

SECTION 1.0 – RATE SCHEDULE (Continued)

DISCONNECTION FEE

\$ 25.00

THE DISCONNECTION FEE WILL BE CHARGED TO CUSTOMERS WHO REQUEST CESSATION OF SERVICE FROM THE SYSTEM FOR ANY REASON EXCEPT TERMINATION OF A UTILITY ACCOUNT.

RECONNECTION FEE

THE RECONNECT FEE MUST BE PAID BEFORE SERVICE CAN BE RESTORED TO A CUSTOMER WHO HAS CEASED SERVICE FOR THE FOLLOWING REASONS (OR OTHER REASONS LISTED UNDER SECTION 2.0 OF THIS TARIFF):

- a) Nonpayment of bill

\$ 25.00

b) Customer’s request that service be ended

\$ 25.00

TRANSFER FEE

\$ 30.00

THIS FEE APPLIES TO CUSTOMERS WHO REQUEST TO TRANSFER AN ACCOUNT FROM ONE SERVICE LOCATION TO ANOTHER EXISTING SERVICE LOCATION WITHIN THE SAME SERVICE AREA. IF THERE IS NOT AN EXISTING TAP AT THE NEW SERVICE LOCATION, THE CUSTOMER WILL ALSO BE RESPONSIBLE FOR ALL CHARGES AND FEES FOR A NEW SERVICE APPLICATION AND CONNECTION.

CHANGE OF ACCOUNT FEE

\$ 20.00

THE CHANGE OF ACCOUNT FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE LOCATION WHEN THE SERVICE IS NOT DISCONNECTED

LATE CHARGE

10% OF THE BILL

TCEQ RULES ALLOW A ONE-TIME PENALTY TO BE CHARGED ON DELINQUENT BILLS. A LATE CHARGE MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING

RETURNED CHECK CHARGE

\$ 25.00

RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY’S DOCUMENTABLE COST.

CUSTOMER DEPOSIT RESIDENTIAL

\$ 50.00

COMMERCIAL & NON-RESIDENTIAL DEPOSIT

1/6TH OF ESTIMATED ANNUAL BILL

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE

\$ Actual Cost

WHEN AUTHORIZED IN WRITING BY TCEQ AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [30 TAC 291.21(K)(2)]

GRINDER PUMP INSPECTION FEE

\$ 25.00

THIS FEE WILL BE CHARGED IF A CUSTOMER REQUESTS CORIX TO INSPECT THEIR GRINDER PUMP. THIS FEE DOES NOT IMPLY THAT ANY REPAIRS OR MAINTANCE WILL BE COMPLETED BY CORIX. ALL REPAIRS, MAINTANCE AND REPLACEMENT OF GRINDERS PUMPS IS THE RESPONSIBILITY OF THE CUSTOMER.

SECTION 1.0 – RATE SCHEDULE (Continued)

LINE EXTENSION AND CONSTRUCTION CHARGES:
REFER TO SECTION 3.0--EXTENSION POLICY FOR TERMS, CONDITIONS, AND CHARGES
WHEN NEW CONSTRUCTION IS NECESSARY TO PROVIDE SERVICE.

APPLICATION FEE\$ 40.00
THIS FEE IS DUE AT THE TIME SEWER SERVICE IS REQUESTED

EQUIPMENT DAMAGE FEE\$ See below
IF CORIX'S FACILITIES OR EQUIPMENT HAVE BEEN DAMAGED DUE TO TAMPERING, NEGLIGENCE, OR
UNAUTHORIZED USE OF CORIX'S EQUIPMENT, RIGHT-OF-WAY, OR METER SHUT-OFF VALVE, OR DUE TO
OTHER ACTS FOR WHICH CORIX INCURS LOSSES OR DAMAGES, THE CUSTOMER SHALL BE LIABLE FOR A
FEE OF \$50.00 OR THE ACTUAL COSTS FOR ALL LABOR, MATERIAL, AND EQUIPMENT NECESSARY FOR
REPAIR, REPLACEMENT, OR OTHER CORRECTIVE ACTIONS BY CORIX, WHICHEVER IS GREATER. THIS FEE
SHALL BE CHARGED AND PAID BEFORE SERVICE IS RE-ESTABLISHED.

SECTION 2.0 – SERVICE RULES AND POLICIES

The utility will have the most current Texas Commission on Environmental Quality Rules, Chapter 291, Water Utility Regulation, available at its office for reference purposes. The Rules and this tariff shall be available for public inspection and reproduction at a reasonable cost. The latest Rules or Commission approved changes to the Rules supersede any rules or requirements in this tariff.

Section 2.01 - Application for Sewer Service

All applications for service will be made on the utility's standard application or contract form (attached in the Appendix A to this tariff), will be signed by the applicant, any required fees (deposits, reconnect, tap, extension fees, etc. as applicable) will be paid and easements, if required, will be granted before service is provided by the utility. A separate application or contract will be made for each service location.

Section 2.02 - Refusal of Service

The utility may decline to serve an applicant until the applicant has complied with the regulations of the regulatory agencies (state and municipal regulations) and for the reasons outlined in the TCEQ Rules. In the event that the utility refuses to serve an applicant, the utility will inform the applicant in writing of the basis of its refusal. The utility is also required to inform the applicant that a complaint may be filed with the Commission.

Section 2.03 - Fees and Charges & Easements Required Before Service Can Be Connected

(A) Customer Deposits

If a residential applicant cannot establish credit to the satisfaction of the utility, the applicant may be required to pay a deposit as provided for in Section 1.02 - Miscellaneous Fees of this tariff. The utility will keep records of the deposit and credit interest in accordance with TCEQ Rules.

Residential applicants 65 years of age or older may not be required to pay deposits unless the applicant has an outstanding account balance with the utility or another water or sewer utility which accrued within the last two years.

Nonresidential applicants who cannot establish credit to the satisfaction of the utility may be required to make a deposit that does not exceed an amount equivalent to one-sixth of the estimated annual billings.

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

Refund of deposit - If service is not connected, or after disconnection of service, the utility shall promptly refund the customer's deposit plus accrued interest or the balance, if any, in full, less any unpaid bills for service furnished. The utility may refund the residential customer's deposit at any time prior to termination of utility service but must refund the deposit plus interest for the residential customer who has paid 18 consecutive billings without being delinquent.

(B) Tap or Reconnect Fees

A new customer requesting service at a location where service has not previously been provided must pay a tap fee as provided in Section 1. A customer requesting service where service has previously been provided must pay a reconnect fee as provided in Section 1. Any applicant or existing customer required to pay for any costs not specifically set forth in the rate schedule of this tariff shall be given a written explanation of such costs prior to request for payment. Upon commencement of construction, if the applicant or existing customer does not believe the costs are reasonable or necessary, the applicant or existing customer shall be informed of the right to appeal such costs to the TCEQ or such other regulatory authority having jurisdiction over the utility's rates in that portion of the utility's service area in which the applicant's or existing customer's property (ies) is located.

Fees in addition to the regular tap fee may be charged to cover unique costs not normally permitted by 30 T. A. C. 291.86(a)(1)(C) if they are listed on this approved tariff. For example, a tap bore for customers outside a subdivision or residential area could be considered a unique cost.

(C) Easement Requirement

Where recorded public utility easements on the service applicant's property do not exist, and no road right-of-way easements are not available to access the applicant's property, the Utility shall require the applicant to provide it with a permanent recorded public utility easement on the applicant's real property sufficient to provide service to that applicant. Such easement shall not be used for the construction of production, storage, transmission or pressure facilities unless they are needed for adequate service to that applicant.

SECTION 2.0 – SERVICE RULES AND POLICIES(Continued)

Section 2.04 - Utility Response to Applications for Service

After the applicant has met all the requirements, conditions and regulations for service, the utility will install tap and utility cut-off and/or take all necessary actions to initiate service. The utility will serve each qualified applicant for service within 5 working days unless line extensions or new facilities are required. If construction is required to fill the order and if it cannot be completed within 30 days, the utility will provide the applicant with a written explanation of the construction required and an expected date of service.

Except for good cause where service has previously been provided, service will be reconnected within one working day after the applicant has met the requirements for reconnection.

Section 2.05 - Customer Responsibility

The customer will be responsible for furnishing and laying the necessary customer service pipe from the tap location to the place of consumption. Customers will not be allowed to use the utility's cutoff.

It is the customer's responsibility to properly maintain any grinder pumps located on their property. Corix will not be responsible for any maintenance, repair, or replacement costs associated with grinder pumps. Corix may levy a fee to inspect a grinder pump at the customer's request.

2.06 Access to Customer's Premises

All customers or service applicants shall provide access to utility cutoffs at all times reasonably necessary to conduct ordinary utility business and after normal business hours as needed to protect and preserve the integrity of the public drinking water supply.

Section 2.07 - Billing

(A) Regular Billing

Bills from the utility will be mailed monthly unless otherwise authorized by the Commission. The due date of bills for utility service will be at least sixteen (16) days from the date of issuance. The postmark on the bill or, if there is no postmark on the bill, the recorded date of mailing by the utility will constitute proof of the date of issuance. Payment for utility service is delinquent if full payment, including late fees and the regulatory assessment, is not received at the utility or the utility's authorized payment agency by 5:00 p.m. on the due date. If the due date falls on a holiday or weekend, the due date for payment purposes will be the next workday after the due date.

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)**(B) Late Fees**

A late penalty of either \$5.00 or 10.0% will be charged on bills received after the due date. The penalty on delinquent bills will not be applied to any balance to which the penalty was applied in a previous billing. The utility must maintain a record of the date of mailing to charge the late penalty.

(C) Information on Bill

Each bill will provide all information required by the TCEQ Rules. For each of the systems it operates, the utility will maintain and note on the monthly bill a local or toll-free telephone number (or numbers) to which customers can direct questions about their utility service.

(D) Prorated Bills

If service is interrupted or seriously impaired for 24 consecutive hours or more, the utility will prorate the monthly base bill in proportion to the time service was not available to reflect this loss of service.

Section 2.08- Payments

All payments for utility service shall be delivered or mailed to the utility's business office. If the business office fails to receive payment prior to the time of noticed disconnection for non-payment of a delinquent account, service will be terminated as scheduled. Utility service crews shall not be allowed to collect payments on customer accounts in the field.

Payment of an account by any means that has been dishonored and returned by the payor or payee's bank shall be deemed to be delinquent. All returned payments must be redeemed with cash or valid money order. If a customer has two returned payments within a twelve month period, the customer shall be required to pay a deposit if one has not already been paid.

Section 2.09 - Service Disconnection**(A) With Notice**

Utility service may be disconnected if the bill has not been paid in full by the date listed on the termination notice. The termination date must be at least 10 days after the notice is mailed or hand delivered.

The utility is encouraged to offer a deferred payment plan to a customer who cannot pay an outstanding bill in full and is willing to pay the balance in reasonable installments. However, a customer's utility service may be disconnected if a bill has not been paid or a deferred payment agreement entered into within 26 days from the date of issuance of a bill and if proper notice of termination has been given.

SECTION 2.0 -- SERVICE RULES AND POLICIES (Continued)

Notice of termination must be a separate mailing or hand delivery in accordance with the TCEQ Rules.

(B) Without Notice

Utility service may also be disconnected without notice for reasons as described in the TCEQ Rules.

Section 2.10 - Reconnection of Service

Utility personnel must be available during normal business hours to accept payments on the day service is disconnected and the following day unless service was disconnected at the customer's request or due to a hazardous condition.

Service will be reconnected within 24 hours after the past due bill, reconnect fees and any other outstanding charges are paid or the conditions which caused service to be disconnected are corrected.

Section 2.11- Service Interruptions

The utility will make all reasonable efforts to prevent interruptions of service. If interruptions occur, the utility will re-establish service within the shortest possible time. Except for momentary interruptions due to automatic equipment operations, the utility will keep a complete record of all interruptions, both emergency and scheduled and will notify the Commission in writing of any service interruptions affecting the entire system or any major division of the system lasting more than four hours. The notice will explain the cause of the interruptions.

Section 2.12 - Quality of Service

The utility will plan, furnish, and maintain and operate production, treatment, storage, transmission, and collection facilities of sufficient size and capacity to provide continuous and adequate service for all reasonable consumer uses and to treat sewage and discharge effluent of the quality required by its discharge permit issued by the Commission. Unless otherwise authorized by the Commission, the utility will maintain facilities as described in the TCEQ Rules.

Section 2.13 - Customer Complaints and Disputes

If a customer or applicant for service lodges a complaint, the utility will promptly make a suitable investigation and advise the complainant of the results. Service will not be disconnected pending completion of the investigation. If the complainant is dissatisfied with the utility's response, the utility must advise the complainant that he has recourse through the Texas Commission on Environmental Quality complaint process. Pending resolution of a complaint, the commission may require continuation or restoration of service.

SECTION 3.0 -- EXTENSION POLICY

Section 3.01 - Standard Extension Requirements

LINE EXTENSION AND CONSTRUCTION CHARGES: NO CONTRIBUTION IN AID OF CONSTRUCTION MAY BE REQUIRED OF ANY CUSTOMER EXCEPT AS PROVIDED FOR IN THIS APPROVED EXTENSION POLICY.

The Utility is not required to extend service to any applicant outside of its certified service area and will only do so under terms and conditions mutually agreeable to the Utility and the applicant, in compliance with TCEQ rules and policies, and upon extension of the Utility's certified service area boundaries by the TCEQ.

The applicant for service will be given an itemized statement of the costs, options such as rebates to the customer, sharing of construction costs between the utility and the customer, or sharing of costs between the customer and other applicants prior to beginning construction.

The Utility is not required to extend service to any applicant outside of its certificated service area and will only do so under terms and conditions mutually agreeable to the Utility and the applicant, in compliance with TCEQ rules and policies, and upon extension of the Utility's certificated service area boundaries by the TCEQ.

SECTION 3.0 -- EXTENSION POLICY (Continued)

Section 3.02 - Costs Utilities and Service Applicants Shall Bear

Within its certified area, the utility will pay the cost of the first 200 feet of any water main or distribution line necessary to extend service to an individual residential customer within a platted subdivision.

However, if the residential customer requesting service purchased the property after the developer was notified in writing of the need to provide facilities to the utility, the utility may charge for the first 200 feet. The utility must also be able to document that the developer of the subdivision refused to provide facilities compatible with the utility's facilities in accordance with the utility's approved extension policy after receiving a written request from the utility.

Residential customers will be charged the equivalent of the costs of extending service to their property from the nearest collection line even if that line does not have adequate capacity to serve the customer. However, if the customer places unique, non-standard service demands upon the system, the customer may be charged the additional cost of extending service to and throughout their property, including the cost of all necessary transmission and storage facilities necessary to meet the service demands anticipated to be created by that property.

Unless an exception is granted by the TCEQ's Executive Director, the residential service applicant shall not be required to pay for costs of main extensions greater than 6" in diameter for gravity wastewater lines.

Exceptions may be granted by the TCEQ Executive Director if

- adequate service cannot be provided to the applicant using the maximum line sizes listed due to distance or elevation, in which case, it shall be the utility's burden to justify that a larger diameter pipe is required for adequate service;
- or larger minimum line sizes are required under subdivision platting requirements or building codes of municipalities within whose corporate limits or extraterritorial jurisdiction the point of use is located; or the residential service applicant is located outside the CCN service area.

If an exception is granted, the Utility shall establish a proportional cost plan for the specific extension or a rebate plan which may be limited to seven years to return the portion of the applicant's costs for oversizing as new customers are added to ensure that future applicants for service on the line pay at least as much as the initial service applicant.

SECTION 3.0 – EXTENSION POLICY (Continued)

For purposes of determining the costs that service applicants shall pay, commercial customers with service demands greater than residential customer demands in the certified area, industrial, and wholesale customers shall be treated as developers.

If an applicant requires service other than the standard service provided by the utility, such applicant will be required to pay all expenses incurred by the utility in excess of the expenses that would be incurred in providing the standard service and connection beyond 200 feet and throughout his property including the cost of all necessary transmission facilities.

Applicants may be subject to a Service Availability Review Fee, Engineering Review Fee and a Project Administration, Review & Inspection Fee for projects associated with extending service to Customers if deemed appropriate by the Utility. All such fees shall be charged based upon the cost incurred by the Utility.

The utility will bear the incremental cost of any over-sizing of sewer mains necessary to serve other customers in the immediate area. The individual residential customer shall not be charged for any additional treatment facilities. Contributions in aid of construction may not be required of individual residential customers for production, storage, treatment or transmission facilities unless otherwise approved by the Commission under this specific extension policy.

Section 3.03 - Contributions in Aid of Construction

Developers may be required to provide contributions in aid of construction in amounts sufficient to furnish the development with all facilities necessary to provide for reasonable local demand requirements and to comply with Texas Commission on Environmental Quality minimum design criteria for facilities used in the production, collection, transmission, pumping, or treatment of sewage or Texas Commission on Environmental Quality minimum requirements. For purposes of this subsection, a developer is one who subdivides or requests more than two meters on a piece of property. Commercial, industrial, and wholesale customers will be treated as developers.

Any applicant who places unique or non-standard service demands on the system may be required to provide contributions in aid of construction for the actual costs of any additional facilities required to maintain compliance with the Texas Commission on Environmental Quality minimum design criteria for water production, treatment, pumping, storage and transmission.

Any service extension to a subdivision (recorded or unrecorded) may be subject to the provisions and restrictions of 30 TAC 291.86(d). When a developer wishes to extend the system to prepare to service multiple new connections, the charge shall be the cost of such extension, plus a pro-rata charge for facilities which must be committed to such extension compliant with the Texas Commission on Environmental Quality minimum design criteria. As provided by 30 T.A.C. 291.85(e)(3), for purposes of this section, commercial, industrial, and wholesale customers shall be treated as developers.

SECTION 3.0 -- EXTENSION POLICY (Continued)

A utility may only charge a developer standby fees for unrecovered costs of facilities committed to a developer's property under the following circumstances:

- Under a contract and only in accordance with the terms of the contract; or
- if service is not being provided to a lot or lots within two years after installation of facilities necessary to provide service to the lots has been completed and if the standby fees are included on the utilities approved tariff after a rate change application has been filed. The fees cannot be billed to the developer or collected until the standby fees have been approved by the commission or executive director.
- for purposes of this section, a manufactured housing rental community can only be charged standby fees under a contract or if the utility installs the facilities necessary to provide individually metered service to each of the rental lots or spaces in the community.

Section 3.04 - Appealing Connection Costs

The imposition of additional extension costs or charges as provided by Sections 3.0 - Extension Policy of this tariff shall be subject to appeal as provided in this tariff, TCEQ rules, or the rules of such other regulatory authority as may have jurisdiction over the utility's rates and services. Any applicant required to pay for any costs not specifically set forth in the rate schedule pages of this tariff shall be given a written explanation of such costs prior to payment and/or commencement of construction. If the applicant does not believe that these costs are reasonable or necessary, the applicant shall be informed of the right to appeal such costs to the TCEQ or such other regulatory authority having jurisdiction over the utility's rates in that portion of the utility's service area in which the applicant's property(ies) is located.

Section 3.05 - Applying for Service

The Utility will provide a written service application form to the applicant for each request for service received by the Utility's business offices. A separate application shall be required for each potential service location if more than one service connection is desired by any individual applicant. Service application forms will be available at the Utility's business office during normal weekday business hours. Service applications will be sent by prepaid first class United States mail to the address provided by the applicant upon request. Completed applications should be returned by hand delivery in case there are questions which might delay fulfilling the service request. Completed service applications may be submitted by mail if hand delivery is not possible.

SECTION 3.0 -- EXTENSION POLICY (Continued)

Where a new tap or service connection is required, the service applicant shall be required to submit a written service application and request that a tap be made. A diagram, map, plat, or written metes and bounds description of precisely where the applicant desires each tap or service connection is to be made and, if necessary, where the meter is to be installed, along the applicant's property line may also be required with the tap request. The actual point of connection and meter installation must be readily accessible to Utility personnel for inspection, servicing, and meter reading while being reasonably secure from damage by vehicles and mowers. If the Utility has more than one main adjacent to the service applicant's property, the tap or service connection will be made to the Utility's nearest service main with adequate capacity to service the applicant's full potential service demand. Beyond the initial 200 feet, the customer shall bear only the equivalent cost of extending from the nearest main. If the tap or service connection cannot be made at the applicant's desired location, it will be made at another location mutually acceptable to the applicant and the Utility. If no agreement on location can be made, the applicant may refer the matter to the TCEQ for resolution.

Section 3.06 - Qualified Service Applicant

A "qualified service applicant" is an applicant who has: (1) met all of the Utility's requirements for service contained in this tariff, TCEQ rules and/or TCEQ order, (2) has made payment or made arrangement for payment of tap fees, (3) has provided all easements and rights-of-way required to provide service to the requested location, (4) delivered an executed customer service inspection certificate to the Utility, if applicable, and (5) has executed a customer service application for each location to which service is being requested. (See Appendix B)

The Utility shall serve each qualified service applicant within its certified service area as soon as practical after receiving a completed service application. All service requests will be fulfilled within the time limits prescribed by TCEQ rules once the applicant has met all conditions precedent to achieving "qualified service applicant" status. If a service request cannot be fulfilled within the required period, the applicant shall be notified in writing of the delay, its cause and the anticipated date that service will be available. The TCEQ service dates shall not become applicable until the service applicant has met all conditions precedent to becoming a qualified service applicant as defined by TCEQ rules.

Section 3.07 - Developer Requirements

As a condition of service to a new subdivision, the Utility shall require a developer (as defined by TCEQ rule) to provide permanent recorded public utility easements as a condition of service to any location within the developer's property.

APPENDIX A -- SAMPLE SERVICE AGREEMENT
From 30 TAC Chapter 290.47(b), Appendix B

SERVICE AGREEMENT

- I. PURPOSE. The NAME OF SEWER SYSTEM is responsible for protecting the drinking water supply from contamination or pollution which could result from improper private water distribution system construction or configuration. The purpose of this service agreement is to notify each customer of the restrictions which are in place to provide this protection. The utility enforces these restrictions to ensure the public health and welfare. Each customer must sign this agreement before the NAME OF SEWER SYSTEM will begin service. In addition, when service to an existing connection has been suspended or terminated, the sewer system will not re-establish service unless it has a signed copy of this agreement.
- II. RESTRICTIONS. The following unacceptable practices are prohibited by State regulations.
 - A. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by an air-gap or an appropriate backflow prevention device.
 - B. No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall 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 than 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 0.2% lead can be used for the installation or repair of plumbing at any connection which provides water for human use.

III. SERVICE AGREEMENT. The following are the terms of the service agreement between the NAME OF SEWER SYSTEM (the Sewer System) and NAME OF CUSTOMER (the Customer).

- A. The Sewer System will maintain a copy of this agreement as long as the Customer and/or the premises are connected to the Sewer System.
- B. The Customer shall allow his property to be inspected for possible cross-connections and other potential contamination hazards. These inspections shall be conducted by the Sewer System or its designated agent prior to initiating new water service; when there is reason to believe that cross-connections or other potential contamination hazards exist; or after any major changes to the private water distribution facilities. The inspections shall be conducted during the Sewer System's normal business hours.
- C. The Sewer System shall notify the Customer in writing of any cross-connection or other potential contamination hazard which has been identified during the initial inspection or the periodic reinspection.
- D. The Customer shall immediately remove or adequately isolate any potential cross-connections or other potential contamination hazards on his premises.
- E. The Customer shall, at his expense, properly install, test, and maintain any backflow prevention device required by the Sewer System. Copies of all testing and maintenance records shall be provided to the Sewer System.

IV. ENFORCEMENT. If the Customer fails to comply with the terms of the Service Agreement, the Sewer System shall, at its option, either terminate service or properly install, test, and maintain an appropriate backflow prevention device at the service connection. Any expenses associated with the enforcement of this agreement shall be billed to the Customer.

CUSTOMER'S SIGNATURE

DATE

**APPENDIX B -- APPLICATION FOR SERVICE
(Utility Must Attach Blank Copy)**



WATER/WASTEWATER UTILITY APPLICATION

Corix Utilities (Texas) Inc.
6836 Bee Caves Road, Ste. 209
Austin, TX 78746
Tel: 877-718-4396 Fax: 512-306-4009

Date: _____

Name of applicant: _____

Mailing address: _____
Street or PO Box City State Zip

Home phone: () _____ Social Security #XXX-XX-_____

Work phone: () _____ Cell phone: () _____

E-mail: _____

Name of authorized person to make changes to the account: _____

Address of requested service: _____
Street City State Zip

County: Subdivision Block Lot:

Services Requested	Applicant is	Meter Size	Type of Customer
<input type="checkbox"/> water at existing location	<input type="checkbox"/> owner	<input type="checkbox"/> 5/8"	<input type="checkbox"/> Residential
<input type="checkbox"/> wastewater at existing location	<input type="checkbox"/> renter/leasee	<input type="checkbox"/> 3/4"	<input type="checkbox"/> Commercial
<input type="checkbox"/> with grinder pump		<input type="checkbox"/> 1 "	<input type="checkbox"/> Mutli-Unit
<input type="checkbox"/> supplemental agreement executed		<input type="checkbox"/> ---	
<input type="checkbox"/> water at a new location			
<input type="checkbox"/> wastewater at a new location			
<input type="checkbox"/> with grinder pump			
<input type="checkbox"/> supplemental agreement executed			
<input type="checkbox"/> temporary service – Fire Hydrant Meter			
<input type="checkbox"/> extension of service unserved area Landlord Account	<input type="checkbox"/> Yes <input type="checkbox"/> No		

Approximate date service is needed:

Are you or any person authorized on this account 60 or older? (Please provide verification for age status)
___Yes ___No

I acknowledge by signing this agreement that upon accepting service I will be subject to the terms and conditions of retail water and/or wastewater service as contained in the Rate Schedule. I further acknowledge and agree that the terms and conditions of retail water and/or wastewater service contained in the Rate Schedule shall constitute a contract between CORIX and me and may be enforced as such.

Signature _____ Date _____



House Bill (HB) 1600 and Senate Bill (SB) 567 83rd Legislature, Regular Session, transferred the functions and records relating to the economic regulation of water and sewer utilities from the TCEQ to the PUC effective September 1, 2014.

Central Records Personally Identifiable Information Audit

NOTICE OF REDACTION

Documents containing Personally Identifiable Information* have been redacted from electronic posting, in accordance with Texas privacy statutes.

*"Personally Identifiable Information" (PII) is defined to include information that alone or in conjunction with other information identifies an individual, including an individual's: Social security or employer taxpayer identification number, driver's license number, government-issued identification card number, or passport numbers, checking and savings account numbers, credit card numbers, debit card numbers, unique electronic identification number, address, or routing code, electronic mail names or addresses, internet account numbers, or internet identification names, digital signatures, unique biometric data, and mother's maiden name, marriage and any other numbers or information used to access an individual's financial account.

EXHIBIT K.1: SYSTEM SPECIFIC TECHNICAL DATA (WASTEWATER SYSTEM)

Please refer to the following page for Exhibit K.1.

SPECIFIC TECHNICAL DATA (WINDMILL RANCH WASTEWATER SYSTEM)

17. A. For Water Systems. TCEQ Public Water System Identification Number: _____

Date of last inspection: _____

B. For Wastewater Systems:

-TCEQ Discharge Permit Number: W Q 1 4 3 0 3 - 0 0 1
-Name of Permittee: Lower Colorado River Authority
-Date of application to transfer Discharge Permit submitted: March 25, 2013
-Date of application to transfer Discharge Permit approved by TCEQ: _____

18. A. Are any improvements required to meet TCEQ standards? ____ Yes. If yes, please explain X No

B. Is there a moratorium on new connections? ____ Yes. If yes, please explain X No

C. Provide details of each required major capital improvement to correct the deficiencies and meet the TCEQ standards (attach additional sheets if necessary):

Description of the Required Improvement	Schedule to Complete	Estimated Cost

19 Does the system being transferred operate within the city limits of a municipality or within district boundaries? ____ Yes X No

If yes, indicate the number of customers within the city limits or district boundaries:
 Water Sewer

Attach copy of franchise agreement or consent letter from the city or district.

See Exhibit P – Memorandum of Agreement

20. Do you currently purchase water or sewer treatment capacity from another source? Yes ☒ No ☐

☐ Water ☐ Sewer Purchased on a ☐ Regular ☐ Seasonal ☐ Emergency Basis

• Source: _____ % of total supply: _____

21. List the number of existing connections to be effected by this transaction.

Water			Sewer		
	-Non Metered		-2"meter	-Residential Connection	
	-5/8" or 3/4" meter		-3" meter	-Commercial Connection	1
	-1" meter		-4" meter	-Industrial Connection	
	-1 1/2" meter		-Other	-Other	
Total Water Connections:			Total Sewer Connections		
			1		

22. Has the system reached 85% of its capacity based on TCEQ’s minimum requirements?

☐ Yes ☒ No

If yes, please explain what steps are being taken to address the capacity issues:

EXHIBIT K.2: INSPECTION REPORT

Please refer to the following page for Exhibit K - Windmill Ranch Inspection Report

Bryan W. Shaw, Ph.D., *Chairman*
Carlos Rubinstein, *Commissioner*
Toby Baker, *Commissioner*
Zak Covar, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

October 1, 2012

Certified Mail # 91 7108 2133 3935 2227 4008
Return Receipt Requested

Ms. Monica Masters, Contract Operations Manager
LCRA
PO Box 220
Austin, TX 78767

Re: Notice of Compliance with Notice of Violation (NOV)
Windmill Ranch WWTP, Lost Pines Resort, Bastrop County, Texas
RN103015210, TCEQ Additional ID: WQ0014303-001, Investigation No. 1028407

Dear Ms. Masters:

On August 21, 2012, Michael Daniels of the Texas Commission on Environmental Quality (TCEQ) Austin Region Office conducted an investigation of the above-referenced facility to evaluate compliance with applicable requirements for wastewater. Enclosed is a summary which lists the investigation findings, including two Areas of Concern. Adequate compliance documentation has been received to resolve the alleged violation. No further response is required.

The Texas Commission on Environmental Quality appreciates your assistance in this matter and your compliance efforts to ensure protection of the State's environment. If you or members of your staff have any questions, please feel free to contact Michael Daniels at the Austin Region Office at (512) 339-2929.

Sincerely,

A handwritten signature in black ink, appearing to read "Shea Cockrell".

Shea Cockrell
Water Program Work Leader
Austin Region Office

SKC/mjd

enclosure: Summary of Investigation Findings

cc: Ms. Gloria Broussard, Environmental Coordinator, CORIX Utilities, 6836 Bee Caves Rd.
Suite 209, Austin, TX 78746 (include Summary of Investigation Findings)

TCEQ Region 11 • P.O. Box 13087 • Austin, Texas 78711-3087 • 512-339-2929 • Fax 512-339-3795

Austin Headquarters: 512-239-1000 • tceq.texas.gov • How is our customer service? tceq.texas.gov/customersurvey

Summary of Investigation Findings

WINDMILL RANCH WASTE WATER TREATMENT PLANT

Investigation #

1028407
Investigation Date: 08/21/2012

, BASTROP COUNTY,

Additional ID(s): WQ0014303001
TX0124478
R14303001

ALLEGED VIOLATION(S) NOTED AND RESOLVED ASSOCIATED TO A NOTICE OF VIOLATION

Track No: 477872

30 TAC Chapter 305.125(5)

PERMIT WQ0014303001, Page 9, Item 1
Operational Requirement

Alleged Violation:

Investigation: 1028407

Comment Date: 09/13/2012

Failure to continuously monitor and display the ultraviolet light disinfection system. The monitor was not working at the time of the investigation, on August 21, 2012, and was not working as of September 10, 2012.

Recommended Corrective Action: Immediately repair the ultraviolet disinfection monitoring system. Provide compliance documentation to the TCEQ Austin Region Office when complete.

Resolution: Gloria Broussard notified the TCEQ Austin Region Office on September 24, 2012, that the ultraviolet disinfection system monitor and display were repaired and operating properly as of September 21, 2012. Ms. Broussard followed up with written compliance documentation on September 27, 2012.

AREA OF CONCERN

Track No: 477892

30 TAC Chapter 319.11

PERMIT WQ0014303001, Page 4, Item 2
Test Procedures

Alleged Violation:

Investigation: 1028407

Comment Date: 09/13/2012

Failure to verify the accuracy of the thermometer used for e coli analysis procedure.

Recommended Corrective Action: The accuracy of thermometers or temperature measuring devices should be checked semiannually against a certified National Institute of Standards and Technology (NIST) thermometer or one traceable to NIST and conforming to NIST specifications according to Standard Methods 9020. Provide compliance documentation to the TCEQ Austin Region Office when complete.

Resolution: Adequate compliance documentation was received on August 31, 2012, to resolve the issue as an Area of Concern. LCRA Environmental Laboratory Services calibrated Windmill Ranch's thermometer with a NIST thermometer on August 29, 2012. The calibrations showed no correction was necessary (+/- 0.0). The information was recorded in the log book and the certification tag is located at the plant.

Track No: 477893

30 TAC Chapter 319.6

30 TAC Chapter 319.9(d)

PERMIT WQ0014303001, Page 5, Item 3.c.vi.
QA/QC Analysis Records

Alleged Violation:

Investigation: 1028407

Comment Date: 09/13/2012

Failure to run a duplicate e coli analysis each day a sample is analyzed. The required quality control analysis for bacteria is one duplicate and one blank each day samples are analyzed. A blank was being run, but a duplicate was not being run.

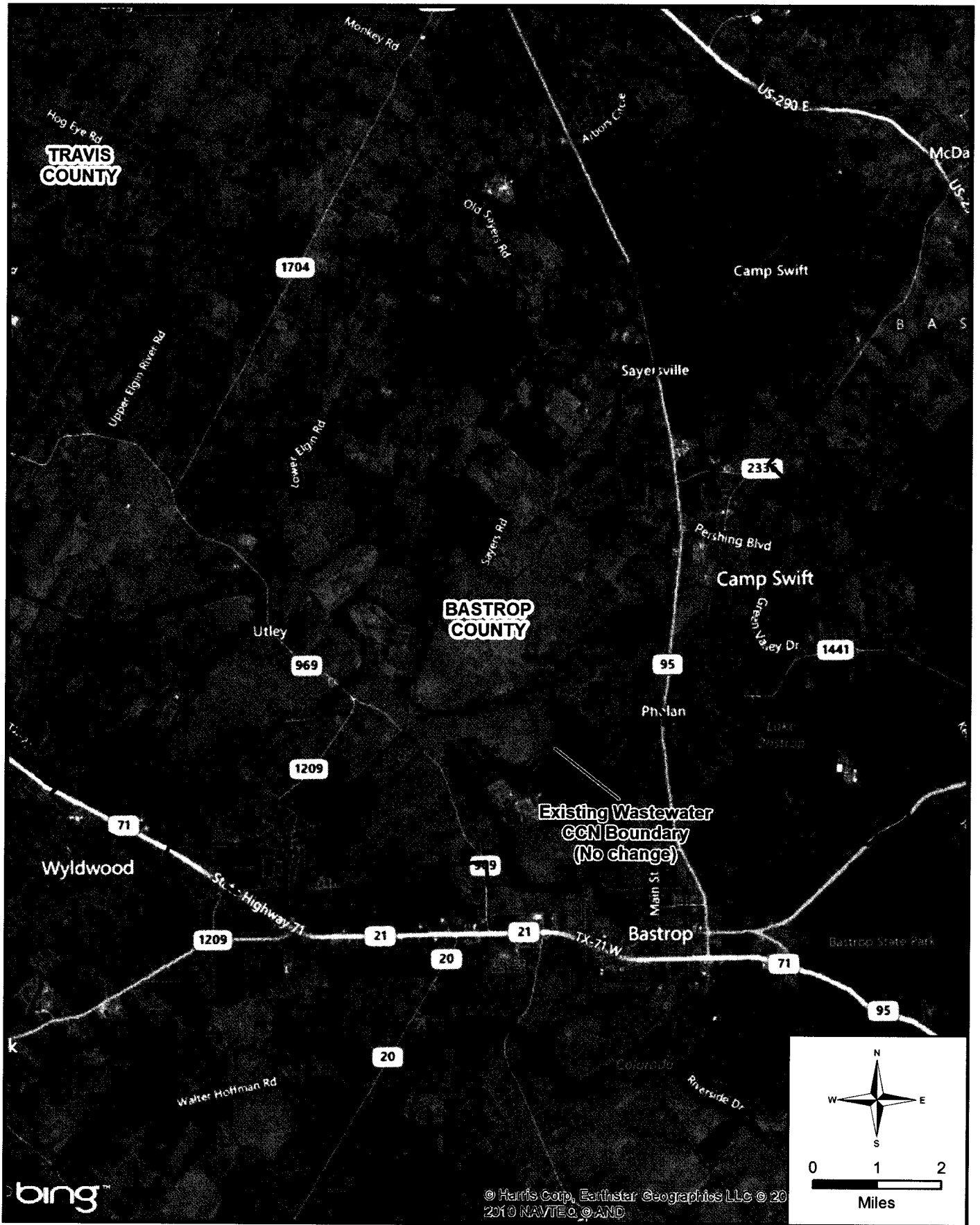
Recommended Corrective Action: Run a duplicate e coli analysis for quality control each day a sample is analyzed. Provide compliance documentation to the TCEQ Austin Region Office when complete.

Resolution: Adequate compliance documentation was received on August 31, 2012, to resolve the issue as an Area of Concern. The operator began running duplicate samples on August 22, 2012. The duplicate samples are being recorded in the e coli log.

EXHIBIT L: SYSTEM SPECIFIC MAPS

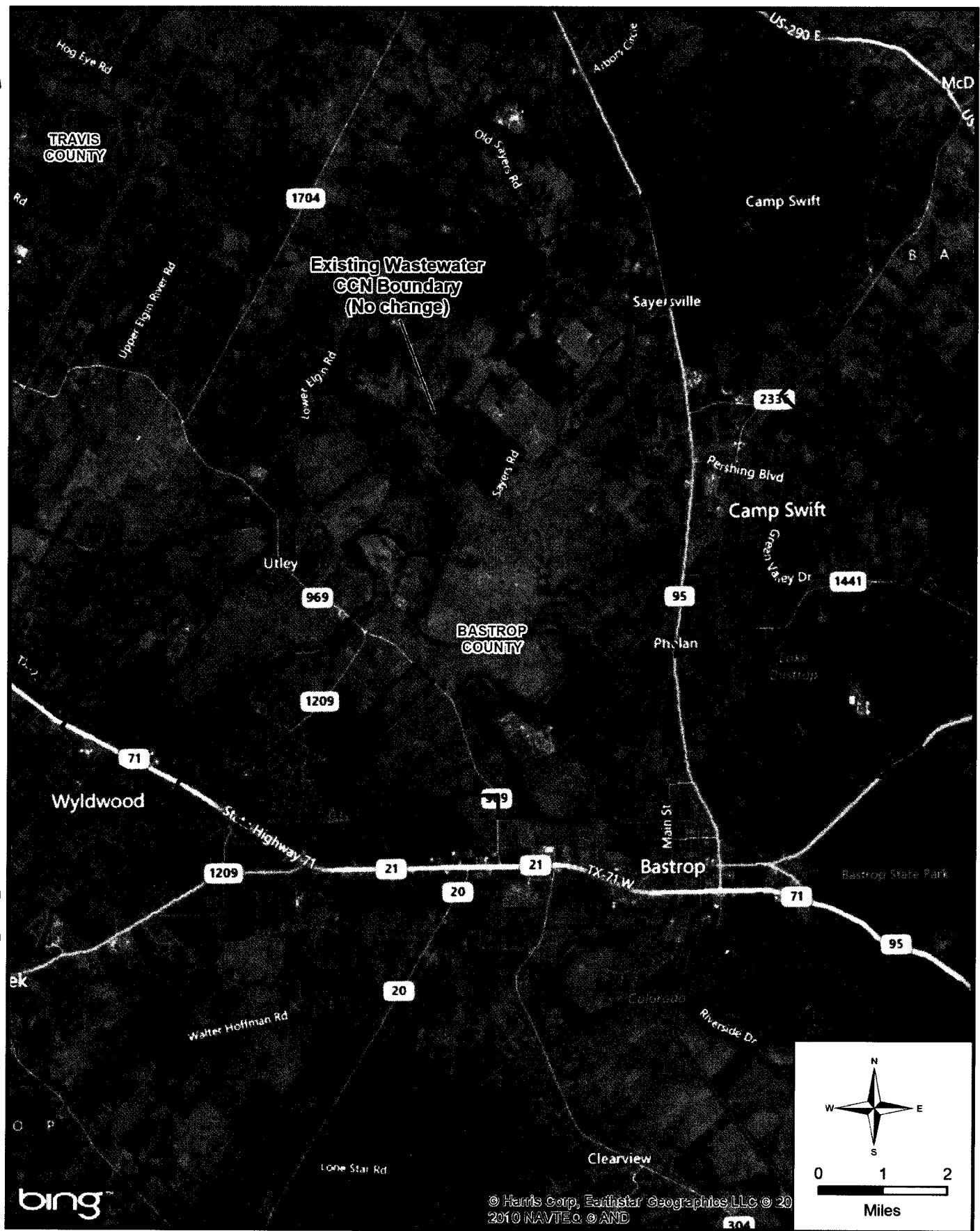
Please refer to the following pages for Exhibit L - Windmill Ranch Wastewater System maps.

\\UMS 00189498 - Corrx\GIS\Map_Docs\Windmill_Ranch_VW.mxd



Windmill Ranch - Existing Wastewater CCN Boundary - Location Map

X:\UMS 00189498 - Corix\GIS\Map_Docs\Windmill_Ranch_WW.mxd



Windmill Ranch - Existing Wastewater CCN Boundary

EXHIBIT M: NOTICE TO CUSTOMERS (FORMS A-B)

Please refer to the following examples of "Notice to Customers," including:

- Form A: Notice to Current Customers, Neighboring Systems, and Cities
- Form B: Notice to Current Customers, Neighboring Systems, Landowners and Cities

Notice to Current Customers, Neighboring Systems, and Cities

**LOWER COLORADO RIVER AUTHORITY'S NOTICE OF INTENT
TO SELL WASTEWATER FACILITIES TO CORIX UTILITIES, TEXAS AND FOR
CORIX TO OBTAIN A CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) IN
BASTROP COUNTY, TEXAS.**

To: (Neighboring System)
(System Address)
(City), Texas (Zip)

Date Notice Mailed: June __, 2013

The Lower Colorado River Authority, P.O. Box 220, Austin, Texas 78767-0220 has submitted an application with the Texas Commission on Environmental Quality to sell wastewater facilities in Bastrop County, Texas to Corix Utilities (Texas) Inc., 6836 Bee Cave Road, Suite 209, Austin, Texas 78747 and for Corix to obtain a new CCN number for this currently certificated service area.

The sale is scheduled to take place as approved by the Executive Director (V.T.C.A, Water Code §13.301).

The area subject to this transaction is located approximately 10 miles west of downtown Bastrop, Texas, and is generally bounded on the north by Scott Falls Road; on the east by Porter Road; on the south by State Highway 71; and on the west by Colorado Drive. The total existing certificated area proposed for purchase includes approximately 36,858 acres, and the Windmill Ranch wastewater facilities currently serves 1 customer, the Bastrop Lost Pines Resort. The overall certificated area proposed for purchase includes zip codes 78602, 78612 and 78621.

Questions concerning the proposed service area can be directed to Corix Utilities (Texas) at 6836 Bee Cave Road, Suite 209, Austin, TX 78747 or by calling 512-306-4000.

This transaction will have the following effect on the current customer's rates and services: Corix proposes to adopt the existing rates currently charged by LCRA and maintain those rates for a 12-month period following our acquisition of the utilities. During this 12 month period, Corix will undertake detailed cost of service studies. After the 12 month period and based on the results of the cost of service studies, Corix will be better able to determine any required rate adjustments.

Affected persons may file written protests and/or request a public hearing within 30 days of this notice.

To request a hearing, you must:

1. state your name, mailing address, and daytime telephone number;
2. state the applicant's name, application number, or other recognizable reference to this application;
3. include the statement "I/we request a public hearing";
4. write a brief description of how you, the persons you represent, or the public interest would be adversely affected by the proposed transaction and transfer of the CCN; and
5. state your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Only those persons who submit a written request to be notified of a hearing will receive notice if a hearing is scheduled. The Executive Director will issue the CCN requested in the referenced application unless a hearing is scheduled to consider the transaction. If no protests or requests for hearing are filed during the comment period, the Executive Director may issue the CCN 30 days after the publication of this notice.

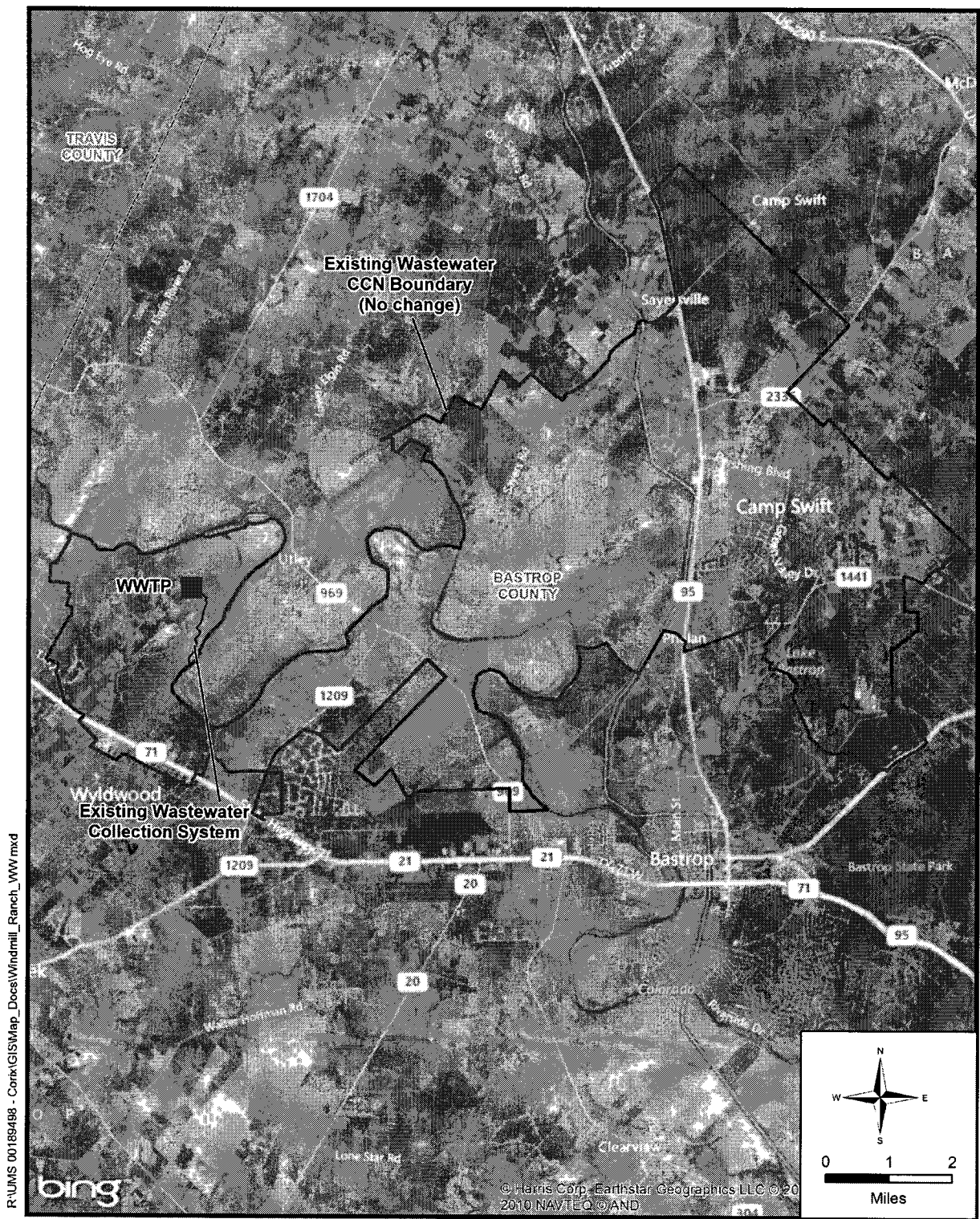
Persons who wish to protest or request a hearing on this application should write the:

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P.O. Box 13087, Austin, Texas 78711-3087

Se desea informacion on Espanol, puede llamar al 512-239-0200

Darrin Barker, Operations Manager
Utility Representative

Corix Utilities, Texas Inc.
Utility Name



Windmill Ranch - Existing Wastewater CCN Boundary

Notice to Current Customers, Neighboring Systems, Landowner and Cities

LOWER COLORADO RIVER AUTHORITY'S NOTICE OF INTENT
TO SELL WASTEWATER FACILITIES TO CORIX UTILITIES, TEXAS AND FOR
CORIX TO OBTAIN A CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) IN
BASTROP COUNTY, TEXAS.

To: (Landowner)

Date Notice Mailed: June __, 2013

(Address)

(City), Texas (Zip)

The Lower Colorado River Authority, P.O. Box 220, Austin, Texas 78767-0220 has submitted an application with the Texas Commission on Environmental Quality to sell wastewater facilities in Bastrop County, Texas to Corix Utilities (Texas) Inc., 6836 Bee Cave Road, Suite 209, Austin, Texas 78747 and for Corix to obtain a new CCN number for this currently certificated area.

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3. include the statement "I/we request a public hearing";
4. write a brief description of how you, the persons you represent, or the public interest would be adversely affected by the proposed transaction and transfer of the CCN; and
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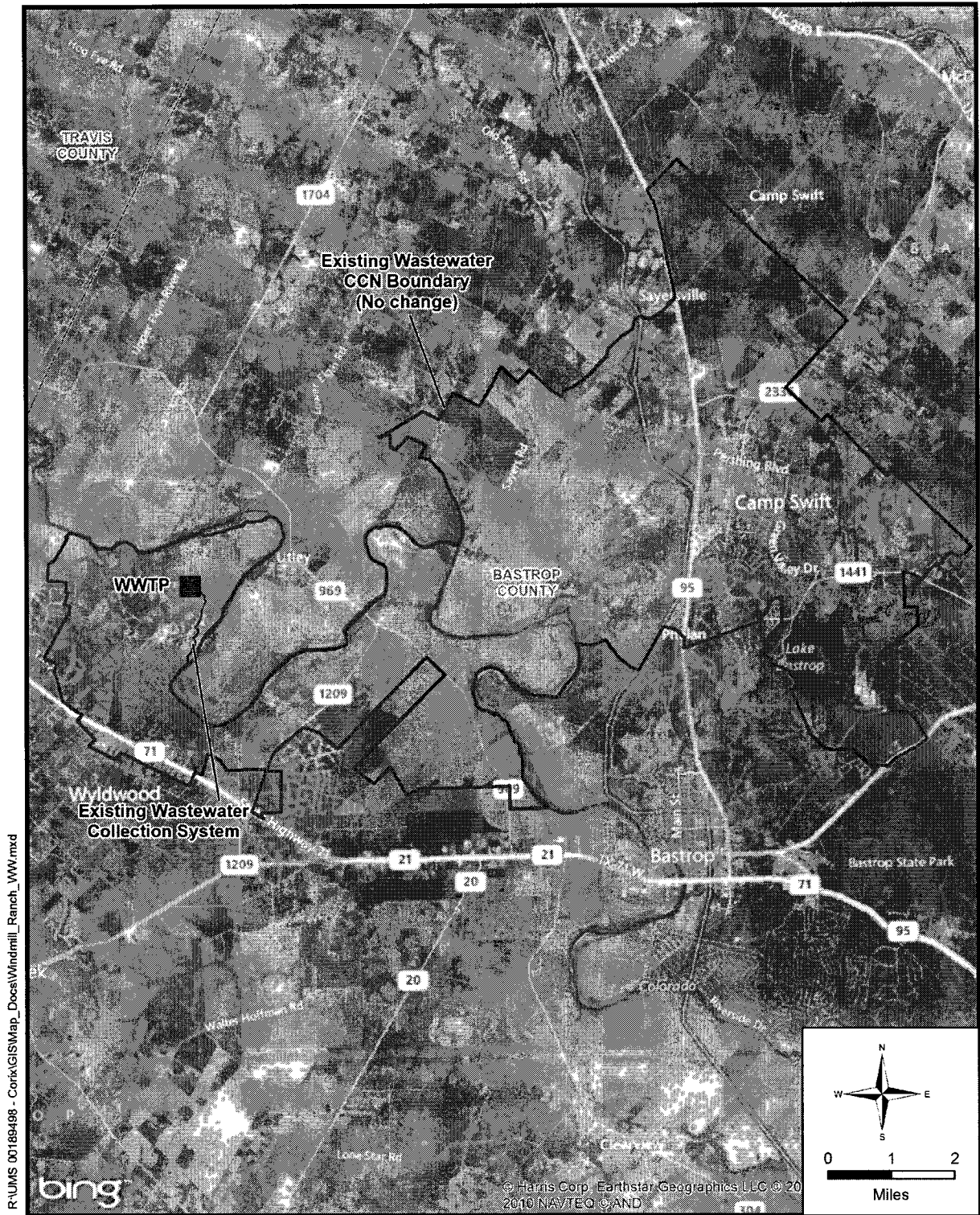
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Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P.O. Box 13087, Austin, Texas 78711-3087

Se desea informacion on Espanol, puede llamar al 512-239-0200

Ed Yanoshita, General Manager
Utility Representative

Corix Utilities, Texas Inc.
Utility Name



Windmill Ranch - Existing Wastewater CCN Boundary

EXHIBIT N: OATH OF SELLER

Please refer to the following page for Exhibit N, Oath of Seller

EXHIBIT N
OATH FOR SELLER OR FORMER SERVICE PROVIDER

STATE OF TEXAS

COUNTY OF TRAVIS

I, Rebecca S. Motal, being duly sworn, file this application for sale, lease, rental or merger or consolidation as General Manager (indicate relationship to applicant) that is, owner, member of partnership, title as officer of corporation, or other authorized representative of applicant; that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the documents filed with this application, and have complied with all the requirements contained in the application; and, that all such statements made and matters set forth therein with respect to applicant are true and correct. Statements about other parties are made on information and belief. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Commission.

I further state that I have provided to the purchaser or transferee a written disclosure statement about any contributed property as required under Section 13.301(j) and copies of any outstanding Orders of the Commission or Attorney General and have also complied with the notice requirements in Section 13.301(k) of the Water Code.

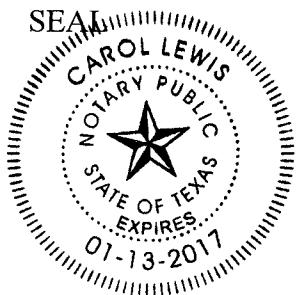



AFFIANT (Utility's Authorized Representative)



If the Affiant to this form is any person other than the sole owner, partner, officer of the applicant or its attorney, a properly verified Power of Attorney must be enclosed.

SUBSCRIBED AND SWORN BEFORE ME, a Notary Public in and for the State and County above-named, this 23rd day of May, 2013.





Notary Public in and for the State of Texas

Carol Lewis

Print Name of Notary
My Commission Expires: 1/13/2017

One copy of this page must be submitted for each utility involved in this transaction.

Windmill Ranch Wastewater System



EXHIBIT O: Oath of

Please refer to the following page for Exhibit O, Oath of

Exhibit O – Oath of Purchaser

OATH FOR PURCHASER OR ACQUIRING ENTITY

STATE OF Texas

COUNTY OF Travis

I, EDWARD YANOSHITA, being duly sworn, file this application for

sale, lease, rental or merger or consolidation as GENERAL MANAGER
(indicate relationship to applicant) that is, owner, member of partnership, title as officer of corporation, or other authorized representative of applicant); that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the documents filed with this application, and have complied with all the requirements contained in the application; and, that all such statements made and matters set forth therein with respect to applicant are true and correct. Statements about other parties are made on information and belief. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Commission.

I am also authorized and do agree to be bound by and comply with any outstanding orders of the Commission or the Attorney General which have been issued to the system or facilities being acquired and recognize that I will be subject to administrative penalties or other enforcement actions if I do not comply.



AFFIANT

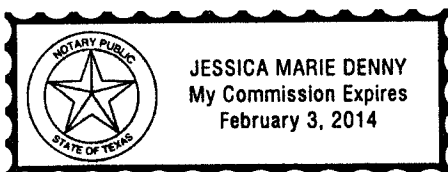
(Utility's Authorized Representative)

If the Affiant to this form is any person other than the sole owner, partner, officer of the Applicant, or its attorney, a properly verified Power of Attorney must be enclosed.

Applicant represents that all other parties to this transaction have been furnished copies of this completed application.

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public in and for the State of Texas, day 14 of NOV, 20 12.

SEAL




NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

Jessica Marie Denny
PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES 2/3/2014

CORIX UTILITIES (TEXAS) INC.

INCUMBENCY CERTIFICATE

I, HAMISH CUMMING, HEREBY CERTIFY THAT:

1. I am the duly appointed Corporate Secretary of Corix Utilities (Texas) Inc. (the "Corporation"), a corporation organized under the laws of Delaware, and as such have access to its corporate records and am familiar with the matters herein certified.
2. Edward Yanoshita, General Manager of the Corporation, has authority to file the application on behalf of the Corporation with the Texas Commission on Environmental Quality and in connection therewith to swear the Oath of Purchaser for the Corporation.

IN WITNESS WHEREOF I have set my hand in the name and on behalf of the Corporation effective this 1st day of November, 2012


Corporate Secretary

EXHIBIT P: MEMORANDUM OF AGREEMENT

Please refer to the following page for Exhibit P, Memorandum of Agreement

EXHIBIT P: MEMORANDUM OF AGREEMENT

Please refer to the following page for Exhibit P, Memorandum of Agreement.

**MEMORANDUM OF AGREEMENT
WINDMILL RANCH WASTEWATER TREATMENT PLANT**

This Memorandum of Agreement ("MOA"), dated this 24th day of June, 2013 (the "Effective Date"), is between:

CORIX UTILITIES (TEXAS) INC. ("Corix"), a company validly existing under the laws of Delaware, with an address at Suite 209, 6836 Bee Caves Road, Austin, Texas 78746, and BASTROP RESORT PARTNERS L.P. ("Resort Owner"), a Texas limited partnership with an address at 1900 North Akard Street, Dallas, Texas 75201, Attention: John F. Scovell, and LOST PINES LAND PARTNERS, L.P. ("Landco"), a Texas limited partnership with an address at 1900 North Akard Street, Dallas, Texas 75201, Attention: John F. Scovell.

Corix, Resort Owner, and Landco may be referred to herein individually as a "Party" and collectively as the "Parties".

BACKGROUND

- A. The Lower Colorado River Authority ("LCRA") and Resort Owner entered into a Wastewater Treatment System Development and Service Agreement effective March 16, 2004 ("Wastewater Agreement"), in respect of LCRA permitting, designing, constructing, operating and maintaining a wastewater treatment plant and certain related systems and facilities (collectively the "Windmill Ranch WWTS" or "WWTS"). The Windmill Ranch WWTS was developed to provide wastewater treatment services for (i) a destination resort known currently as the Hyatt Regency Lost Pines Resort and Spa located in Bastrop County, Texas, on approximately 405.405 acres of land owned by the Resort Owner ("Resort Site") and (ii) other, yet-to be determined, projects or developments in the general vicinity of the Resort Site.
- B. LCRA and Woodbine / Bastrop Land, L.P. ("Woodbine / Bastrop") entered into a Service Reservation Agreement effective March 16, 2004 ("Service Reservation Agreement"), in which LCRA agreed to Woodbine / Bastrop reserving and controlling the allocation of the Windmill Ranch WWTS initial capacity that was not committed to the Resort Owner for Woodbine / Bastrop in its capacity as owner of a certain parcel of land located in Bastrop County, Texas, containing approximately 250.606 acres (the "Land"). Woodbine / Bastrop transferred and assigned all of its interest in the Service Reservation Agreement and the Land to Landco as of October 15, 2007.
- C. On March 30, 2012, LCRA and Corix entered into a Utilities Purchase and Sale Agreement (the "PSA") in which LCRA agreed to sell certain utilities to Corix, including Windmill Ranch WWTS to Corix. Corix intends to acquire and operate the WWTS as a regulated utility and adopt a tariff. Accordingly, the closing of the PSA, and the acquisition of the WWTS is subject to certain conditions, including Corix obtaining appropriate regulatory approval, including without limitation an approval of the sale, transfer and merger ("STM Approval") from the Texas Commission on Environmental Quality ("TCEQ").
- D. Landco and Resort Owner have had an adequate opportunity to review and consider the terms and conditions of the proposed tariff attached hereto as Exhibit "A" (the "Tariff").

- E. In furtherance of the purchase and sale of Windmill Ranch WWTS contemplated in the PSA, the parties wish to enter into this MOA to document their agreement as to the ownership and operation of the WWTS following the closing of the transaction contemplated in the PSA.

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. Tariff Approval Process

Landco and Resort Owner agree the Tariff is reasonable and fair and will not oppose Corix's application for an STM Approval in respect of the WWTS.

2. Tariff Rate Freeze Period

Provided that the Tariff or a tariff substantially similar to the Tariff is approved by the TCEQ (the "Approved Tariff"), for a period of at least one year from the closing date of the PSA ("Closing") Corix agrees not to make any application to the TCEQ or any other relevant regulator to amend or alter the Approved Tariff.

3. Other

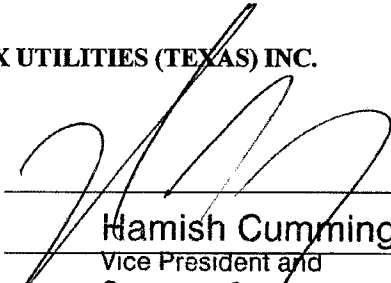
- (a) The annual revenue requirement that Corix seeks to recover from Resort Owner and Landco in its initial tariff proposed to the TCEQ for wastewater treatment service to the Resort Site is \$442,509 based on five year average flows;
- (b) The annual revenue requirement that Corix seeks to recover for raw water delivery is \$200,827;
- (c) The wastewater tariff proposed by Corix will be structured with fixed monthly charge and a single variable charge based on total monthly flow volume – that is, there will be no second tier "surcharge" based on any specified gallon per day ("gpd") threshold volume;
- (d) The parties acknowledge that the WWTS was initially designed and constructed at a 250,000 GPD capacity. Corix agrees that the entire capacity of the WWTS in its current configuration is and will be dedicated to present and future service of Resort Owner and Landco (the "Dedicated Capacity"), and no service to any future customer shall be provided by plant and equipment serving this Dedicated Capacity without the express written agreement of Resort Owner and Landco.
- (e) Corix will not enter into a service commitment with an entity other than Resort Owner or Landco if doing so would impair Corix's ability to deliver to Resort Owner and Landco at the Dedicated Capacity, nor shall any expansion of the WWTS not requested by Resort Owner and/or Landco (that is, to serve any other entity) cause any increase in costs to Resort Owner or Landco; and
- (f) Corix will not seek any tariff to include wastewater treatment service to the Resort Site and/or Landco in any "system rate" if such inclusion would increase rates paid by Resort Owner or Landco.

4. General

- (a) This MOA shall automatically terminate upon: (i) termination of the PSA; (ii) an alteration of the PSA such that the purchase and sale of the Windmill Ranch WWTS from LCRA to Corix is no longer contemplated; or (iii) upon mutual written consent of the parties. Should the events contemplated in items (i) or (ii) occur Corix agrees to promptly notify Landco and Resort Partners in writing.
- (b) Termination or expiration of this MOA shall not (i) relieve a Party from liability for a breach of any binding provision of this MOA which occurs prior to termination or expiration of this MOA and (ii) result in the termination of any of the following provisions, all of which shall survive termination or expiration: 4(b), 4(d), 4(f), and 4(g).
- (c) No Party may assign this MOA or any its rights and/or obligations under this MOA to a third party without the prior written consent of all the other Parties to this MOA, such consent not to be unreasonably withheld.
- (d) This MOA shall be governed by the laws of the State of Texas and without regard to conflicts of law principles.
- (e) This MOA may be modified, supplemented or amended only by an agreement in writing signed by the Parties.
- (f) Except as expressly agreed in writing by the Parties, each Party shall be responsible for and bear all its own costs and expenses incurred in connection with this MOA and the definitive agreement(s) contemplated herein.
- (g) No Party shall make any public announcement concerning the MOA without the other Parties' prior written approval except as may be required by law or rule of any stock exchange or quotation system. If such an announcement is required by law or rule of any stock exchange or quotation system, the party required to make the announcement shall inform the other Parties of the contents of the announcement proposed to be made and shall use its reasonable efforts to obtain the other Parties' approval for the announcement, which approval may not be unreasonably withheld.
- (h) This MOA may be executed in counterparts, each of which shall be deemed an original and both of which, taken together, shall constitute one and the same instrument. Signatures for the Parties transmitted by facsimile or other electronic means shall be deemed to be their original signatures for any purpose whatsoever.

IN WITNESS WHEREOF, the parties hereto have executed this MOA as of the Effective Date.

CORIX UTILITIES (TEXAS) INC.

By: 
Name: Hamish Cumming
Title: Vice President and Corporate Secretary

BASTROP RESORT PARTNERS, L.P.,
a Texas limited partnership,
by **Woodbine/Bastrop Resort, L.P.,**
a Texas limited partnership, its general partner
by **WHL Investment Corporation,**
a Texas corporation (formerly known as Woodbine Investment Corporation),
its general partner

By: _____
Name: _____
Title: _____

LOST PINES LAND PARTNERS, L.P.,
a Texas limited partnership,
by **Woodbine/Bastrop Land, L.P.,**
a Texas limited partnership, its general partner,
by **WHL Investment Corporation,**
a Texas corporation (formerly known as Woodbine Investment Corporation),
its general partner

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the parties hereto have executed this MOA as of the Effective Date

CORIX UTILITIES (TEXAS) INC.

By: _____

Name: _____

Title: _____

BASTROP RESORT PARTNERS, L.P.,

a Texas limited partnership,

by **Woodbine/Bastrop Resort, L.P.,**

a Texas limited partnership, its general partner

by **WHL Investment Corporation,**

a Texas corporation (formerly known as Woodbine Investment Corporation),

its general partner

By: Ian James Cihak

Name: Ian James Cihak

Title: Senior Vice President

LOST PINES LAND PARTNERS, L.P.,

a Texas limited partnership,

by **Woodbine/Bastrop Land, L.P.,**

a Texas limited partnership, its general partner,

by **WHL Investment Corporation,**

a Texas corporation (formerly known as Woodbine Investment Corporation),

its general partner

By: Ian James Cihak

Name: Ian James Cihak

Title: Senior Vice President

Exhibit “A”

**Proposed Tariff
(as attached)**

SEWER UTILITY TARIFF
FOR

Corix Utilities (Texas) Inc.	6836 Bee Caves Road, Suite 209
(Utility Name)	(Business Address)
Austin, Texas 78746	(512) 306-4000
(City, State, Zip Code)	(Area Code/Telephone)

This tariff is effective for utility operations under the following Certificate of Convenience and Necessity:

New CCN number to be assigned (same as for Camp Swift & McKinney Roughs WW utilities).

This tariff is effective in the following county (ies):

Bastrop

This tariff is effective in the following cities or unincorporated towns (if any):

This tariff is effective in the following subdivision or systems:

Hyatt Lost Pines Resort and nearby properties

This tariff is effective for the following public Sewer system numbers(s):

WQ0014303001

The above utility lists the following sections of its tariff (if additional pages are needed for a section, all pages should be numbered consecutively):

TABLE OF CONTENTS

SECTION 1.0 – RATE SCHEDULE	2
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APPENDIX B – APPLICATION FOR SERVICE	17

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 – Rates

Customer Class	Monthly Minimum Charge per LUE*	Gallonge Charge
Bastrop Resort Partners	\$ 15.64**	\$ 3.381 per 1000 gallons
Landco	\$ 8.33**	\$ 3.381 per 1000 gallons

- * One Living Unit Equivalent (LUE) is defined as a standard 4,000 gallons of sewer service usage per month.
- ** Bastrop Resort Partners will be billed monthly based upon 1,753 LUEs. Landco will be billed monthly based on 148 LUEs.

FORM OF PAYMENT: The utility will accept the following forms of payment:
Cash☒, Check☒, Money Order ☒, Credit Card ☒, Other (specify) Electronic Funds Transfer
THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.

REGULATORY ASSESSMENT 1.0%
TCEQ RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL

Section 1.02 - Miscellaneous Fees

TAP FEE \$ 800
TAP FEE COVERS THE UTILITY’S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL CONNECTION. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF

TAP FEE (Large Connection Tap) Actual Cost
TAP FEE IS THE UTILITY’S ACTUAL COST FOR MATERIALS AND LABOR FOR THE SEWER LINE INSTALLED.