the provisions of this Rate Order regardless of race, creed, color, national origin, sex, disability or marital status.

3. **Application of Policies and Regulations.** The policies, rules and regulations set forth in this Rate Order apply to all service provided by the district unless expressly excepted by the board. Failure on the part of any customer or applicant to observe these policies, rules and regulations gives the district the authority to deny or discontinue service.

4. **Fire Protection.** It is not a primary responsibility of the district to provide "fire-flows" from the district's water system. The district does not guarantee fire flows within the service area. As the water system undergoes growth and transitions to a more urban system, it shall be district policy that water system infrastructure be constructed to accommodate "fire-flows" in accordance with applicable municipal, county or state regulations. All hydrants or flush valves are for the operation and maintenance of the water system and may be used for refill only by authorized fire departments. The district reserves the right to remove any hydrant due to improper use or detriment to the water system, as determined by the district, at any time and without notice, refund or compensation to the contributor, if any, unless such hydrant was installed in accordance with a Nonstandard Service Contract, in which event the terms and conditions of the contract shall apply.

5. **Damage Liability.** Pursuant to state law, the district is not liable for damages caused by service interruptions due to system failure, tampering by third persons or district customers, system maintenance or repairs, or other events beyond the district's control; nor is the district liable for damages caused by negligent acts of the district or the district's employees, designated representatives, agents or contractors.

6. **Public Information Disclosure.** The records of the district shall be kept at the district's regular offices at 408 W FM 545 Suite 400, Blue Ridge, TX 75424. All information collected, assembled or maintained by or for the district shall be disclosed to

the public in accordance with the Texas Public Information Act. An individual customer may request in writing that the district keep the customer's name, address, and telephone number confidential. Such confidentiality does not prohibit the district from disclosing this information to an official or employee of the state or a political subdivision of the state acting in an official capacity, or to an employee of the district acting in connection with the employee's duties. The district may assess a reasonable charge, as authorized by the Texas Public Information Act, for copies of district records requested by any person.

7. **Notice of Change in Rates.** The district will give written notice of a change to monthly water rates by publication or mail to all affected customers at least thirty (30) days prior to the effective date of the new rate. The notice shall state the old rates, the new rates and their effective date, the date of board authorization, and the name and telephone number of the district representative designated to address inquiries about the rate change. Failure of the district to give such notice shall not invalidate a rate change or any charge based on the new rate.

8. **Customer Service Inspections.** The district requires that a customer service inspection certificate be completed prior to providing continuous water service to new construction and for all new customers as part of the activation of standard and some non-standard service. Customer service inspections are also required on any existing service when the district has reason to believe that a cross-connection or other potential contaminant hazard exists, or after any material improvement, correction or addition to a customers' water distribution facilities. This inspection is limited to the identification and prevention of cross connections, potential contaminant hazards and illegal lead materials. [30 TAC § 290.46(i-j)].

9. **Public Works Standards.** The district adopts applicable sections of the Standard Specifications for Public Works Construction (5th Edition), as amended, promulgated by the North Central Texas Council of Governments, as guidance in the design, installation and maintenance of line extensions and service facilities.

10. **Submetering Responsibility.** Submetering and non-submetering by Master Metered Accounts may be allowed in the district's water or sewer system provided the Master Metered Account customer registers with the Texas Commission on Environmental Quality and complies with Commission regulations contained in Texas Administrative Code, Title 30, Chapter 291, Subchapter H. The district has no jurisdiction over or responsibility to tenants receiving water under a Master Metered Account, and such tenants are not considered customers of the district. Any interruption or impairment of water service to the tenants is the responsibility of the Master Metered Account customer. Any complaints regarding submetering should be directed to the Commission.

11. **District Forms Policy.** The District has promulgated official forms for various administrative and customer service purposes. Official forms must be used when applicable. The District reserves the right to amend, revise and discontinue use of any form, and to create and use new forms for any reason including compliance with federal state laws and regulations, improving administrative efficiency, preparing for future system demands, and meeting the unique service needs of developers and non-standard service applicants or customers.

ARTICLE C

DEFINITIONS

The following words and terms, when used in this Rate Order, shall have the following definitions unless the context clearly indicates otherwise:

Applicant — A person applying to the district for service

Board of Directors (or) **Board** — The governing body of the district elected by qualified voters residing within the district's boundaries in accordance with applicable election laws.

Certificate of Convenience and Necessity (or) **CCN** — The authorization granted by the Texas Commission on Environmental Quality under Chapter 13, Subchapter G of the Texas Water Code authorizing a retail public utility to furnish potable water or sewer utility service within a defined territory. The district has been issued CCN No. 11376 to provide retail water utility service. The district does not possess a sewer CCN.

Certificated service area (or) **service area** — The district's potable water service territory defined in CCN No. 10184 defined by the district's political boundaries. [See Article D. Geographic Areas Served].

Customer — Any person receiving service from the district

Designated representative — A district employee, agent or contractor engaged in carrying out the terms of, or performing services prescribed by, this Rate Order pursuant to either general authorization or specific authorization by the general manager or board of directors.

Developer — Any person that subdivides land, requests two (2) or more water or sewer service connections on a single contiguous tract of land, or is engaged in developing a tract of land for non-residential use with water demands that cannot be served through a standard residential water meter. [See Water Code § 13.2502(e) (1)]

Development Review Committee (DRC) — A committee composed of District staff, as selected by the District's General Manager, together with a representative(s) from the Board of Directors and the District's engineer and/or attorney as deemed necessary by the General Manager that will meet on an as needed basis with developers to review and determine the requirements for providing non-standard service.

Disconnection of service — The discontinuance of water or sewer service to a customer of the district.

District — The Verona Special Utility District of Collin County, Texas

Easement — A perpetual right-of-way on land granted or dedicated to the district for purposes of constructing, installing, replacing, repairing, operating, using, inspecting,

reconstructing, modifying, removing, abandoning and maintaining one or more waterlines and/or sewer service lines and all appurtenances thereto. Easements must be exclusive to the district unless otherwise agreed to by the general manager.

Final plat — A complete and exact plan for the subdivision or development of a tract of land which has been approved by all local governments having jurisdiction pursuant to Chapters 212 or 232 of the Texas Local Government Code. The district shall determine if a plat submitted under this Rate Order qualifies as a final plat. [See 30 TAC § 291.85].

General Manager — A person employed by the board to perform such services as general manager for the district that the board may from time to time specify.

Hazardous condition — A condition that jeopardizes the health and welfare of district customers or employees as determined by the district or any other regulatory authority with jurisdiction.

Master Meter — A meter that serves two or more connections installed with district permission by a Master Metered Account customer that has registered with the Commission and complied with this Rate Order and Commission regulations contained in Texas Administrative Code, Title 30, Chapter 291, Subchapter H.

Person — Any natural person, firm, corporation, cooperative, limited liability company, partnership, unincorporated association, public agency or governmental entity, or any other public or private organization or entity of any type or character.

Re-Service — Providing service to an applicant at a location with an existing meter setting or tap that was previously served by the district. The cost of such re-servicing shall be as established in this Rate Order or based on justifiable expenses in connection with such re-servicing.

Service application and agreement (or) service agreement — A written agreement on the current service application and agreement form between a service applicant and the district defining the specific type of service requirements requested and the responsibilities of each party regarding the service to be provided.

Service classification — The type of water service required by an applicant as may be determined by the district based on specific criteria such as usage, meter size, demand, type of application, and other relevant factors related to the nature of service requested by an applicant.

Service unit — The base service unit used by the district in facilities design and rate making in this Rate Order is a standard 5/8" x 3/4" water meter for domestic use (sometimes referred to as a "residential meter").

Service — Any act performed, anything furnished or supplied, and any facilities or lines committed or used by the district in the performance of its duties under the Texas Water Code, the Texas Administrative Code or this Rate Order to its customers, employees,

other retail public utilities and the public, as well as the interchange of facilities between the district and one or more retail public utilities.

Service Investigation Fee — A fee paid to the district for the purpose of having the district determine the feasibility of providing water service to a proposed subdivision or non-residential project or of a construction, line extension and/or expansion project. The service investigation fee is due with the submission of a non-standard service application to the district. The fee covers administrative expenses, engineering fees, and legal fees incurred by the district to process the service application and determine feasibility of providing the requested service.

Subdivide — To divide the surface area of land into lots or tracts. [See Local Gov't Code § 232.021(11)].

Subdivision — An area of land that has been subdivided into lots or tracts. [See Local Gov't Code § 232.021(13)].

Temporary service — The classification for non-standard water service assigned to an applicant that is in the process of constructing a residential or commercial structure. The district may also apply this classification to other nonpermanent service uses (e.g., agricultural, road construction, drilling, livestock, etc.). The district may provide temporary water service for up to six (6) months from the date of application for temporary service. Temporary service may be extended upon request and approval of the district's general manager on a case-by-case basis. As a prerequisite to receiving temporary service, an applicant must pay applicable temporary service charges as set forth in Article G of this Rate Order.

Texas Commission on Environmental Quality (or) TCEQ (or) Commission — The state regulatory agency having jurisdiction over water and sewer service utilities and appellate jurisdiction over the rates and fees charged by the district.

North Texas Municipal Water District (or) NTMWD — A regional conservation and reclamation district created pursuant to Article XVI, Section 59 of the Texas Constitution that supplies wholesale treated surface water and wholesale sewer treatment. The district is located within the NTMWD's regional service area.

Water system — The potable water supply, treatment, storage and distribution facilities operated by, or constructed by or for, the district, and any water system extensions, improvements or facilities that may be built within the district's boundaries or service area in the future.

ARTICLE D
GEOGRAPHIC AREA SERVED

1. **Water Service Area.** The district's water service area is defined by CCN No. 10184, which is valid until amended or revoked by the Public Utility Commission of Texas. A copy of CCN No. 10184 including a map of the water service area is attached to this Article D.

ARTICLE E

SERVICE RULES AND REGULATIONS

[Amended June 18, 2024, Ord 2024-002; Amended Aug. 20, 2024, Ord 2024-003]

1. **Service Entitlement.** An applicant requesting service to real property located within the district's service area shall be considered qualified and entitled to water or sewer service when proper application has been made, the terms and conditions of service have been met and continue to be met, and all fees have been paid as prescribed. An applicant requesting service to real property located outside the boundaries of the district's water service area or political boundaries shall be considered for service in accordance with current district policies governing the provision of service outside district boundaries.

2. Application Procedures and Requirements.

(a) Service Classifications. Applications to the district for service shall be divided into the following two (2) classes:

(1) *Standard Service.* Standard service is defined as service from an existing service line where line or service facility extensions are not required and special design and/or engineering considerations are not necessary. Standard water service is provided through a standard (5/8" x 3/4") meter set on an existing waterline. Standard sewer service is provided via minimum 4" gravity sewer taps with pressure collection facilities installed or connected to collection lines at a maximum depth of five feet (5').

(2) *Non-Standard Service.* Non-standard service is defined as any service request that requires a 3/4" meter or larger for service, temporary water service, service to a Master-Metered Account pursuant to Section E.2(c)(4) below, or an addition to or extension of the district's water system or sewer system. Except for temporary service applicants, a non-standard service applicant must comply with the service requirements prescribed by Article F of this Rate Order prior to receiving service.

(b) Requirements for Standard and Non-Standard Service.

(1) The applicant shall complete and sign a Service Application and Agreement or Non-Standard Service Application as applicable.

(2) As a condition for service, the applicant shall complete and execute an Easement and Right-of-Way, Sanitary Control Easement or such other easement forms as required by the district to obtain a dedicated easement(s) to allow the district a right of access to construct, install, maintain, replace, upgrade, inspect or test any facility necessary to serve the applicant as well as the district's purposes in providing system-wide service. [Tex Water Code §49.218]. This requirement may be delayed for non-standard service

applicants. New meters shall be located within a utility easement at or near the boundary line of the property designated for service.

(3) The applicant shall provide proof of ownership or proof of the right to occupy the real property designated to receive service by warranty deed, contract for deed or other recordable documentation of fee simple title, or by a lease document in the instance of a right to occupy land.

(4) At the request of a property owner or an owner's authorized agent, the district shall install individual meters owned by the district in an apartment house, manufactured home rental community, multiple use facility, or condominium on which construction begins after January 1, 2003, unless the district determines that the installation of individual meters is not feasible. If the district determines that installation of individual meters is not feasible, the property owner or manager shall install a plumbing system that is compatible with the installation of submeters or individual meters. The district shall be entitled to the payment of reasonable costs to install individual meters pursuant to 30 TAC § 291.122(d) and Section F of this Rate Order. The cost of individual meter installations shall be prepaid by the property owner as well as the cost of any additional facilities or system improvements required to satisfy the total water service demand of the property at full occupancy, as determined by the district under applicable provisions of Article F. The district shall consider master metering or furnishing non-standard sewer service to apartments, condos, trailer/RV parks, or business centers and other similar type enterprises at an applicant's request provided the total number of units to be served are all:

(A) owned by the same person, partnership, cooperative, corporation, agency, or public or private organization of any type, but not including a family unit;

(B) directly inaccessible to a public right-of-way; and

(C) considered a commercial enterprise (i.e., for business, rental or lease purposes).

(5) Notice of application approval and costs of service as determined by the district shall be presented to the applicant in writing and shall remain in effect for a period not to exceed thirty (30) days. After that time, the applicant must re-apply for service. [30 TAC § 291.81(a)(1)].

3. Activation of Standard Service.

(a) New Service Connection. The district shall charge a nonrefundable Connection Fee and other applicable fees as required under Article G of this Rate Order. The Connection Fee and other applicable charges fees shall be quoted in writing to the applicant. An applicant must pay all required fees prior to installation of the new service connection.

(b) Re-service. On property where service previously existed, the district shall charge a deposit and all fees applicable to restoration of service. When re-service is requested by an applicant owing any delinquent charges on previous service received from the district, all delinquent charges must be paid before re-servicing procedures can begin. In no event will a capital improvement fee or contribution or capital impact fee be charged for a re-service event.

(c) Performance of Work. After approval is granted by proper authorities, all tap and equipment installations specified by the district shall be completed by the district personnel or designated representative. No person, other than a properly authorized agent of the district, shall be permitted to tap or make any connection with the mains or distribution pipes of the district's water system, or to make any repairs or additions to or alterations in any tap, pipe, cock or other fixture connected with the water service pipe. The tap shall be completed within five (5) working days when ever practical but not later than ten (10) working days after approval and receipt of payment of quoted fees for the property designated to receive service. This time may be extended for installation of facilities and equipment necessary to serve a request for non-standard service.

(d) Customer Service Inspections. The district shall require a customer service inspection of an applicant's property and private water distribution facilities to ensure compliance with state required Minimum Acceptable Operating Practices for Public Drinking Water Systems as promulgated by the Commission. [Section B.8]. As a result of such an inspection, the district may require that a customer properly install a backflow prevention device, and thereafter, inspect, test and maintain the device, and provide all required documentation to the district, all at the customer's expense. [30 TAC § 290.46(j)].

4. Activation of Non-Standard Service.

(a) Activation of Non-Standard Service. Activation of non-standard service shall be conducted pursuant to Section F of this Rate Order.

(b) Re-service. The provisions applicable to standard re-service requests under the previous subsection 3(b) shall also apply to non-standard re-service requests.

5. Changes in Service Classification. If at any time the district determines that the service classification of a customer has changed from that originally applied for and that additional or different facilities are necessary to provide adequate service, the district shall require the customer to re-apply for service under the terms and conditions of this Rate Order. Customers failing to comply with this provision shall be subject to Disconnection with Notice under Section E.14 (a) below.

6. Owners and Tenants. The owner of property designated to receive service according to the terms of this Rate Order is responsible for all fees and charges due the district for service provided to such property. If an owner has signed an Alternate Billing Agreement for Rental Accounts, the district may bill a tenant for service as a third party,

but the owner remains fully responsible for any and all unpaid fees and charges of the tenant. The district may notify an owner of a tenants' past due payment status subject to service charges.

7. **Refusal of Service.** The district may refuse to serve an applicant for the following reasons:

- (a) failure of an applicant to complete all required easement forms and pay all required fees and charges;
- (b) failure of an applicant to comply with the rules, regulations and policies of the district, including but not limited the failure to pay amounts due the district for at another location in the district.
- (c) existence of a hazardous condition at the applicant's property which would jeopardize the welfare of other customers of the district upon connection;
- (d) failure of an applicant to provide representatives or employees of the district reasonable access to property, for which service has been requested;
- (e) failure of an applicant to comply with all rules and regulations of the district which are in this Rate Order on file with the state regulatory agency governing the service applied for by the applicant; or
- (f) the district has determined that the applicant's service facilities are known to be inadequate or of such character that satisfactory service cannot be provided.
- (g) failure to provide the district with proper picture ID i.e authorized governmental driver's license, passport, authorized governmental ID card.

8. **Applicant's Recourse.** In the event the district refuses to serve an applicant under the provisions of this article, the district shall inform the applicant in writing of the basis of its refusal and that the applicant may file a written complaint pursuant to the District's grievance procedures. (See Section E.18).

9. **Insufficient Grounds for Refusal of Service.** The following shall not constitute sufficient cause for the refusal of service to an applicant:

- (a) delinquency in payment for service by a previous owner or tenant of the property designated for service;
- (b) failure to pay a bill to correct previous under billing more than six (6) months prior to the date of application;
- (c) violation of the district's rules pertaining to operation of non-standard equipment or unauthorized attachments which interferes with the service of others, unless the customer has first been notified and been afforded reasonable opportunity to comply with said requirements;

(d) failure to pay a bill of another customer as guarantor thereof unless the guarantee was made in writing to the district as a condition precedent to service;

(e) failure to pay the bill of another customer at the same address except where the change of customer identity is made to avoid or evade payment of a utility bill;

(f) failure to comply with regulations or rules for anything other than the type of utility service specifically requested including failure to comply with on-site sewage disposal regulations requirements.

10. Deferred Payment Agreement. The District may enter into a deferred payment agreement, not to exceed a term of 6 months, with a customer who cannot pay an outstanding balance in full and is willing to pay the balance in reasonable installments as determined by the District, including any late payment penalties or interest on the monthly balance to be determined as per the agreement. The District may require payments under a deferred payment agreement to be made by automatic bank draft or credit card. Failure to make a timely payment will cause the outstanding balance to become immediately due.

11. Charge Distribution and Payment Application.

(a) **Service Fee.** The applicable base rate shall be charged for each monthly billing period from the first day to the last day of the monthly billing cycle. The base rate shall be prorated for meter installations and service terminations that occur during the monthly billing period. Billings for this amount shall be mailed on or about the twenty-fifth (25th), first (1st), or the eighth (8th) day of the month depending on the customers billing cycle preceding the month for which this charge is due. The service fee shall be charged to all service connections whether or not there is use of service.

(b) **Gallorage Charge.** A gallorage charge shall be billed at the rate specified in Article G and shall be calculated in one thousand (1000) gallon increments. Charges for water and sewer usage are based on monthly meter readings and are calculated from reading date to reading date. The district shall take all meter readings used in calculating billing.

(c) **Posting of Payments.** All payments shall be posted against previous balances prior to posting against current billings.

12. Due Dates, Delinquent Bills, and Service Disconnection Date. The district shall mail all monthly bills on or about the twenty-fifth (25th) day of the month. All bills shall be due and payable upon receipt and are past due beyond the date indicated on the bill (allowing a minimum of 15 days to pay), after which time a penalty shall be applied as described in Article G. Payments made by mail will be considered late if postmarked after the past due date. A five (5) day grace period may then be allowed for delayed payments prior to mailing of final notices. Final notices shall be mailed allowing ten (10) additional days for payment prior to disconnection. The ten (10) additional days shall begin on the

day the final notice is deposited with the U.S. Postal Service with sufficient postage. If the past due date for the regular or final billing is on a weekend or holiday, the past due date for payment purposes shall be the next day the district office is open for business after said weekend or holiday. For all disputed payment deadlines, the date postmarked on each bill will determine the beginning of each billing cycle or final notice mailings.

13. Rules for Disconnection of Service.

(a) Disconnection with Notice. Water service may be disconnected after proper notice for any of the following reasons:

- (1) failure to pay a delinquent account for service provided by the district, failure to timely provide a deposit, or failure to comply with the terms of a deferred payment agreement;
- (2) violation of the district's rules pertaining to the use of service in a manner which interferes with the service of others;
- (3) the operation of non-standard equipment, if a reasonable attempt has been made to notify the customer and the customer is provided with a reasonable opportunity to remedy the situation;
- (4) failure to comply with the terms of a service agreement, Non-Standard Service Contract or this Rate Order;
- (5) failure to provide district personnel or designated representatives access to a meter or to property at which water service is received for purposes of inspecting and verifying the existence of potential hazardous conditions or policy violations;
- (6) any misrepresentation of fact by an applicant or customer on any form, document or agreement required by the district;
- (7) or failure to re-apply for service upon notification by the district that customer no longer meets the service classification originally applied for under the original service application.

(b) Disconnection Without Notice. Water service may be disconnected without prior notice for the following reasons:

- (1) where a known dangerous or hazardous condition exists for which service may remain disconnected for as long as the condition exists, including but not limited to a violation of Chapter 341 of the Health and Safety Code and regulations adopted pursuant thereto, or where the district has reason to believe a dangerous or hazardous condition exists and the customer refuses to allow access for the purpose of confirming the existence of such condition and/or removing the dangerous or hazardous condition [Sections E.3(d), E.20: 30 TAC § 290.46 (j)];

(2) where service is connected without authority by a person who has not made application for service;

(3) where service has been reconnected without authority following termination of service for nonpayment; or

(4) in instances of tampering with the district's meter or equipment, by-passing the meter or equipment, or other diversion of service.

(c) Disconnection Prohibited. Water service may not be disconnected for any of the following reasons:

(1) failure to pay for merchandise or charges for non-utility service provided by the district, unless there is an agreement whereby the customer guaranteed payment of non-utility service as a condition of service or the district has a contract with another governmental unit to collect for services rendered to the customer by such other government unit such as water, sewer, or solid waste services, etc.;

(2) failure to pay for a different type or class of utility service unless a fee for such service is included in the same bill;

(3) failure to pay charges arising from an under billing due to any misapplication of rates more than six (6) months prior to the current billing;

(4) failure to pay the account of another customer as guarantor thereof, unless the district has in writing the guarantee as condition precedent to service;

(5) failure of the customer to pay charges arising from an under billing due to any faulty metering, unless the meter has been tampered with or unless such under billing charges are due under the subsection concerning "Inoperative Meters" below;

(6) failure of the customer to pay estimated bill other than a bill rendered pursuant to an approved meter reading plan, unless the district is unable to read the meter due to circumstances beyond its control; or

(7) in response to a request for disconnection by an owner of rental property where the tenant is billed directly by the district and the renter's account is not scheduled for disconnection under the rules for disconnection of service in this Rate Order.

(d) Disconnection on Holidays and Weekends. Unless a dangerous condition exists or the customer requests disconnection, service shall not be disconnected on a day, or on a day preceding a day, when district personnel are not available to the public for the purpose of making collections and reconnecting service.

(e) Disconnection Due to Utility Abandonment. The district may not abandon a customer or a certificated service area without written notice to its customers and all similar neighboring utilities, and obtained approval from the Commission.

(f) Disconnection Due to Illness or Disability. The district may not discontinue service to a delinquent residential customer permanently residing in an individually metered dwelling unit when that customer establishes that discontinuance of service will result in some person at that residence becoming seriously ill or more seriously ill if service is discontinued. Each time a customer seeks to avoid termination of service under this subsection, the customer must have his or her attending physician call or contact the district with sixteen (16) days of issuance of the bill, and the district must receive an original written statement from a treating physician within twenty-six (26) days of the issuance of the monthly bill. The prohibition against service termination shall last sixty-three (63) days from the issuance of the monthly bill or such lesser period as may be agreed upon by the district and customer's physician. The customer shall enter into a Deferred Payment Agreement.

(g) Disconnection of Master-Metered Accounts. When a bill for service to a master-metered account customer is delinquent, the following shall apply:

(1) The district shall send a notice to the Master-Metered Account customer as required. This notice shall also inform the customer that notice of possible disconnection will be provided to the customer's tenants or occupants of the master metered property in five (5) days if payment is not rendered before that time.

(2) At least five (5) days after providing notice to the Master-Metered Account customer, and at least five (5) days prior to disconnection, the district shall post notices stating "Termination Notice" in public areas of the master-metered property to notify tenants or occupants of the scheduled date for disconnection of service.

(3) The tenants or occupants may pay the district for any delinquent bill in behalf of the customer to avert disconnection or to reconnect service to the master-metered property.

(h) Disconnection of Temporary Service. When an applicant with temporary service fails to comply with the conditions stated in the service agreement or provisions of this Rate Order, the district may terminate temporary service with notice.

(i) Payment During Disconnection. The district is not obligated to accept payment of a bill when a district employee or designated representative is at the customer's property for the purpose of disconnecting service.

14. Returned Check Policy. Payment by check or ACH which has been rejected for insufficient funds, closed account, or for which a stop payment order has been issued is not deemed to be payment to the district. The district shall mail, via the U.S. Postal

Service, a Notice of Returned Check or ACH requiring that a returned instrument be redeemed at the district's regular offices within ten (10) days of the date of the notice. Redemption of the returned instrument shall be made by cash, money order, or certified check. Failure to meet these terms shall result in disconnection of service. A customer shall be considered a bad credit risk for having an instrument returned as insufficient or non-negotiable for any reason for any two billing periods within a 12-month period, and shall be placed on a "cash-only" basis for a 12-month period during which the district will only accept payment by means of a certified check, money order or cash. [See Article G.10; Returned Check Fee].

15. **Billing Cycle Changes.** The district reserves the right to change its billing cycles if the workload requires such practice. After a billing period has been changed, bills shall be sent on the new change date unless otherwise determined by the district.

16. **Back-billing.** If a customer was undercharged, the district may back-bill the customer for the amount which was under billed. The amount back-billed shall not exceed six (6) months service unless such undercharge was the result of meter tampering, bypass, or diversion of service by the customer as defined in Section E.22 below.

17. **Disputed Bills.** In the event of a dispute between a customer and the district regarding any monthly bill, the dispute shall be resolved or disposed of in accordance with the Grievance Procedures set forth in the following Section E.18, except as follows:

(a) Notice of the bill dispute must be submitted to the district, in writing, and a payment equal to the customer's average monthly usage at current rates must be received by the district prior to the due date posted on the disputed bill.

(b) The customer shall not be required to pay the disputed portion of a bill which exceeds the amount of that customer's average monthly usage at current rates pending the completion of the determination of the dispute. For purposes of this subsection, the customer's average monthly usage shall be the average of the customer's usage for the preceding 12-month period. Where no previous usage history exists, consumption for calculating the average monthly usage shall be estimated on the basis of usage levels of similar customers under similar conditions.

(c) Notwithstanding any other section of this Rate Order, a customer's utility service shall not be subject to discontinuance for nonpayment of that portion of a bill under dispute pending the completion of the determination of the dispute. The customer is obligated to pay any undisputed amounts billed as established in Section E.13 of this Rate Order relating to Disconnection of Service.

18. **Grievance Procedures.** Any customer of the district or person demonstrating an interest under the policies of this Rate Order in becoming a customer shall have an opportunity to voice concerns or grievances to the district by the following means and procedures:

(a) The aggrieved party must first submit written notice to the general manager or authorized staff member stating the concern or grievance and the

desired result. The general manager shall investigate the matter and provide a response to the aggrieved party within fourteen (14) days after receipt the written notice of grievance.

(b) If the general manager does not resolve the grievance to the satisfaction of the aggrieved party, the party may appeal the general manager's decision, in writing, to the president of the board of directors for disposition. The written notice of appeal must be submitted to the district within seven (7) days after the date of the general manager's written response to the notice of grievance.

(c) Upon receipt of an appeal, the president of the board of directors shall review the request and determine the best means by which the grievance shall be resolved. The president may direct that a grievance be heard by the board for final disposition or by district staff appointed by the president and serving in an advisory capacity to the board. The president shall also determine a reasonable time and place for the grievance to be heard, but such hearing shall take place within sixty (60) days of the date that the president received the written notice of appeal. Final disposition by the board of directors shall be reported to the aggrieved party in writing.

(d) If under this subsection an aggrieved party contests a charge or fee as sole or partial basis of a grievance, the contested charge or fee shall be suspended until such time as the grievance is satisfactorily resolved by the general manager, the deadline for delivering an appeal to the president of the board has passed, or the board of Directors has rendered its final disposition of the dispute. This provision does not apply to disputed monthly bills pursuant to Section E.17 above.

19. Inoperative Meters. Water meters found inoperative will be repaired or replaced by the district within a reasonable time. If a meter is found not to register for any period, unless by-passed or tampered with, the district shall make a charge for units used, but not metered, for a period not to exceed three (3) months, based on amounts used under similar conditions during the period preceding or subsequent thereto, or during corresponding periods in previous years.

20. Bill Adjustment Due To Meter Error. The district shall test any customer's meter upon written request of the customer. In the event the meter tests within the accuracy standards of The American Water Works Association (AWWA), a meter test fee as prescribed in Article G of this Order shall be imposed. In the event the test results indicate that the meter is faulty or inaccurate, the test fee shall be waived, the meter shall be calibrated or replaced, and a billing adjustment may be made as far back as six (6) months. The billing adjustment shall be made to the degree of the meter's inaccuracy as determined by the test. The customer must complete and sign a Meter Test Authorization and Test Report prior to the test.

21. Leak Adjustment Policy.

(a) A single-family residential customer who receives a water bill showing metered consumption that exceeds the customer's expected volume at that service

address for up to two consecutive billing periods may apply for a bill adjustment under this section provided that:

(1) the General Manager determines that the volume exceeding the customer's expected volume was due to one or more water leaks at the service address that were not within the customer's control;

(2) the customer exercised due diligence in repairing the leak(s); and

(3) the customer has not received any billing adjustment under this section within the preceding 12 months.

(b) Within 60 days of having the leak(s) repaired, the customer must submit documentation in a form acceptable to the General Manager showing all water leaks on the customer's property that contributed to the excess volume have been repaired.

(c) For purposes of this section, the General Manager will determine a customer's expected volume for a given billing period by averaging the customer's bill for the previous 12 months.

(d) If the General Manager determines that the customer qualifies for a billing adjustment pursuant to this section, the General Manager will recalculate the bill for up to two consecutive billing periods and charge the customer for the expected monthly volume and one-half ($\frac{1}{2}$) of the excess volume at the district's standard rates.

(e) A customer who applies for and receives an adjustment pursuant to this section may not appeal the amount of the adjusted bill to the Board of Directors.

(f) A customer who applies for but does not receive an adjustment pursuant to this section may appeal the General Manager's final decision to the Board of Directors.

22. Meter Tampering and Diversion of Service. All meters connected to the district's water system shall be provided, owned, installed and maintained by the district. Meter-tampering, by-pass and diversion of service are prohibited. For purposes of this Rate Order, meter tampering, bypass, or diversion shall be defined as tampering with a district meter or service equipment causing damage or unnecessary expense to the district, bypassing the same, or other instances of diversion of service, such as:

(a) removing or altering district equipment, including locks or shut-off devices installed by the district to discontinue service;

(b) physically disorienting a meter;

(c) attaching objects to a meter to divert service or to by-pass;

(d) inserting objects into a meter;

(e) other electrical and/or mechanical means of tampering with, by-passing, or diverting service;

(f) connecting or reconnecting service without district authorization; or

(g) connecting to the service line of adjacent customers or of the district.

The burden of proof of meter-tampering, by-passing or diversion is on the district. In addition to any other penalties or remedies provided for in this Rate Order or under Texas civil law, persons who tamper with meters or divert service and unauthorized users of district services may be prosecuted to the extent allowed by law under Texas Penal Code § 28.03 (Criminal Mischief) or § 31.04 (Theft of Service) as appropriate.

23. Damage to District Facilities.

(a) Damage to Meter and Appurtenances. No person other than a duly authorized employee or agent of the district shall be permitted to tap or make any connection to the district's water system, except for emergency fire-fighting purposes, or to make any repairs or additions to or alterations to any meter, meter box, tap, pipe, cock or other fixture connected with the water system. The district reserves the right, immediately and without notice, to remove the meter or disconnect water service to any customer who damages district facilities and to assess an equipment damage fee under Section G.13 of this Rate Order.

(b) Right to Repair. The district reserves the right to repair any damage to the water and sewer systems without prior notice and to assess a charge equal to the cost to repair the damage against any customer that caused the damage, in addition to any such penalties as are provided for by law and this Rate Order.

24. Meter Relocation. The district shall permit the relocation of meters or services provided that:

(a) an easement for the proposed location has been granted to the district;

(b) service capacity is available at the proposed location;

(c) service was previously provided by the district at the proposed location;

(d) the property has to be a continuous piece of property; and

(e) the customer pays a Meter Relocation Fee [See Section G.16].

25. Prohibition of Multiple Connections to a Single Tap. No more than one (1) residential, commercial or industrial service connection is allowed per meter. The district may permit the owner of an apartment building, mobile home/RV park or other commercial account to apply for a single meter as a "Master-Metered Account" pursuant to Section E.2(b)(4) of this Rate Order. Any unauthorized sub metering or diversion of service shall be considered a "multiple connection" and subject to disconnection of service. If the district has sufficient reason to believe a multiple connection exists, the

district shall discontinue service under the Disconnection with Notice provisions in Section E.13(a) above.

26. Customer Responsibilities.

(a) District Access to Meters. Customers shall allow district employees and designated representatives access to meters for the purpose of reading, testing, installing, maintaining and removing meters and using utility cutoff valves. If access to a meter is hindered so that the district is prevented from the reading of the meter, an estimated bill shall be rendered to the customer for the month and a notice of the hindrance shall be sent to the customer. If access is denied for three (3) consecutive months after notice to the customer, then service shall be discontinued and the meter removed with no further notice. [Section E.3(d)].

(b) Compliance with On-Site Service and Plumbing Requirements. Customers shall be responsible for complying with all district, local, state and federal codes, requirements and regulations concerning on-site service and plumbing facilities.

(1) All connections shall be designed to ensure against back-flow or siphonage into the district's water system. In particular, livestock water troughs shall be plumbed above the top of the trough with an air space between the discharge and the water level in the trough. [30 TAC § 290.46].

(2) The use of pipe and pipe fittings that contain more than 8.0% lead or solder and flux that contain more than 0.2% lead is prohibited for any plumbing installation or repair of any residential or non-residential facility providing water for human consumption and connected to the district's facilities. Customer service pipelines shall be installed by the applicant. [30 TAC § 290.46].

(3) Service shall be discontinued without further notice when installations of new facilities or repair of existing facilities are found to be in violation of this regulation until such time as the violation is corrected.

(c) Payment on Multiple Accounts. A customer owning more than one service connection shall keep all payments current on all accounts. Failure to maintain current status on all accounts shall be enforceable as per Service Application and Agreement executed by the customer.

(d) Extent of District Ownership and Maintenance. The district's ownership and maintenance responsibility of water distribution and metering equipment shall end at a customer's meter. Therefore, all water usage registering upon and/or damages occurring to the metering equipment owned and maintained by the district shall be subject to charges pursuant to this Rate Order.

(e) Cut-off Valve Requirement. The district shall require each customer to have a cut-off valve on the customer's side of the meter for purposes of isolating the customer's service pipeline and plumbing facilities from the district's water pressure.

The valve shall meet AWWA standards (a ball valve is preferred). The customer's use of the district's curb stop or other similar valve for such purposes is prohibited. A customer shall be subject to charges for any damage to the district's meter or other service equipment. A cut-off valve may be installed as a part of the original meter installation by the district.

27. Prohibited Plumbing Practices.

(a) No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination will be isolated from the public water system by an air gap or an appropriate backflow prevention device.

(b) No cross-connection between the water supply and a private water system is permitted. These potential threats to the public drinking water supply must be eliminated at the service connection by the installation of an air-gap or a reduced pressure-zone backflow prevention device.

(c) No connection which allows water to be returned to the public drinking water supply is permitted.

(d) No pipe or pipe fitting which contains more the eight percent (8.0%) lead may be used for the installation or repair of plumbing at any connection which provides water for human use.

(e) No solder or flux which contains more than two-tenths of one percent (0.2%) lead can be used for the installation or repair of plumbing at any connection which provides water for human use.

28. Water Service Connections.

(a) Applications for water service connections shall be filed with the district on approved forms. Applicants shall meet all district requirements for service, including the grant of any necessary water and sewer easements (as determined by the district) and the installation of a cut-off valve at the expense of the service applicant.

(b) No person, other than district employees or designated representatives, shall be permitted to tap or make any connection with the mains or service lines of the district's water system, or make any repairs or additions to or alterations in any tap, pipe, cock or other fixture connected to a water service line.

(c) A customer must allow his or her property to be inspected for possible cross-connections and other undesirable plumbing practices. These inspections will be conducted by the district prior to initiating service and may be conducted periodically thereafter. All inspections will be conducted during the district's normal business hours.

(d) The customer must, at the customer's expense, properly install a backflow prevention device as required by the district.

(e) All costs to extend or oversize district water mains or service lines to serve any residential or commercial user or any undeveloped area within the district shall be the sole responsibility of the property owner and/or developer requesting service.

29. Standards for Customer Service Lines. The following standards govern the installation of customer service lines for water service to residences or commercial buildings within the district:

(a) All new residential or commercial connections to the district's water system shall be made in accordance with previous Section E.28 and the Rules and Regulations for Public Water Systems issued by the Commission as set forth in Subchapter D, Chapter 290, Title 31 of the Texas Administrative Code. In the event of a conflict between the provisions of Section E.28 and the Commission's Rules and Regulations for Public Water Systems, the more stringent requirements shall apply.

(b) A district-owned water meter and a district-approved meter box shall be installed by the district or its designated representative.

(c) Potable water supply piping, water discharge outlets, backflow prevention devices, or similar equipment shall not be located so as to make possible the submergence of such equipment in any contaminated or polluted substance.

(d) Lawn sprinkling systems shall be equipped with an approved Reduced Pressure Zone Assembly (RPZ) installed in the customer side of the meter. The RPZ shall be installed at least twelve (12") above the surrounding ground.

(e) The district's water system shall be protected from swimming pool makeup water (evaporation or leakage) by means of an approved backflow prevention device or an adequate air gap.

30. Standard Details for Service Facilities. All water and sewer service facilities shall be constructed in accordance with the Water Standard Details as may be adopted and revised from time to time. In the event of a conflict between these standard details and any other provision of this Rate Order, the standard details shall apply.

31. Penalties and Enforcement.

(a) Penalties. Any person violating any provision of this Section E, as amended, may be subject to a fine of not more than \$500.00 for each violation. Each day that a violation of this Section E is permitted to exist shall constitute a separate violation. A penalty under this section is in addition to any other penalty or remedy provided by the laws of the State of Texas or this Rate Order.

(b) Other Penalties. The district may disconnect water or sewer service to any customer discharging prohibited wastes. .

(c) Liability for Costs. Any person violating any provision of this Section E, as amended, shall become liable to the district for any expense, loss or damage

occasioned by the district by reason of such violation and the district's enforcement thereof. If the district prevails in any suit to enforce these rules and regulations, it may, in the same action, recover any reasonable fees for attorneys, expert witnesses, and other costs incurred by the district before the court.

(d) No Waiver. The failure on the part of the district to enforce any section, clause, sentence, or provision of this Rate Order shall not constitute a waiver of the right of the district later to enforce any section, clause, sentence, or provision of this Rate Order.

32. **Minimum Waterline Size.** All new waterlines installed and connected to the District's water system must have a minimum internal diameter of 6 inches unless smaller diameter pipe is recommended by the District's engineer and approved by the District's General Manager.

ARTICLE F
DEVELOPER, SUBDIVISION AND
NON-STANDARD SERVICE REQUIREMENTS

[Amended Aug 15, 2023, Ord 2023-002]

1. **District Limitations.** All applicants shall recognize that the district must comply with state and federal laws and regulations as promulgated from time-to-time, and with covenants of current indebtedness. The district is not required to extend retail utility service to any applicant requesting standard service to a lot or tract in a subdivision where the developer responsible for the subdivision has failed to comply with the requirements of the district's subdivision service extension policies and non-standard service requirements set forth in this section.

2. **Purpose.** It is the purpose of this section to define the process by which the specific terms and conditions for service to subdivisions and other kinds of non-standard service are determined, including the non-standard service applicant's and the district's respective costs. For purposes of this section, the term "applicant" shall refer to a developer or person that desires to secure non-standard service from the district. The applicant must be the same person or entity that is authorized to enter into a contract with the district setting forth the terms and conditions pursuant to which non-standard service will be furnished to the property. In most cases, the applicant will be the owner of the property for which non-standard service is sought. An applicant other than the property owner must furnish evidence to the district that the applicant has authority to request non-standard service on behalf the owner, or that it otherwise has authority to request non-standard service for the property.

3. **Application of Rules.** This section is applicable to subdivisions, additions to subdivisions, commercial, industrial and governmental developments, and any situation where additional service facilities are required to serve a single tract of property. Examples of non-standard service to a single tract of land include, without limitation, service requests that require road bores, extensions to the district's distribution system, service lines exceeding two inches (2") internal diameter in size, service lines exceeding twenty feet (20') in length, or which require a meter larger than 5/8 x 3/4" for service. Most nonresidential service applications will be considered non-standard by the district at its sole discretion. For purposes of this Rate Order, applications subject to this section shall be defined as "non-standard." This section may be altered or suspended for facility expansions constructed by the district at its expense. The district's general manager shall interpret, on an individual basis, whether or not an applicant's service request shall be subject to all or part of the conditions of this section. For purposes of this section the term "project" includes subdivisions, additions to subdivisions, and commercial, industrial and governmental developments.

This section sets forth the general terms and conditions pursuant to which the district will process non-standard service requests. The specific terms and conditions pursuant to which the district will provide non-standard service in response to any request will depend upon the nature of such request and may be set forth in a contractual

agreement to be entered between the district and applicant. Unless specifically approved by the district's Board of Directors, a non-standard service contract may not contain any terms or conditions that conflict with this Rate Order.

4. *[Reserved For Future Use]*

5. **Non-Standard Service Application.** The applicant shall meet the following requirements prior to entering into a Non-Standard Service Contract with the district:

(a) The applicant shall complete and submit a Non-Standard Service Application to the district, while giving special attention to that portion entitled "Special Service Needs of the Applicant."

(b) Simultaneous with submission of the Non-Standard Service Application, the applicant must submit three (3) copies of the proposed final plat showing the applicant's requested service area for approval by the district. The final plat must be approved by all governmental authorities exercising jurisdiction over lot sizes, sewage control, drainage, right-of-way, and other service facilities except to the extent Section E.4 above is applicable. Plans, specifications, and special requirements of such governmental authorities shall be submitted with the plat. Applicants for single taps that require an extension or oversizing of district facilities shall be required to submit maps or plans detailing the location of the requested extension and details of demand requirements.

(c) The applicant shall pay a Service Investigation Fee to the district in accordance with the requirements of Section G for purposes of paying the district's administrative, legal and engineering fees. In the event such a fee is not sufficient to pay all expenses incurred by the district, the applicant shall pay to the district all remaining expenses that have been or will be incurred by the district, and the district shall have no obligation to complete processing of the request until all remaining expenses have been paid.

(d) If after completing its service investigation the district determines that the applicant's service request is for property located wholly or partially outside the district's certificated service area, the district may still extend service provided that:

(1) the requested service area is not in an area receiving similar service from another retail utility;

(2) the requested service area is not within another retail utility's certificated service area; and

(3) the district's boundaries and/or CCN, as appropriate, shall be amended to include the entirety of the applicant's property for which service is requested and the applicant shall pay all costs incurred by the district in amending its CCN, including but not limited to engineering and professional fees. If the service location is contiguous to or within one-fourth ($\frac{1}{4}$) mile of the district's certificated service area, the district may extend service prior to

completing the amendment to its CCN, but will do so only upon applicant's legally enforceable agreement to fully support such amendment (including but not limited to payment of all professional fees, including legal, surveying and engineering fees incurred by district in securing the amendment).

6. Facilities Design.

(a) Design Requirements. Upon receipt of a completed Non-Standard Service Application and Service Investigation Fee, the district shall study the design requirements of the applicant's required facilities before preparing a Non-Standard Service Contract in accordance with the following:

(1) The district's consulting engineer shall design, or review and approve, plats and plans for all on-site and off-site service facilities for the applicant's requested service in accordance with the district's specifications and any applicable municipal or other governmental codes and specifications. The consulting engineer shall notify the applicant in writing of any necessary changes to applicant's proposed plats and/or plans. Allow a minimum of thirty (30) days for the review process.

(2) The consulting engineer shall ensure all facilities for any applicant meet the demands for service as platted and/or requested in the plans or plat submitted by the applicant. The district reserves the right to upgrade and/or oversize the planned service facilities to meet future customer demands on condition that the applicant shall be reimbursed the additional expense of such upgrading and/or oversizing in excess of the applicant's facility requirements.

(3) Water and sewer line size and location will be determined by the district, whose determination is final.

(4) All water line material fittings shall conform to American National Standards Institute/National Sanitation Foundation (ANSI/NSF) standard 61 and must be certified by an organization accredited by ANSI and not less than DR18 C900 PVC.

(5) Any water line extensions constructed by an Applicant shall be constructed completely across (property line to property line) the side of the subdivision or development which is contiguous and adjacent to the road or street on which the main entrance to the project is located.

(6) The water system shall be designed to afford effective circulation of water with a minimum of dead ends. All dead-end mains shall be provided with acceptable flush valves and discharge piping. All dead-end lines less than two inches (2") in diameter will not require flush valves if they end at a customer service connection. The district may permit dead ends when necessary as a stage in the growth of the water system, but they shall be located and arranged to ultimately connect the ends to provide circulation. [30 TAC § 290.44(d)(6)].

7. Prepayment of Certain Fees Required. An applicant for non-standard service shall pre-pay certain fees in accordance with the following:

(a) On or before the date that a Non-Standard Service Contract or a Three Way Contract is executed for the construction of service facilities required to provide service to the applicant's project or a phase thereof, the applicant shall deposit with the district a sum of money equal to one-half ($\frac{1}{2}$) of the Connection Fee required under Section G.5 of this Rate Order multiplied by the total number of lots to be developed for the project or phase, as applicable, pursuant to the approved final plat. Payment of the foregoing sum is a mandatory prerequisite to the commencement of construction of the project.

(b) Before the applicant's project or a phase thereof is approved and accepted by the district, the applicant shall pay to the district the remaining fees due the district which have not been paid by the applicant, including without limitation the remaining balance of the fees due under the previous Section F.7(a) of this Rate Order. This requirement is a mandatory prerequisite to the initiation of water service to the project pursuant to a Non-Standard Service Contract. Upon acceptance of the Project by the district, the district shall apply any Reserved Service Fee deposited by the applicant pursuant to this Rate Order.

(c) Subsequent purchasers of individual lots shall pay the Deposits, required under Section G.3 of this Rate Order, upon applying to the district for activation of service to individual lots.

8. Non-Standard Service Contract. Applicants requesting or requiring non-standard service shall be required to execute a written Non-Standard Service Contract prepared by the district. The district shall prepare and deliver the Non-Standard Service Contract to the Applicant within a reasonable time period as determined by the complexity of the project. The Non-Standard Service Contract shall define the terms of service prior to construction of required service facilities for the project and may include, without limitation, provisions for the following:

(a) payment of all costs associated with required administration, design, construction and inspection of facilities for water and/or sewer service to the project;

(b) procedures by which the applicant shall accept or deny a contractor's bid, thereby committing to continue or discontinue the project;

(c) amount and payment of capital contributions required by the district in addition to other costs required under this section;

(d) reservation of service capacity for the applicant and duration of reserved service with respect to the impact the applicant's service demand will have upon the district's system capability to meet other service requests;

(e) terms by which the applicant shall indemnify the district from all third party claims or lawsuits arising from or related to the project;

(f) terms by which the applicant shall dedicate all constructed service facilities to the district and by which the district shall assume operation and maintenance responsibility, including any enforcement of warranties related to construction of the service facilities;

(g) terms by which the applicant shall grant title or easements to the district for rights-of-way, constructed service facilities, and service facility sites, and/or terms by which the applicant shall provide for the securing of required rights-of-way and sites;

(h) terms by which the Board of Directors shall review and approve any applicable Non-Standard Service Contract and any other contract related to the project pursuant to current rules, regulations and policies of the district; and

(i) terms by which the district shall administer the applicant's project with respect to:

(1) the design of the applicant's service facilities;

(2) securing and qualifying bids;

(3) execution of the contract;

(4) selection of a qualified bidder for construction;

(5) dispensing advanced funds for construction of facilities required for the applicant's service;

(6) inspecting construction of facilities; and

(7) testing facilities and closing the project.

The district and Applicant must execute a Non-Standard Service Contract before construction of service facilities for the project is commenced. In the event that the Applicant commences construction of any such facilities prior to execution of the contract, the district may refuse to provide service to the applicant (or require full costs of replacing/repairing any facilities constructed without prior execution of the contract from any person buying a lot or home from applicant), require that all facilities be uncovered by the applicant for inspection by the district, require that any facilities not approved by the district be replaced, or take any other lawful action determined appropriate by the Board of Directors.

9. Property and Right-of-Way Acquisition. With regard to construction of facilities, the district shall require private utility easements on private property as per the following conditions:

(a) If the district determines that easements or facility sites outside the Applicant's property are required, the Applicant shall use all due diligence to secure easements or facility sites in behalf of the district. All easements and property titles

shall be researched, validated, and recorded by the district at the expense of the Applicant.

(b) All costs associated with facilities that must be installed in public rights-of-way on behalf of the Applicant, due to the inability of the applicant to secure private utility easements, shall be paid by the Applicant. The district reserves the right to secure utility easements or facility sites by eminent domain on its own initiative. The Applicant shall pay all costs, including legal and other professional fees, and the condemnation award in the event the district determines that a public necessity exists to secure private utility easements or facility sites in order to provide service to the Applicant's project through eminent domain proceedings.

(c) The district shall require an exclusive dedicated utility easement on the applicant's property (as required by the size of the planned facilities and as determined by the district) and title to property required for other on-site facilities.

(d) Easements and facilities sites shall be prepared for the construction of the district's pipeline and facility installations in accordance with the district's requirements and at the expense of the Applicant.

10. Contractor Selection & Qualification.

(a) Selection. The district shall choose one of the following methods for selection of a contractor to construct line extensions and/or water distribution facilities required by the district to serve a development:

(1) The district reserves the right to use its approved contractor for the facilities project.

(2) The district's consulting engineer shall advertise for bids for the construction of the applicant's proposed facilities in accordance with generally accepted practices. The applicant shall provide the district with a sufficient number of plans and specifications, without charge, for prospective bidders. The district reserves the right to reject any bid or contractor, the district shall generally award the contract to the lowest and best bidder in accordance with the criteria set forth in the following subsection 11(b). After the applicant has executed the Non-Standard Service Contract, the applicant shall pay to the district all costs necessary for completion of the project's service facilities prior to construction and in accordance with the terms of the Non-Standard Service Contract.

(b) Qualification Criteria.

(1) the applicant shall sign the Non-Standard Service Contract noting applicant's willingness to proceed with the project and shall pay all costs in advance of construction associated with the project;

(2) the contractor shall provide an adequate bid bond under terms

acceptable to the district;

(3) the contractor shall secure adequate performance and payment bonding for the project under terms acceptable to the district;

(4) the contractor shall supply favorable references acceptable to the district;

(5) the contractor shall qualify with the district as competent to complete the work; and

(6) the contractor shall provide adequate certificates of insurance as required by the district.

11. Construction.

(a) All road work shall be completed in accordance with applicable state, county and/or municipal standards prior to construction of project service facilities to avoid future problems resulting from road right-of-way excavation and completion. Subject to approval of the requisite authority, road encasements may be installed prior to road construction to avoid road damage during construction of applicant's service facilities.

(b) The district shall, at the expense of the applicant, inspect the service facilities to ensure compliance with district standards.

(c) Construction plans and specifications shall be strictly adhered to, but the district reserves the right to revise any specifications by change-order due to unforeseen circumstances during the design phase or to better facilitate construction and/or operation of the project service facilities. All change-order amounts shall be charged to the applicant.

12. Dedication and Acceptance of Service Facilities. Upon proper completion and testing of an applicant's on-site and off-site service facilities, final inspection and approval thereof by the district, and applicant's payment to the district of all required fees and charges in connection therewith, the applicant shall dedicate the service facilities to the district by an appropriate legal instrument approved by the district's attorney, and the district shall accept the dedication. The district shall thereafter own the service facilities subject to applicant's maintenance bond in an amount of not less than twenty percent (20%) of the total construction cost of the service facilities and for a term of not less than two (2) years. The maintenance bond is subject to prior approval by the district's attorney.

13. Service Within Subdivisions. The district's obligation to provide service to any customer located within a project governed by this Section F is limited to the service specified in the NSC. The Applicant is responsible for paying for all costs necessary to provide non-standard service to a project as determined by the district under the provisions of this Rate Order, and in particular, the provisions of this section and the NSC. Should the applicant fail to pay these costs, the district has the right to require payment

of these costs by any one or more of the persons purchasing lots within such subdivision before the district is obligated to provide water service to the subdivision. In addition, the district may elect to pursue any remedies provided by the Non-Standard Service Contract and the laws of Texas.

14. Service Within RV Parks. The district's obligation to provide service to any customer located within a project governed by this Section F is limited to the service specified in the NSC. The Applicant is responsible for paying for all costs necessary to provide non-standard service to a project as determined by the district under the provisions of this Rate Order, and in particular, the provisions of this section and the NSC. Service to RV Parks will require the following:

- (a) a residential house on the same property as an RV Park shall have a separate standard meter;
- (b) the RV Park shall receive service from a master meter (meter size shall be approved by the District's Engineer);
- (c) any RV Park with sewer facilities shall have an RPZ (Reduced Pressure Zone) backflow prevention assembly installed on the master meter to prevent a possible cross-connection (RPZ will be maintained by the applicant and will require annual testing in accordance with applicable District Policies);
- (d) the RV Park property will have common ownership;
- (e) the RV Park shall meet all applicable governmental rules and regulations;
- (f) system improvements as may be determined by the District's Engineer may be required to provide adequate service to the master meter.

15. Pro-Rata Reimbursement for Commercial and Institutional Developments and for Residential Subdivisions. The district may from time-to-time negotiate and enter into a pro-rata reimbursement agreement with developers applying to the district for non-standard service to commercial or institutional developments or to residential subdivisions.

(a) The development or subdivisions must satisfy the following conditions:

- (1) the developer applicant (hereinafter called the "constructing applicant") must construct a waterline extension or other off-site service facilities to receive service from the district's water system; and
- (2) the waterline extension and/or off-site service facilities must be over-sized so the district has capacity to serve additional and future customers in addition to the capacity required by the constructing applicant's development or subdivision.

(b) The district shall assess a five percent (5%) administrative fee for the administration of pro-rata fees collected by the district from subsequent connecting service applicants, which shall be deducted from pro-rata reimbursements before remittance to the constructing applicant.

(c) The pro-rata reimbursement agreement shall contain the following terms:

(1) the term of the agreement shall not exceed five (5) years unless a different term is recommended by the district manager or engineer and approved by the Board of Directors;

(2) the district shall collect reimbursement funds from non-standard service applicants only because individual standard residential service applicants are exempt;

(3) total reimbursement collected from connecting service applicants shall not exceed eighty percent (80%) of the actual cost of the waterline extension and/or other off-site service facilities constructed by the constructing applicant; and

(4) the amount due to the constructing applicant from a future connecting non-standard service applicant shall be based on one of the following formulas as determined by the district's engineer:

[Formula #1 to Follow]

Formula #1:

Acres in connecting applicant's project

Total potential acres served by off-site
facilities of constructing applicant.

(less)

Total acres in constructing applicant's project.

(x) Actual cost of off-site facilities (=) Pro-Rata Fee

EXAMPLE:

$$\frac{100(\mathbf{a})}{500(\mathbf{b}) - 100(\mathbf{c})} \quad (\mathbf{x}) \quad \$50,000.00(\mathbf{d}) \quad (=) \quad \$12,500.00(\mathbf{e})$$

Where:

(a) = Acres in connecting applicant's project.

(b) = Total potential acres served by the off-site facilities constructed by the constructing applicant as determined by the district's consulting engineer.

(c) = Total acres in the constructing applicant's project.

(d) = Actual cost of the off-site facilities.

(e) = Pro-rata fee to be collected from any water service applicant that connects or desires to connect to the off-site facilities.

NOTE: "Off-site facilities" includes waterline extensions and/or other off-site service facilities.

[Formula #2 to Follow]

Formula #2:

The construction cost (including professional fees and other direct soft costs) of the off-site waterline extension divided by the number of meter or meter equivalents in the constructing applicant's waterline extension. The resulting quotient is the cost per meter. The cost per meter is multiplied by the quotient of the distance from the beginning point of the off-site waterline extension to the connection point of the project divided by the total length of the waterline extension. The resulting quotient is then multiplied by 100 to convert the same to a percentage. The cost per meter is multiplied by the percentage to determine the pro-rata fee due per meter in the connecting project. The pro-rata fee per meter is then multiplied times the number meters or meter equivalents in the connecting project to determine the total pro-rata fee due from the connecting project.

EXAMPLE:

C = total construction cost of the waterline extension constructed by the constructing applicant including and contribution or credits issued by the district for oversizing. Construction includes professional fees and other direct soft costs.

L = total number of meters or meter equivalents in the waterline extension constructed by the first developer.

D = the total distance from location of the connection point of the pipeline extension to the district's water distribution system or the district's sewer collection system to the point of connection to the constructing applicant's project.

D2 = the total distance from the location of the connection point of the waterline extension to the district's water distribution system or the district's sewer collection system to the connecting applicant's connection point to the waterline extension.

L2 = number of meters or meter equivalents in the connecting project.

C / L = construction cost per meter or meter equivalent constructing project (Q1)

$C/L \times (D / D2) =$ pro-rata payment due for each meter or meter equivalent in the connecting project
 $\times L2 =$ total pro-rata fee

Assume a construction cost (C) of \$250,000.00

Assume (L) is 280 meters or meter equivalents

Assume that (D) is 5,000 feet

Assume that (D2) is 2,500 feet

Assume that (L2) is 138

$\$250,000.00 / 280 \text{ meters} = \892.86 ;

$5,000' / 2,000' = 0.40 \times 100 = 40\%$

$\$892.86 \times 40\% = \$357.14 \times 138 = \$49,285.32$ total pro-rata fee

[Remainder of page intentionally left blank.]

16. **Pro-Rata Reimbursement for Individual Standard Residential Service Applicants.** The district may from time to time negotiate and enter into a pro-rata reimbursement agreement with a standard residential service applicant who must construct a waterline extension from the district's water system to receive service (hereinafter called the "constructing applicant").

(a) The development or subdivisions must satisfy the following conditions:

(1) the constructing applicant must construct a waterline extension to receive service from the district's water system; and

(2) the waterline extension must be over-sized so the district has capacity to serve subsequent connecting service applicants in addition to the capacity required by the constructing applicant.

(b) The district shall assess a five percent (5%) administrative fee for the administration of pro-rata fees collected by the district from subsequent connecting service applicants, which shall be deducted from pro-rata reimbursements before remittance to the constructing applicant.

(c) The pro-rata reimbursement agreement shall contain the following terms:

(1) the term of the agreement shall not exceed ten (10) years unless a different term is recommended by the district manager or engineer and approved by the Board of Directors;

(2) the district shall collect reimbursement funds from all subsequent connecting service applicants including individual standard residential service applicants and non-standard service applicants;

(3) total reimbursement funds collected from connecting service applicants shall not exceed eighty percent (80%) of the actual cost of the waterline extension constructed by the constructing applicant; and

(4) the amount due to the constructing applicant from a subsequent connecting service applicant shall be based on the following formula:

[Formula to Follow]

Formula: The construction cost (including professional fees and other direct soft costs) of the off-site waterline extension divided by the number of linear feet (LF) of the waterline extension. The resulting quotient is the cost per LF. The cost per LF is multiplied 1,000 by the quotient of the distance from the beginning point of the off-site pipeline to the connection point of the project divided by the total length of the pipeline extension. The resulting quotient is then multiplied by 100 to convert the same to a percentage. The cost per meter is multiplied by the percentage to determine the pro-rata fee due per meter in the connecting project. The pro rata fee per meter is then multiplied by the number of meter equivalents requested by the connecting service applicant to determine the total pro-rata fee due.

EXAMPLE:

C = total construction cost of the waterline extension constructed by the first individual including any contribution or credits issued by the district for oversizing. Construction includes professional fees and other direct soft costs.

LF = total number of linear feet of waterline in the project constructed by the constructing applicant.

LF x 1000 = total number of 1,000 linear feet of waterline in the project constructed by the constructing applicant.

C / LF = construction cost per LF of the project

$C/(LF/1000)$ = pro-rata payment due for each meter or meter equivalent that connects to and obtains service from the waterline extension (up to a maximum total reimbursement amount of 80% of the total waterline extension construction cost).

Assume a construction cost (C) of \$450,000.00

Assume (LF) is 10,000 feet

Assume that (LF/1000) is 10

$\$450,000.00 / 10 = \$45,000.00$ total per meter pro-rata fee due to the original individual

ARTICLE G

RATES AND SERVICE FEES

[Amended May 17, 2022, Ord 2022-001 and Ord 2022-002; Amended Nov. 21, 2023, Ord 2023-003; Amended Jan. 16, 2024, Ord 2024-001; Amended Aug. 20, 2024, Ord 2024-003; Amended Nov. 13, 2025, Ord 2025-001]

1. **Customer Classes.** All district customers shall be grouped into the following classes:

(a) Residential Customers. District customers receiving standard service to a single-family or multi-family residence are classified as residential customers.

(b) Commercial Customers. District customers receiving non-standard service to a commercial business or building are classified as commercial customers.

(c) Senior Customers. District customers 65 years of age or older who apply for or receive standard service are classified as senior customers. Senior customers shall pay the monthly Base Rate stated in Section G.6(a1). Service applicants or existing customers who qualify for this classification must show proof of age (i) by producing a valid Texas driver's license or other state issued photo identification card or (ii) by executing an Age Verification Affidavit before a Notary Public.

2. **Service Investigation Fee.** The district shall conduct a service investigation for each service application submitted to the district. An initial determination shall be made by the district, without charge, as to whether the request is for standard or non-standard service. An investigation shall then be conducted by the district and the results reported under the following terms:

(a) Standard Service Requests. All standard service requests shall be investigated without charge and all applicable costs for providing service shall be quoted in writing to the applicant within ten (10) working days of application.

(b) Non-standard Service Requests. All non-standard service requests shall be subject to a Service Investigation Fee in the following amounts, unless the district determines otherwise, in which case the district shall charge a Service Investigation Fee appropriate to the project and of sufficient amount to cover all administrative, legal and engineering costs associated with an investigation of the district's ability to provide service to the applicant's project, including an initial evaluation fee of \$500.

Note: The district's engineer may determine more initial evaluation fees are required. Additionally, larger and more complex developments will require additional fees including professional fees by the district Engineer and Attorney.

3. **Deposits.**

(a) Initial Payment and Amount. At the time an application for service is

approved, the applicant shall pay a Deposit to be held by the district, without interest, until settlement of the customer's final bill. The Deposit will be used to offset unpaid charges or bills.

(1) *Residential Service Applicants:* The Deposit for residential water service is \$250.00 for each service unit.

(2) *Commercial Service Applicants.* The Deposits for commercial and nonresidential water service, including Master Metered Accounts, shall not exceed an amount equivalent to one-sixth of the estimated annual billings as determined by the district. If actual monthly billings of a commercial or nonresidential customer are more than twice the amount of the estimated billings at the time service was established, a new deposit amount may be calculated and an additional deposit may be required to be made within fifteen (15) days after the issuance of written notice.

(b) Reestablishment of Deposit. Every service applicant who has previously been a customer of the district and whose service has been discontinued for nonpayment of bills, meter tampering, bypassing of meter or failure to comply with applicable state regulations or regulations of the district shall be required, before service is resumed, to pay all amounts due the district or execute a deferred payment agreement, if offered, and shall be required to pay a deposit if the district does not currently have a deposit from the customer.

(c) Refund of Deposit. If service is not connected, or after disconnection of service, the district shall refund the service applicant's or customer's deposit, if any, in excess of the unpaid bills for service furnished. In the event that a surplus of Five Dollars (\$5.00) or more exists after the final bill is paid, the balance of the Deposit will be paid to the customer within forty-five (45) days provided the customer has given the district written notice of a forwarding address. All requests for Deposit refunds shall be made in writing and must be delivered to the district within ninety (90) days of termination of service. In the event that an outstanding balance exists after the Deposit is applied, the district shall attempt to collect the outstanding balance by all lawful means available.

(d) Transfer of service. A transfer of service from one service location to another within the district's service area shall not be deemed a disconnection within the meaning of this subsection, and no additional deposit may be required unless permitted by this section.

4. **Easement Fee.** When the district determines that private right-of-way easements and/or easements for facility sites are necessary to provide service to an applicant, the applicant shall be required to make a good faith effort to secure such easements on behalf of the district or pay all costs incurred by the district to validate, clear and obtain such easements, including but not limited to legal fees and court costs, in addition to a Connection Fee otherwise required pursuant to the provisions of this Rate Order. [See Sections E.2(c)(2) and F.7(a)].

5. **Connection Fees.** The district shall charge a Connection Fee for service as follows:

(a) Standard Residential and Non-Standard Service. The Connection Fee for standard residential and non-standard commercial service shall include all labor, materials for construction, installation, or inspection of a tap or connection to the district's water system, including all necessary service lines and a meter. The Connection Fee shall be charged on a per meter basis in the following amounts:

| <u>Meter Size</u> | <u>Connection Fee</u> |
|-------------------|-----------------------|
| 5/8" x 3/4" | \$ 5,750.00 |
| 1" | \$ 7,500.00 |
| 1½" | \$10,000.00 |
| 2" | \$15,000.00 |

Prior to the installation of any facilities to which Non-standard Connection Fees apply, the applicant must execute a non-standard service contract with the district.

(b) Extraordinary Expenses. In addition to a Deposit and Connection Fee, the district may charge the applicant for any extraordinary expenses such as road bores, street crossings, line extensions and system improvements and pipeline relocations under Section E.2(b)(6) of this Rate Order.

(c) Development Improvements Fee. In addition to Deposits and Connection Fees, applicants developing subdivisions shall be required to contribute capital in an amount projected to defray the cost to up-grade major system facilities to meet the growth demands of developments and multiple connections. This fee shall be assessed prior to providing or reserving service on a per service connection basis and shall be assigned and restricted to the tap/lot for which the service was originally requested. The minimum Development Improvements Fee per service connection is \$1,000.00.

6. **Monthly Charges.**

(a) Base Rate. The Base Rate is that portion of a customer's monthly bill which is paid for the opportunity of receiving utility service, excluding standby fees and reserved service charges, which does not vary due to changes in service consumption. The standard 5/8" x 3/4" meter (as per American Water Works Association maximum continuous flow specifications) is used as a base multiplier for the Base Rate amount. Therefore, a customer's Base Rate charge is based on the number of 5/8" x 3/4" meters equivalent to the size of that customer's meter. The district's monthly Base Rates for water service and meter size equivalents are as follows:

[Remainder of page intentionally left blank.]

| METER SIZE | 5/8" x 3/4" METER EQUIVALENTS | MONTHLY BASE RATE |
|---------------|----------------------------------|----------------------|
| 5/8" x 3/4" | 1.0 | \$ 35.00 |
| 1" | 2.5 | \$ 87.50 |
| 1½" | 5.0 | \$175.50 |
| 2" | 8.0 | \$280.00 |

(a1) Senior Customer Base Rate. Senior customers shall pay a base rate fixed at \$29.00 per month in addition to the Gallonage Charges set forth in Section G.6(b).

(b) Gallonage Charge. In addition to the Base Rate, all customers shall be assessed a Gallonage Charge at the following rates for water usage during any one monthly (1) billing period:

| | |
|-----------------------|---------------------------|
| 0-5,000 gallons | \$ 5.50 per 1,000 gallons |
| 5,001-10,000 gallons | \$ 6.50 per 1,000 gallons |
| 10,001-15,000 gallons | \$ 8.00 per 1,000 gallons |
| 15,000-20,000 gallons | \$10.00 per 1,000 gallons |
| Over 20,000 gallons | \$11.00 per 1,000 gallons |

(c) Regulatory Assessment. In accordance with TCEQ regulations, the district shall collect from each customer a regulatory assessment equal to 0.5% of the monthly charge for water and sewer service. [See 30 TAC § 291.76(d)(3)].

7. **Late Payment Fee.** A one-time penalty of \$20.00 shall be applied to delinquent bills.

8. **Bulk Water Rates and Fees.**

(a) Deposit and Connection Fee.

(i) District Supplies Meter and RPZ. At the time an application for bulk water service is approved (a/k/a hydrant service), the applicant shall pay a Deposit of \$2,000.00 and Connection Fee of \$250.00 to the District. The Deposit will be held by the District, without interest, and applied to the customer's final bill. In the event there is a surplus of \$5.00 or more after the Deposit is applied to the final bill, the balance will be paid to the customer within 45 days provided the customer has given a suitable mailing address. All requests for refunds shall be made in writing and must be filed within 90 days of settling the final bill. The customer shall pay any outstanding balance after the Deposit is applied. If necessary, the District shall attempt to collect the outstanding balance by all lawful means available.

(ii) Applicant Supplies Meter and RPZ. If the applicant provides a suitable hydrant meter and RPZ, the terms of subsection (i) above shall apply except the applicant shall pay a Deposit of \$500.00. The District reserves the right to reject any meter or RPZ for any reason.

(b) Bulk Water Rate and Monthly Minimum. Bulk water customers shall pay a monthly Gallonage Charge at a rate of \$14.00 per 1,000 gallons used with a monthly minimum of \$250.00.

9. **Returned Check Fee.** In the event a check, draft, ACH, or any other similar instrument is given by any person for payment of services provided for in this Rate Order, and the instrument is returned by the bank or other similar institution as insufficient or non-negotiable for any reason, the account for which the instrument was issued shall be assessed a return check charge of \$25.00.

10. **Disconnect Fee.** The district shall charge a Reconnect Fee of \$50.00 during regular business hours for restoration of service after disconnection for any reason stated in this Rate Order or to restore service after disconnection at a customer's request, except for re-service under Sections E.3 (b) and E.4 (b) of this Rate Order.

11. **Service Trip Fee.** The district shall charge a Service Trip Fee of \$50.00 for any service call or trip to a customer's tap as a result of a request by the customer or tenant, unless the service call concerns damage to district or customer equipment or facilities, or for the purpose of disconnecting or collecting payment for services.

12. **Equipment Damage Fee.** If the district's facilities or equipment have been damaged by tampering, by-passing, installing unauthorized taps, reconnecting service without authority or other service diversion, a fee shall be charged in an amount equal to the actual cost of all labor, materials and equipment necessary to repair or replace the damaged facilities or equipment. This fee shall be charged and paid before service is re-established. If the district's equipment has not been damaged, a fee shall be charged in an amount equal to the actual cost of all labor, materials, equipment, and other actions necessary to correct service diversions, unauthorized taps, or reconnection of service without authority. All components of this fee will be itemized, and a statement shall be provided to the customer. If the district's facilities or equipment have been damaged due to negligence or unauthorized use of the district's equipment, right-of-way, or meter shut-off valve, or due to other acts for which the district incurs losses or damages, the customer shall be liable for all labor and material charges incurred as a result of said acts or negligence. The fee shall not be less than \$200.00. If the facilities or equipment have been damaged by tampering, by-passing, installing unauthorized taps, reconnecting service without authority or other service diversion with the same customer a second time, the district will contact the local sheriff's department.

13. **Customer History Report Fee.** A fee of \$5.00 shall be charged to provide a copy of the customer's record of past water purchases in response to a customer's request for such a record.

14. **Meter Profile Fee.** The district shall provide one meter profile for free during a calendar year. Additional meter profiles will be subject to a Meter Trip Fee of \$50.00.

15. **Meter Test Fee.** The district shall test a customer's meter upon written request of the customer and a Meter Test Fee of \$100.00 shall be imposed on the affected account.

16. **Meter Relocation Fee.** The fee for relocating a meter from one location to another under the terms of Section E.24 shall be \$1,200.00. During removal of the meter intended for relocation the district shall also remove the existing service tap. Customer is responsible for connecting their own service line.

17. **Temporary Service Charges.** Temporary service shall not be allowed. Refer to applicable deposit, connection fees and water rates set forth in this Rate Order.

18. **Information Disclosure Fee.** All public information except that which has been individually requested as confidential shall be available to the public for a fee to be determined by the district based on the level of service and costs to provide such information, but not to be inconsistent with the terms of the Texas Publication Information Act: Chapter 552, Texas Government Code.

19. **Customer Service Inspection Fee.** A customer service inspection is required for each new or modified service before permanent continuous service is provided or continued. An applicant or customer may have a customer service inspection performed by a licensed inspector of their choice and submit the inspection report to the District. If the applicant or customer fails to submit an inspection report in a timely manner, the District may perform the customer service inspection and charge a fee of \$100.00. For new service the customer service inspection fee is in addition to the service investigation fee and connection fee. [See Sections G.2 and G.5]

20. **Additional Assessments.** In the event any federal, state or local government imposes on the district a "per meter" fee or an assessment based on a percent of water charges, this fee or assessment will be billed and collected as a "pass through" charge to the customer.

21. **Other Fees.** All services outside the normal scope of utility operations that the district may be compelled to provide at the request of a customer shall be charged to the recipient based on the cost of providing such service.

22. **Fees Non-refundable.** All fees, rates and charges of the district contained in this Rate Order are non-refundable unless expressly stated otherwise.

23. **Free Service Prohibited.** The district shall not furnish free service to any customer.

ARTICLE H.
DROUGHT CONTINGENCY PLAN

ARTICLE I.
CROSS CONNECTION CONTROL PROGRAM