

Section 5.16. Authority to Execute. Each party hereto represents that it has been duly authorized to execute this Agreement by a resolution of the Board of Supervisors of the District and by a resolution of the Board of Trustees of Customer.

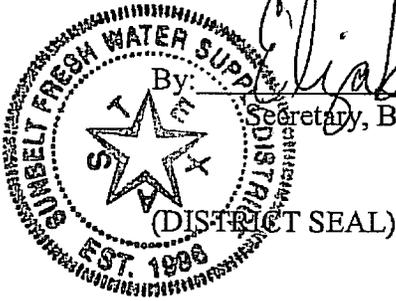
Section 5.17. Term. Unless terminated by mutual agreement of the parties hereto, or unless there is a change in the use of the Property, this Agreement shall continue in force and effect from the date hereof for a term of forty (40) years. Customer may terminate this Agreement upon Customer's sale of the Property. In the event this Agreement is terminated for any reason, Customer shall not be entitled to repayment of (i) any monies spent for construction of the Water Line, or (ii) any funds paid to the District pursuant to the Agreement.

(SIGNATURE PAGES FOLLOW)

IN WITNESS WHEREOF, this Agreement has been executed in multiple counterparts, each of equal dignity, as of the date and year first above written.

SUNBELT FRESH WATER SUPPLY DISTRICT

ATTEST:



(DISTRICT SEAL)

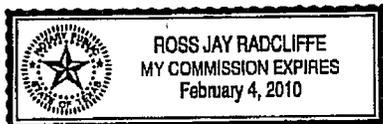
By: Elizabeth Santos  
Secretary, Board of Supervisors

By: [Signature]  
President, Board of Supervisors

STATE OF TEXAS           §  
  §  
COUNTY OF HARRIS       §

BEFORE ME, the undersigned, on this day personally appeared Marcia A. Mattern, known to me to be the person whose name is subscribed to the foregoing instrument as President of the Board of Supervisors of Sunbelt Fresh Water Supply District, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said District.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 7<sup>th</sup> day of August, 2008.



(SEAL)

[Signature]  
Notary Public, State of Texas

YES PREP PUBLIC SCHOOLS INC.

By: Chris Barbic  
Christopher J. Barbic, President

STATE OF TEXAS       §  
                                  §  
COUNTY OF HARRIS   §

BEFORE ME, the undersigned, on this day personally appeared Christopher J. Barbic, President of YES Prep Public Schools Inc., a Texas nonprofit corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed on behalf of said entity.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 14<sup>th</sup> day of August, 2008.



Ann M. Shepherd  
Notary Public, State of Texas

List of Exhibits:

Exhibit "A"               District Rate Order

EXHIBIT "A"

SUNBELT FRESH WATER SUPPLY DISTRICT  
AMENDED RATE ORDER

CERTIFICATE OF ORDER AMENDING RATE ORDER

THE STATE OF TEXAS  
COUNTY OF HARRIS  
SUNBELT FRESH WATER SUPPLY DISTRICT

§  
§  
§

We, the undersigned officers of the Board of Supervisors (the "Board") of Sunbelt Fresh Water Supply District (the "District"), hereby certify as follows:

The Board convened in regular session, open to the public, on Thursday, June 19, 2008, at 5:00 p.m., at 410 West Gulf Bank Road, Houston, Texas 77037, and the roll was called of the members of the Board, to-wit:

Marcia A. Mattem	President
William (Bill) Kneer	Vice President
Elizabeth Santiago	Secretary
Janice Gloria	Assistant Secretary/Treasurer
Linda M. Garrett	Supervisor

All members of the Board were present except \_\_\_\_\_, thus constituting a quorum. Whereupon other business, the following was transacted at such meeting: A written

ORDER AMENDING RATE ORDER

was duly introduced for the consideration of the Board. It was then duly moved and seconded that such Order be adopted; and after full discussion, such motion, carrying with it the adoption of such Order prevailed, carried, and became effective by the following vote:

AYES: 5 NOES: 0 ABSTENSIONS: \_\_\_\_\_

A true, full and correct copy of the aforesaid Order adopted at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; such Order has been duly recorded in the Board's minutes of such Meeting; the above and foregoing paragraph is a true, full, and correct excerpt from the Board's minutes of such Meeting pertaining to the adoption of such Order; the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of the Board as indicated therein; each of the officers and members of the Board are duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of such Meeting, and that such Order would be introduced and considered for adoption at such meeting, and each of the officers and members consented, in advance, to the holding of such meeting for such purpose; and such Meeting was open to the public and public notice of the time, place, and purpose of such Meeting was given, all as required by Chapter 551 of the Texas Government Code, and Section 49.063 of the Texas Water Code, as amended.

SIGNED this 19th day of June, 2008.

*Elizabeth Santiago*  
\_\_\_\_\_  
Secretary, Board of Supervisors

*Marcia A. Mattem*  
\_\_\_\_\_  
President, Board of Supervisors



**SUNBELT FRESH WATER SUPPLY DISTRICT**

**CONSOLIDATING ORDER  
REGARDING WATER AND SEWER CONNECTIONS,  
RATES AND USE**

Adopted:	June 18, 1996	Amended:	December 18, 2003
Amended:	March 5, 1998	Effective:	January 1, 2004
Amended:	October 15, 1998	Amended:	June 3, 2004
Amended:	September 16, 1999	Amended:	November 4, 2004
Amended:	November 18, 1999	Amended:	April 7, 2005
Amended:	April 20, 2000	Amended:	July 6, 2006
Amended:	June 1, 2000	Amended:	August 24, 2006
Amended:	October 26, 2000	Effective:	September 1, 2006
Amended:	December 7, 2000	Amended:	June 7, 2007
Amended:	April 26, 2001	Effective:	July 1, 2007
Amended:	October 18, 2001	Amended:	August 2, 2007
Amended:	November 1, 2001	Amended:	June 5, 2008
Amended:	December 20, 2001	Effective:	July 1, 2008
Amended:	February 21, 2002	Amended:	June 19, 2008
Amended:	May 15, 2003	Effective:	July 1, 2008

**SUNBELT FRESH WATER SUPPLY DISTRICT  
CONSOLIDATING ORDER REGARDING WATER  
AND SEWER CONNECTIONS, RATES AND USE**

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EXHIBIT "A"           STANDARD EQUIVALENT CONNECTIONS

EXHIBIT "B"           APPLICATION FOR WATER/SEWER SERVICE

EXHIBIT "C"           SERVICE INSPECTION CERTIFICATION

EXHIBIT "D"           BACKFLOW INSPECTION FORM

EXHIBIT "E"           CUSTOMER SERVICE AGREEMENT

EXHIBIT "F"           RATE ORDER FEES, DEPOSITS AND PENALTIES

**ORDER ADOPTING AMENDED CONSOLIDATED  
RATE ORDER AND RULES AND REGULATIONS**

**THE STATE OF TEXAS  
COUNTY OF HARRIS  
SUNBELT FRESH WATER SUPPLY DISTRICT**

§  
§  
§

**WHEREAS**, the Board of Supervisors of Sunbelt Fresh Water Supply District (the "District") has from time to time adopted certain orders ("Rate Order") and Rules and Regulations establishing the rates and conditions under which water and sanitary sewer service would be provided; and

**WHEREAS**, the Board of the District most recently met on May 15, 2003 and determined that it is in the best interest of the District to amend and restate its rates, rules and regulations in this Consolidating Order Regarding Water And Sewer Connections, Rates And Use to include provisions for assessing a basic service fee and providing for solid waste collection services for residential customers; and

**WHEREAS**, the Board of the District met on December 18, 2003 and determined that it is in the best interest of the District to amend and restate its rates, rules and regulations in this Consolidating Order Regarding Water and Sewer Connections, Rates and Use; and

**WHEREAS**, the Board of Directors met on June 3, 2004 and determined that it is in the best interest of the District to amend and restate its rates, rules and regulations in this Consolidating Order Regarding Water and Sewer Connections, Rates and Use to include a \$10.00 fee for initial door hangers for delinquent accounts; and

**WHEREAS**, the Board of Directors met on November 4, 2004 and determined that it is in the best interest of the District to amend and restate its rates, rules and regulations in this Consolidating Order Regarding Water and Sewer Connections, Rates and Use in order to change the commercial deposits and multi-family deposits to a two-month average on delinquent or new accounts; and

**WHEREAS**, the Board of Directors met on April 7, 2005 and determined that it is in the best interest of the District to amend and restate its rates, rules and regulations in this Consolidating Order Regarding Water and Sewer Connections, Rates and Use in order to charge the customers within the Oakwood Forest subdivision the same Basic Service fee as other residential customers within the District; and

**WHEREAS**, on July 6, 2006, the Board determined that it was necessary to amend the District's Rate Order to provide for an additional charge of \$0.25 per thousand gallons to cover the costs associated with the District's water supply and groundwater reduction plan contracts with the City of Houston; such fee to take effect on the first cycle of bills for August 1, 2006; and

**WHEREAS**, on August 24, 2006, the Board determined that it was necessary to amend the District's Rate Order to address various fees and charges related to billing and collections and operational issues in the District; to amend the District's rates as to the Commercial Customers, which will be effective October 1, 2006; and to amend the District's rates as to the Apartment Customers, which will be effective March 1, 2007; and

**WHEREAS**, on June 7, 2007, the Board determined that it was necessary to amend the District's Rate Order to provide for an additional charge of \$0.50 per thousand gallons to cover the costs associated with the District's water supply and groundwater reduction plan contracts with the City of Houston; such fee to take effect on the first cycle of bills for July 1, 2007;

**WHEREAS**, on August 2, 2007, the Board determined that it was necessary to amend the District's Rate Order to provide for a policy governing theft of water and the prohibition of and penalties associated with same;

**WHEREAS**, on June 5, 2008, the Board determined that it was necessary to amend the District's Rate Order to increase water and sewer rates as to Apartment Customers, to increase water rates as to the Commercial Customers to increase the Basic Services Fee, and to increase the Groundwater Reduction Plan fee, such fees to become effective July 1, 2008; and

**WHEREAS**, on June 19, 2008, the Board determined that it was necessary to amend the District's Rate Order to decrease the Groundwater Reduction Plan fee, such fee to become effective July 1, 2008.

**NOW, THEREFORE, BE IT ORDERED BY THE BOARD OF SUPERVISORS OF SUNBELT FRESH WATER SUPPLY DISTRICT THAT:**

## ARTICLE I

### DEFINITIONS OF TERMS

**FOR PURPOSES OF THIS ORDER, THE FOLLOWING WORDS AND TERMS SHALL HAVE THE FOLLOWING MEANINGS:**

**A. DEFINITIONS OF TERMS CONCERNED WITH WATER AND SEWER RATES AND CHARGES**

1. "Acceptable Credit" shall mean a new customer making application for service with the District. The customer shall have no more than two delinquent bills and a maximum of \$500.00 outstanding debit owed on their credit report.
2. "Apartment Connections" shall mean all multiplex residential connections, which are served by a master meter, including assisted living centers, retirement facilities, long-term care facilities and similar facilities.
3. "Apartment Units" shall mean the individual dwelling units served through the Apartment Connection's master meter and shall include condominiums and all individual dwelling units served by a master meter.
4. "Basic Service Charge" shall mean the monthly charge on all residential users of water and/or sewer service to assess various administrative charges and other service fees that are not readily assessed to either the water or sewer components of a residential customer's bill, such as charges for garbage collection.
5. "Commercial Connection" shall mean and include any office, building, hotel, motel, retail store, industrial complex, school or other establishments which are not residential or apartment.
6. "Consumer" shall mean the occupant of a residential, commercial or industrial structure or other property within or outside the area of the District, whether the owner, renter or lessee thereof who is or receiving or proposes to receive water and/or sewer service from the District.
7. "Delinquent Bill" and/or "Security Deposit" shall mean a bill for water and/or sewer service which has not been paid within twenty (20) days after the bulk mailing date of the bill for the preceding month's service and associated security deposit.
8. "Office Manager" shall mean the person or entity with which the District has employed or contracted to provide general office management.
9. "Operator" shall mean the person or entity with which the District has contracted for operation and maintenance of the plants and lines of the District's system.

10. "Residential Connection" shall mean and include any single family residence, townhouse or multiplex when such is separately metered.
11. "Residential Connection with Commercial Applications" shall mean those Residential Connections which are operating within the same structure, or within a garage, shed, or other structure, on the same property as the Residential Connection, a commercial establishment which provides goods and/or services for sale to the public and which by the nature of such establishment will likely use the water and/or wastewater services that are provided by the Residential Connection. All rules applicable to other commercial establishments with regards to grease traps, backflow prevention devices, cross-connections, and similar rules applicable to commercial connections, shall be applicable to the Residential Connection with Commercial Applications. Each Residential Connection with Commercial Applications shall be subject to the Basic Services Fee.
12. "Single Family Residential" shall mean a user of the District's System that consists of one residence designed for use and occupancy by a single family unit including but not limited to an individual house, trailer home, mobile home and similar dwellings.
13. "Separate Connection" shall mean each residential unit occupied by a separate family or person, including separate apartments within a single building and each business unit occupied by a separate business, including separate establishments within a single building.
14. "Sewage Service Charge" shall mean the monthly charge made on all users of the public sewer system.
15. "Single Family Residential Equivalency" shall mean the equivalent number of Residential Connection assigned to a Commercial Connection such that the Commercial Connection bears an equitable burden of the District's fixed operation costs.
16. "System" as used herein shall mean the water and/or sanitary sewer facilities of the District and all extensions and additions thereto, whether now in place or hereafter constructed.
17. "Water Service Charge" shall mean the monthly charge made on all users of the public water system.

**B. DEFINITIONS OF TERMS CONCERNED WITH WATER AND SEWER RULES AND REGULATIONS**

1. "District" shall mean the District's Board of Supervisors, the District's Engineer, the District's Operator, or any person authorized by the District's Board of Supervisors to act for the District in carrying out the provisions of this Order, or their duly authorized deputies, agents or representatives.

2. "B.O.D." shall mean the quantity of oxygen expressed in parts per million by weight, utilized in the bio-chemical oxidation of organic matter under standard laboratory conditions for five (5) days at a temperature of 20 degrees Centigrade. The laboratory determinations shall be made in accordance with procedures set forth in "Standard Methods."
3. "Building Drain" shall mean that part of the lowest horizontal piping of a drainage system which receives the discharge from soil, waste, and other drainage pipes inside the walls of the building and conveys to the building sewer, beginning three feet (3') outside the inner face of the building wall.
4. "Commercial Water Tap" shall mean the connection of a 3/4" or larger Water Service Line to a District Water Line to serve one (1) or more structures other than a single-family residence.
5. "Board" shall mean the captioned Board or any authorized person acting in its behalf.
6. "Domestic Sewage" shall mean water-borne wastes normally discharging into the sanitary conveniences of dwellings (including apartment houses and hotels), office buildings, factories and institutions, free of storm surface water and industrial wastes.
7. "Garbage" shall mean solid wastes and residue from the preparation, cooking and dispensing of food, and from the handling, storage and sale of food products and produce.
8. "Industrial Waste" shall mean water-borne solids, liquids or gaseous wastes resulting from and discharged, permitted to flow or escaping from any industrial, manufacturing or food processing operation or process from the development of any natural resource, or any mixture of these with water or domestic sewage, as distinct from normal domestic sewage.
9. "Natural Outlet" shall mean any outlet into a watercourse, pond, ditch, lake or other body of surface or ground water.
10. "Normal Domestic Sewage" shall mean normal sewage for the District in which the average concentration of suspended materials and five (5) day B.O.D. is established at 300 parts per million each, by weight, on the basis of the normal contribution of seventeen-hundredths (0.17) pounds per 100 gallons, per capita.
11. "Parts-per-Million" shall mean a weight-to-weight ratio; the parts-per-million value multiplied by the factor 8.345 shall be equivalent to pounds per million gallons of water.
12. "Person," "Establishment," or "Owner," shall mean any and all persons, including any individual, firm, company, industry, municipal, or private corporation, association, governmental agency, or their agents, servants or employees.

13. "pH" shall mean the logarithm (base 10) of the reciprocal of the hydrogen ion concentration expressed in milligrams per liter. It shall be determined by one of the procedures outlined in "Standard Methods."
14. "Plumbing Code" shall refer to the Southern Standard Plumbing Code or International Plumbing Code. All installations regarding plumbing to residential and commercial structures must be conducted by a licensed plumber (Holding A Valid Master's Plumbing Licenses in the State of Texas).
15. "Properly Shredded Garbage" shall mean the wastes from the preparation, cooking and dispensing of food that have been shredded to such degree that particles shall be carried freely under the flow conditions normally prevailing in public sewers, with no particle greater than ½ inch in any dimension.
16. "Public Sewer" shall mean a sewer in which all owners of abutting properties shall have equal rights and interest and controlled by public authority.
17. "Residential Water Tap" is defined herein as the connection of either of the following to a District water line:
  - (a) A 1" Water Service Line to serve two (2) single-family residences, which is known as a "Double Tap";
  - (b) A 3/4" Water Service Line to serve one (1) single-family residence, which is known as a "Single Tap." All Residential Water Taps will be installed by the standard City of Houston "Long" or "Short" Residential Water Service Line connection, including a 5/8" x 3/4" meter and box, complete in place.
18. "Sanitary Sewer" shall mean a sewer that conveys sewage or industrial wastes or a combination of both, and into which storm, surface and ground waters or unpolluted industrial wastes are not intentionally passed.
19. "Sewage" shall mean a combination of the water-carried waste from residences, business buildings, institutions, and industrial establishments, together with such ground surface and storm water as may be present.
20. "Sewage Treatment Plant" shall mean any District-owned facility, device or structures used for receiving and treating sewage from the District's sanitary sewer system.
21. "Sewage Works" shall mean all facilities for collecting, pumping, treating and disposing of sewage and industrial wastes and would include sewage, as well as the sewage treatment facilities.
22. "Sewer" shall mean a pipe or conduit for carrying sanitary sewage.

23. "Sewerage" shall mean the system of sewers and appurtenances for the collection, transportation and pumping of sewage and industrial wastes.
24. "Sewer Service Line" shall mean the Sewer Line from the foundation of a building, including houses and commercial structures, to the District's Sanitary Sewer System.
25. "Sewer Tap" shall mean the physical connection of a Sewer Service Line to the District's Sanitary Sewer System. Without the written consent of the District's Board of Supervisors, only one (1) Sewer Tap shall be permitted for each building.
26. "Standard Methods" shall mean the examination and analytical procedures set forth in the latest Edition, at the time of analysis, of "Standard Methods for the Examination of Water and Sewage," as prepared, approved and published jointly by the American Water Works Association and the Federation of Sewage and Industrial Wastes Association.
27. "Storm Sewer or Storm Drain" shall mean a sewer which carries storm and surface waters and drainage but excludes sewage and polluted industrial wastes.
28. "Storm Water Runoff" shall mean that portion of the rainfall that is drained into the sewers.
29. "Suspended Solids" shall mean solids that either float on the surface of, or are in suspension in water, sewage, or other liquids, and which are removable by a laboratory filtration device. Quantitative determination of suspended solids shall be made in accordance with procedures set forth in "Standard Methods."
30. "Unpolluted," in use with water, waste or drainage, shall mean water or waste containing none of the following:
  - (a) Emulsified grease or oil;
  - (b) Acids or alkalis;
  - (c) Phenols or other substances imparting taste and odor in receiving water;
  - (d) Toxic or poisonous substances in suspension; and
  - (e) Colloidal state or solution and noxious or otherwise obnoxious odorous gases.

It shall contain not more than ten (10) parts per million each of suspended solids and B.O.D. The color shall not exceed fifty (50) parts per million.

31. "Utility Commitment" shall mean a formal written commitment, either permanent or temporary, given by the District, stating that wastewater capacity of a specified volume is available for a defined tract of land.
32. "Watercourse" shall mean a channel in which a flow of water occurs, either continuously or intermittently.
33. "Water Mains" shall mean water distribution pipes located in public right-of-ways or easements and maintained by public authorities.
34. "Water Service Line" shall mean the water line from the property line of the property to be served with water, to the District's waterworks system.

## ARTICLE II

### COMMITMENTS AND CONNECTIONS

#### A. POLICY ON ISSUANCE OF WASTEWATER UTILITY RESERVATION COMMITMENT

This Policy and Procedures for Issuance of Water and Wastewater Utility Commitments (the "Policy") shall apply to any property within the District which has not been platted or which currently has service approved by the District available to it and all Property outside the District for which service is requested. For example, no owner of a single family lot in a platted subdivision to which District service is available shall be required to comply with this policy and may apply directly for a utility connection under Paragraph C. The Board of Supervisors has adopted the following policy for the purpose of providing water and sewer service for the growth and development within the District in a uniform and nondiscriminatory manner. These policies and procedures shall apply uniformly throughout the District for any new or additional development.

1. **Application and Deposit.** If requesting service to property currently located within the District or if requesting service to property located outside the District, the application as described in Exhibit "B" should be completed and submitted to the District's Office Manager along with a deposit check made payable to the district in the amount as described in Exhibit "F."

2. **Processing Application.** Upon receipt of the attached, fully completed Application and deposit, the Office Manager shall present the request to the Board of Supervisors of the District and obtain authorization for the District's consultants to begin the evaluation of the request. The deposit will be used to cover the expenses incurred by the District for the preliminary evaluation by the consultants as to whether the District's facilities can accommodate your proposed project.

3. **Additional Deposit.** The Board of Supervisors reserves the right to request additional deposit monies from the Applicant if the initial deposit is not sufficient to cover anticipated consultant costs during the review. If additional monies are not produced when requested, then all review work will be stopped and this application will become null and void.

upon ten (10) days written notice to the Applicant. Upon completion of the review by the District, the remaining position of the deposit, if necessary, will be returned to the Applicant.

4. **Miscellaneous Conditions.**

(a) **Application Required.** Any party requesting service from the District shall be required to submit an Application to the Board of Supervisors for consideration.

(b) **Term of Commitment.** Reservation Commitments shall be effective for one (1) year from the date of issuance which shall be the date the district issues a written statement to the applicant that their request has been approved by the District.

(c) **Transfer.** Reservation Commitments are parcel and land use specific, and are non-transferable; provided, however, prospective buyers may jointly apply for service with the owner of the property.

(d) **Taxes and Standby Fees.** Application shall not be considered for property with delinquent taxes or standby fees.

(e) **Construction.** No construction may begin on any improvements until all fees required by the District have been paid and the construction plans approved by the District Engineer.

(f) **Construction Deadline.** Construction must begin prior to the expiration date contained in the commitment and diligently pursued thereafter. In the event construction has not commenced on any tract for which a commitment has been issued prior to the expiration of the commitment, the reservation shall lapse without notice and the application procedures must be reinstated as described herein.

(g) **Progress Reports.** Applicant is required to provide the District with periodic written progress reports (at thirty (30) day intervals) advising the Board of Supervisors as to the status of progress up to commencement of construction.

(h) **Plats and Approvals.** All tracts of land receiving service must be platted as required by law and the plat and plans must be approved by the City of Houston, Harris County and other appropriate agencies prior to utility service being provided by the District.

(i) **Extension of Facilities.** Applicant must make arrangements to expand plant facilities or extend the necessary trunk water and sanitary sewer and facilities to serve its property in areas where such facilities do not exist. All temporary and permanent arrangements for sewer and water service must be worked out in advance of construction with the District's Office Manager.

(j) **Easements.** Applicant, at their sole cost, must convey all necessary easements and rights-of-way to the District with all lienholder subordinations.

(k) **Maintenance Responsibility.** All utility lines constructed that are not in permanent acceptable easements, or which lie within private developments (apartments, condominiums, etc.) shall remain the permanent property of the landowner and shall remain such owner's permanent maintenance responsibility.

(l) **Change in Use.** Any change of use from the previously approved use of the property covered by this application as described in paragraphs 1-3 above must be approved by the Board. Any request for change in use must be submitted in writing, describing in detail any change in any information submitted in connection with the original application, together with monies to re-establish a full deposit (as described in Exhibit "F") which has been used to pay for the work performed under the original application.

(m) **Rate Order Governs.** Service shall be extended to a tract in accordance with the then current Order Setting Water and Sewer Tap Fees and Setting Service Rates and Rules and Regulations Governing Waterworks and Sanitary Sewer System.

(n) **Annexation.** In addition to the other referenced prerequisites, including Paragraph B below, the following requirements are applicable to requests for annexation:

- (i) A feasibility study shall be prepared by the District's Engineer.
- (ii) Applicant shall provide to the District a copy of the deed showing current ownership of the property referenced in the Application.
- (iii) Applicant shall submit to the District a current title commitment.
- (iv) The petition to the City of Houston for its consent to the annexation and the annexation petition to the Board shall be prepared by the District's Attorney.
- (v) All costs of annexation, including attorney's fees, engineering fees, election fees and any and all other fees relating to said annexation, shall be paid by the Applicant.
- (vi) Applicant shall provide to the District a copy of the current survey of the property, including a metes and bounds description.

## **B. ANNEXATION POLICY**

The Board of Supervisors would consider annexation of real property into the District subject to the following conditions:

1. All legal, engineering and other costs associated with the annexation shall be paid by the Applicant.
2. All costs of constructing the water, sanitary sewer and drainage facilities to serve the property shall be paid by the Applicant.

3. The District's existing sewage treatment plants may currently be sufficient to serve only the projected development of the land currently located within the District. Applicant shall be required to finance all costs related to whatever expansion to the District's sewage treatment plant(s) as necessary to serve the annexed property. Such costs shall be secured by an irrevocable letter of credit, in form satisfactory to the Board, drawn on a bank located in Harris County, Texas. Such letter of credit shall be deposited with the District at the time Applicant begins construction of any utilities to serve its property.

4. The same restrictions and procedures as described in 3 above shall apply to the District's water production facilities, if it is determined that the District does not have sufficient surplus water supply to serve Applicant's proposed development.

5. All utility facilities proposed to be owned and operated by the District shall be designed by the District's engineer, who will also perform a general review of the construction of same.

6. All contracts let for the construction of utilities shall be let in the name of the District and shall be supervised by the Board of Supervisors. All payments, however, shall be solely the responsibility of the Applicant.

7. In the event the District determines that the plant facilities or certain utility lines should be oversized in order to accommodate anticipated development within the District, the Applicant shall fund the over sizing of such lines. The District, however, shall endeavor to recoup such additional costs from the benefiting landowners when they request service from the District.

8. All construction costs shall be reimbursed by the District in accordance with the rules of the Texas Commission on Environmental Quality including TAC 293.47 (related to 30% contribution by the Developer) to the extent agreed between the Developer and the District.

9. The terms and conditions of the annexations agreement shall be recorded at the time of annexation and shall be binding upon any future purchaser and any lender.

10. Whether the Applicant has known use for the annexed tract will impact the district's decision on whether to annex the tract.

The Board of Supervisors recognizes that the providing of utility service to a tract may include consideration not specifically addressed herein or that special circumstance may arise that make these conditions inapplicable. The Board of Supervisors stands ready to address with an Applicant any issues relevant to the policy on issuance of utility commitment and to an annexation. This policy, however, is written to provide a potential Applicant with the general policy of the District regarding issuance of utility commitment and annexation.

### **C. APPLICATION FOR UTILITY CONNECTION**

Any person desiring connection to the District's System, after following the requirements of Section A above, if applicable, shall follow the following steps:

1. The applying person should initiate his request for utility connection at the office of the District.

The applicant will fill out the forms as shown in Exhibit "B" and will submit all the requirements as set forth in these forms.

The applicants tap fee will be assessed, based on the proposed land use and the provisions set forth in ARTICLE II.E, hereof. Paying a tap fee on an improved portion of a larger tract of land does not constitute a Utility Commitment on the remaining unimproved portion. A Metes and Bounds description and a recorded Plat of the tract receiving service should accompany the submitted Site Plans.

2. The Office Manager will then make preliminary determination that utility commitments and availability exists and is committed by the District for the subject tract. On that basis, the Office Manager will assess the connection fee according to this Order. The Office Manager will request an "Assignment of Commitment" when the Applicant is not the original recipient of the District's Commitment. In absence of such an Assignment, the commitment will be allocated on a prorated acreage basis.

3. The Office Manager will then forward two (2) copies of the Site Plan to the District Engineer for further and final evaluation of utility commitment and availability and evaluation of any encroachments to District utility easements. The Engineer will then, in writing, confirm any additional requirements to the applicant regarding such encroachments and/or confirm the Utility Connection Agreement. The Engineer will also make record of the description of the Tract for which the tap fee is dedicated. A copy of that documentation shall go to the District's Attorney, the Operator, the Bookkeeper, and the District Secretary.

#### **D. CONNECTION AND DISCONNECTION; POLICIES, FEES AND DEPOSITS**

##### **1. Connection to District's System.**

(a) **In-District Consumers:** Upon approval of an application for service by the District Manager and payment of all applicable fees, each structure within the District may be connected to the District's system as soon as the District has made available to such structure, plant and line capacity to serve same. If both water and sewer services do not become available at the same time, the Consumer may connect to the water system at the time water service becomes available and shall connect to the sewer system at the time sewer service becomes available. No service shall be given from the District's system unless such user agrees to take both water and sewer service, except to Public Space users and where the Consumer has another Single Family Residential Connection or in those instances where the District determines that both services are not necessary.

(b) **Out-of-District Consumers:** Upon approval of an application for service by the District Manager, and payment of all deposits, tap, inspection and account institution fees, connections may be made to the District's facilities at no cost to the District. No permanent single service shall be

available to any Consumer; provided, however, that this requirement shall not apply to any Consumers receiving a single service as of the adoption date of this Rate Order.

Also, for purposes of this Section, Out-of-District Consumers may not share a common connection on the same property. Violation of this provision will result in the immediate termination of all service as provided in Article V.B hereof.

2. Deposit To Secure Payment and Service Charge. A security deposit as described in Exhibit "F" shall be collected on all new connections and reconnections after termination for delinquency. A customer's credit will be determined by one of two means. The customer will provide a credit reference letter from their prior utility provider or the District will perform a background credit check on the customer applying for the new account (Refer to Definitions and Terms in Index regarding acceptable credit). Any previous unused deposit with the District will be credited to the amount of the deposit due by any Consumer. All deposits shall be prepaid and water and sewer service shall not be provided until such time as payment of the deposit has been received. The deposit shall be refundable when ownership is transferred, contingent on providing proof of payment of all bills owed to the District. No interest shall be paid by the District on any deposit. A consumers request for refund of the security deposit will be on a case by case review of payment history and will only be refunded after the Board's approval.
3. Discontinuing and/or Connecting Service.
  - (a) At request of Customer.
    - (1) New Service: At any time a Customer wishes to establish an account with the District (which shall be done at any time responsibility for payment is changed), such new Customer shall pay a non-refundable account transfer fee as described in Exhibit "F." The account transfer fee, however, shall not apply to a new account being established as a result of payment of a tap fee pursuant to Section II.E. hereof.
    - (2) Existing Service: At any time a Customer temporarily or permanently, abandons the structure being served and no longer wishes to be furnished with water, he shall notify the District Manager in writing at least two (2) days prior to the time he desires such service discontinued. A charge for restoring water service where such service is restored at the request of the Customer, provided he is not delinquent in the payment of any bills at the time of either request shall be required as described in Exhibit "F."

(b) Discontinuing Service and Removing Meter For Failure to Pay Bills When Due.

- (1) According to the terms of this Rate Order, the District shall have the right to discontinue water, wastewater, and/or basic service to a Customer after his bill becomes delinquent. Service shall not be restored until receipt of the following charges:
- (i) a deposit fee, in accordance with subparagraph (2) above;
  - (ii) a reconnection charge as described in Exhibit "E"; and
  - (iii) payment of any bills that are currently owed to the District, plus any penalties required by this Order.

A bill shall include charges for any work done by or on behalf of the District, which is attributable to a problem in the Customer's system or a problem in the District's system, which in the opinion of the District is caused by the Customer or such Customer's system. All payments of such amounts shall be by personal check, cashier's check, certified check or money order.

- (2) In the event the delinquent bill is not paid and service is terminated, the District shall have the right to remove the meter from the meter box. Service shall not be restored until receipt of the following charges:
- (i) All amounts required by subparagraph 3(b)(1) above, plus
  - (ii) a meter replacement fee as follows described in Exhibit "E"
- (3) **INSUFFICIENT FUNDS CHECKS** - Customers presenting a check for payment that is dishonored by the Customer's bank will be given forty-eight (48) hours to present a cashier's check, certified check or money order to pay their balance, along with all fees and penalties. If such payment in full is not received within the forty-eight (48) hour period, then the Customer's service is subject to immediate termination. Subsequent bills to a Customer presenting checks that have been dishonored shall be paid by cashier's check, certified check or money order, unless written approval is received from the District Manager that check writing privileges are restored. Customers shall also be required to establish a deposit of at least \$100 to secure future payments.

(4) PARTIAL PAYMENTS

(a) On a Monthly Bill – Customers making a partial payment of a monthly bill and not paying the full balance by the due date will receive a notice indicating the Customer has forty-eight (48) hours to pay the balance of the bill or make arrangements for a payment plan, otherwise the Customer will be subject to termination.

(b) On a Payment Plan - A Customer making a partial payment under a payment plan, thus not meeting the terms of their payment arrangement, will receive a notice indicating their payment arrangement is terminated and the Customer has forty-eight (48) hours to pay the full balance owed on their account, otherwise the Customer will be subject to termination.

(c) Charge for Notice - Customers will be charged ten dollars (\$10) for each such notice provided by the District pursuant to (a) & (b) above.

(5) Upon determination by the District that a Customer has vacated the premises where service to the Customer was established and the Customer has failed to pay the balance due on the Customer's account, the District may assign the delinquent account to a company that handles collection of delinquent accounts. If assigned to a collector, the Customer's account will be charged an additional \$30 to offset the District's costs of collection.

4. Service Agreements. Prior to receiving service from the District to new construction or to buildings containing new plumbing fixtures, or prior to having service reconnected to any building after termination of water service, a user must execute a Service Agreement attached to this Rate Order as Exhibit "B," "C," "D" and "E".

**E. WATER TAPS, SEWER INSPECTIONS AND STAKING**

1. Residential. Residential connection charges shall be made for every residential connection up to and including a 3/4-inch meter, to the District's water distribution and wastewater collection system as described in Exhibit "F." Charges shall include the meter and meter box and installation thereof. For connections of 1-inch or more, the District will establish tapping charges by separate order or agreement; however, the connection charge shall not exceed three (3) times the actual and reasonable costs to the District for such work.

2. Commercial. Commercial connection charges for every commercial connection to the District's water distribution and wastewater collection system shall be as described in Exhibit "F." However, the connection charge shall not exceed three (3) times the actual and reasonable costs to the District for such work. The District shall make a determination whether such commercial connection requires

a grease trap by inspecting such facility. The Customer shall pay a Grease Trap Determination Fee as set out in Exhibit "E."

3. Wastewater Connection Inspection. All connections to the District's sewer system shall be made in accordance with the District's Rules and Regulations Governing Water and Wastewater Service. All connections to the District's wastewater system shall be inspected by a representative of the district prior to being covered in the ground. In the event a wastewater connection is made and covered without an inspection by a representative of the District, water service at such location shall be terminated until such time as an inspection has been performed and the connection passes inspection. If a wastewater connection fails the inspection, an additional inspection will be required at the same rate. The fees for this inspection are as described in Exhibit "F." All connections must comply with the plumbing code. For a wastewater connection, the District's operator must be notified prior to the connection being made. After the connection, the District's Operator shall again be notified and shall inspect the work prior to commencement of wastewater service.
4. Locating and Staking Fee. Should the District's Operator be asked to locate and stake District's water distribution or sewer collection system lines, for any reason, then in addition to the charges listed above, a locating and staking fee, as described in Exhibit "F," must be paid before service will be rendered.
5. Payment Agreements. Any payment arrangements agreed to by the District Manager shall be no longer than ninety (90) days, unless special circumstances exist for other arrangements that are agreeable to the District Manager. Upon making payment arrangements for the tap, the Customer shall make arrangements for a licensed plumber to complete the required connection to the District's system within fourteen (14) calendar days. The District will commence billing the Customer upon connection or upon the expiration of the fourteen (14) day period, whichever is earlier.
6. Taps to Remedy Illegal Connection. Any Customer who is required to obtain a separate tap due to illegal service being provided to another structure, shall be subject to termination, if a tap fee or payment arrangements for the tap fee are not made within seven (7) days of notice of such requirement. Also, any default by any Customer having a payment arrangement approved by the District Manager, shall subject the Customer to termination of service.

## **F. CUSTOMER SERVICE INSPECTION CERTIFICATION**

No new connections to the District's water system shall be made unless a state licensed plumber or a water supply protection specialist licensed by the Texas State Board of Plumbing first submits in writing to the District a Certificate of Compliance specifying that the new connection complies with the plumbing material prohibition contained in Article IV Sec. C. The Certificate of Compliance shall be signed by the licensed plumber and submitted to the District at the same time that the tap fee is paid. The District shall not accept any tap fee that is not accompanied by a Certificate of compliance as shown in Exhibit "C."

## **G. CUSTOMER SERVICE INSPECTIONS**

A customer service inspection, as shown in Exhibit "C," is required prior to the tie the District (1) Provides continuous water service to new construction, (2) Provides water service to private plumbing facilities that have been added to existing construction or materially improved or corrected, or (3) Continues service to a Consumer when the District has reason to believe that cross-connections or other unacceptable plumbing practices exist. The cost of such customer service inspection will be the sole responsibility of the Consumer. For all types of service either a state licensed inspector, or water supply specialist licensed by the TCEQ must perform the inspection. In connection with new construction, should the District Operator be requested to perform the inspection, the fee will be collected along with the tap fee. Thereafter, the District may at their discretion, periodically inspect a Consumer's plumbing system during normal business hours for the purpose of identifying possible cross-connections and other unacceptable plumbing practices which violate this Rate Order. The District's Office Manager will retain such inspection certifications for a minimum of ten (10) years. The cost for such inspections will be as described in Exhibit "F."

## **H. PRE-FACILITY INSPECTION**

All builders or contractors for property owners within the District must contact the Office Manager, prior to starting any work on property within the District, to perform an inspection to verify District facilities. If any District facility is either damaged or cannot be located, the District will make necessary repairs or locate and make the facilities visible at the expense of the District. A copy of the inspection report will be given to the builder's or contractor's representative, if requested. The following costs for each inspection are described in Exhibit "F" and shall be payable along with the tap fee.

## **I. FACILITY INSPECTION**

After construction has been completed on the property, but before service is transferred to a user, the District will conduct a final site survey to reinspect the water tap, meter and all other District facilities on the property. The property owner, builder or contractor will be held responsible for any damages or adjustments to District facilities and the cost of repairing, adjusting or relocating the facilities (the "Backcharges"). If any reinspection of the facilities is required to ensure that the District's facilities are repaired, relocated or adjusted, a fee in the amount shall be charged for each such reinspection before service will be transferred to a subsequent user. Payment of the Backcharges, or any inspection or reinspection fees, shall be made on or before the 30th day after the date of the invoice of said charges. The District may withhold the provision of service to the property or to other property owned by ant user, property owner, builder or contractor who has failed to timely pay for the Backcharges or any inspection or reinspection fee, including specifically the provision of additional taps; provided, however, the District shall follow the notification procedures set forth in this Rate Order prior to withholding the provision of service. The following costs for each inspection are described in Exhibit "F" and shall be payable along with the tap fee.

## **J. BACKFLOW PREVENTION ASSEMBLIES / TESTING**

In the event that the District, in its sole discretion, requires a Consumer to install a backflow prevention device in order to prevent possible contamination of the District's water supply, the Consumer shall, at its own expense, properly install, test and maintain according to Commission rules such backflow prevention device, and shall provide all testing and maintenance records to the District (Refer to the Backflow Prevention Ordinance 00-01). The Consumer shall have ten (10) working days after receipt of notice from the District to properly install the required backflow prevention device. If the Consumer fails to comply with the requirements of this Section, the District may, at its option, either terminate service in accordance with the provisions of Section D.3(b) of this Order, or the District may properly install, test and maintain such backflow prevention device and bill the Consumer all expenses relating thereto.

Effective January 1, 1996, all backflow prevention assemblies shall be tested upon installation by a recognized backflow prevention assembly tester and shall be certified to be operating within specifications. Further, backflow prevention assemblies installed to provide protection against high health hazards (as defined in 30 Texas Administrative Code §290.38) must be tested and certified annually. If tested by the Operator, the District shall charge the Consumer a fee per backflow prevention assembly tested as described in Exhibit "F." Annual registration by licensed backflow prevention assembly testers is required in the District described in Exhibit "F." The District requires an inspection fee for residential and non-residential backflow prevention devices described in the Exhibit "F."

For each assembly tested, a signed and dated original Test Report containing, at a minimum, the information found in the form attached hereto as Exhibit "D," must be completed by the recognized backflow prevention assembly tester and submitted to the District. The District must retain such Test Reports for a minimum of three (3) years.

## **K. WATER AND SEWER SERVICE LINES OR LEADS**

In the case of commercial, unrestricted or unrecorded property which has been subdivided and for which no water or sewer service line or lead exists to or across such subdivided parcel, the Applicant for service shall provide to the District any easement deemed necessary by the District and shall pay all costs associated with either the extension of a District's service line to the property and/or any street boring for a cross lead. The size and location of any new line or cross lead shall be determined by the District's Office Manager with final approval required by the District's Board of Supervisors. No new line extension or cross lead shall be constructed until 1) all necessary easements have been provided by the Applicant to the District, and 2) all costs of design and construction have been paid in advance by the Applicant.

## **L. MISCELLANEOUS**

1. No Reduced Rates or Free Service. All Consumers receiving either water or sewer service, or both, from the District shall be subject to the provisions of this Order and shall be charged the rates established in this Order; and no reduced rate or free service shall be furnished to any such Consumer.

2. No Sales of Unmetered Water. No water will be delivered to any person or Consumer except on a metered basis, without the express written approval of the District.

3. No Sales for Purposes of Resale. No Consumer shall sell or resale water or sewer services to any other person or entity.

4. Consumers Not Entitled to Specific Quantity or Pressure of Water. Water consumers are not guaranteed a specific quantity or pressure of water for any purpose whatever, and it is understood that the District is only to furnish a connection to its water system, and is in no case liable for failure or refusal to furnish water of any particular amount or pressure of water.

5. Water Connections Generally. No person, other than the properly authorized agents of the District, shall be permitted to tap or make any connection with the mains or distributing pipes of the District's water system, or make any repairs and/or additions to or alterations in any District tap, pipe, cock or other fixture connected with the water service line.

6. Meters. Title to all water meters and appurtenances, including the meter boxes enclosing same, shall vest in the District and shall be set up by employees or agents of the District. After a meter has been set, the Consumer shall at all times keep the space occupied by the meter and the box free from rubbish or obstructions of any kind. No person other than a duly authorized agent of the District shall open the meter box, tamper with it, or in any way interfere with the meter or box. Each customer requesting the District to inspect the accuracy of the meter servicing their property shall submit a fee deposit with the District to cover the actual costs incurred in testing said meter, provided that the fee will be waived, and the deposit returned to the customer, if it is determined that the meter is defective.

7. Penalty For Failure to Pay Bill Before Delinquent. A bill for water and/or sewer service shall be payable upon receipt and shall be delinquent after twenty (20) days following the bulk mailing date. A charge of ten (10%) percent of the total amount of the consumer's bill or \$3.00, whichever is greater, shall be added thereto, when such bill becomes delinquent.

8. Proper Tender Required/Returned Check Fee.

(a) Temporary checks or checks without a pre-printed name and address will not be accepted by the District.

(b) Customers shall pay their bills with the exact amount by personal check, cashier's check, certified check, or money order.

(c) If a Customer cannot pay the exact amount, then the District may accept a payment of an overage and credit the Customer's account accordingly.

(d) Any account paid with a check returned unpaid shall be charged a returned check fee (as described in Exhibit "F") in addition to any other charges and penalties.

9. Penalty For Exceeding Allocated Capacity. In the event any Consumer utilizes water and sewer capacity in excess of its allocated capacity for any day, month or year, it shall be deemed a violation of this Order for each day such excess usage continues. Upon written notice

to the Consumer of such a violation of its allocated capacity, the District reserves the right to terminate water and sewer service to such Consumer until such time as the District is assured that such excess usage will be discontinued. In addition, any violation for exceeding allocated capacity shall be subject to the fines and/or penalties expressed in Section IV(B) of this Order.

10. Miscellaneous Services.

(a) The District, acting through its Office Manager, may perform other services for persons requesting those services such as contacting general contractors, road contractors and utility service contractors for the purpose of location of water and/or sewer lines for such persons, however, any costs incurred by the District will be billed to such persons at an amount equal to the District's cost plus 10%. If the District does not have a contract with such person, payment arrangements satisfactory to the Office Manager should be made in advance; provided, however, this charge shall not apply in the case of a homebuilder attempting to locate the District's facilities for the purpose of installing a tap.

(b) Any person, working on sewer taps, working in the District's easements shall be required to contact the District's Office Manager and shall be prohibited from working in or around the District's facilities unless and until such person has provided sufficient security to the District to satisfy any potential damages to the District's water or sewer system in an amount determined by the District.

11. Review. It shall be the policy of the District to review this Order at least annually and revise same as may be required by the District's financial situation, including taking into consideration projected maintenance and capital projects.

**ARTICLE III**

**WATER AND SEWER RATES; BASIC RESIDENTIAL SERVICE FEE**

**A. MONTHLY RATES FOR WATER AND SEWER SERVICE FOR SINGLE-FAMILY RESIDENTIAL CONSUMERS**

<b>WATER</b>	<b>SEWER</b>
Minimum \$13.50* (includes first 3,000 Gallons)	Minimum \$17.50 (includes first 3,000 Gallons)
3,001-8,000 Gallons \$2.25 per Thousand Gallons	Over 3,000 Gallons \$2.50 per Thousand Gallons
8,001-13,000 Gallons \$2.85 per Thousand Gallons	
13,001-18,000 Gallons \$3.25 per Thousand Gallons	

**\*Monthly Minimums are as follows:**

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>
5/8" or 3/4"	\$13.50
1"	\$20.93
1 1/2"	\$38.07

Over 18,001 Gallons	2"	\$59.54
\$3.85 per Thousand Gallons	3"	\$109.89
	4"	\$179.55
	6"	\$705.77
	8"	\$1247.39
	10"	\$1812.22

**B. MONTHLY RATES FOR WATER AND SEWER SERVICE FOR APARTMENTS**

**(Through August 2008, the following rates shall apply for apartment projects)**

For the basic usage of 3,000 gallons per apartment unit	\$10.45 per unit	\$13.25 per unit
Over the basic usage of 3,000 gallons per apartment unit	\$3.00 per 1,000 gallons	\$3.25 per 1,000 gallons

**(Effective September 1, 2008, the following rates shall apply to apartment projects)**

	<b>WATER</b>	<b>SEWER</b>
For the basic usage of 3,000 gallons per apartment unit	\$13.50 per unit	\$17.50 per unit
Over the basic usage of 3,000 gallons per apartment unit	\$3.00 per 1,000 gallons	\$3.25 per 1,000 gallons

**C. MONTHLY RATES FOR WATER AND SEWER SERVICE FOR COMMERCIAL CONSUMERS**

**WATER**  
Minimum \$17.50\*  
(includes first 3,000 Gallons)

**SEWER**  
Minimum \$25.00  
(includes first 3,000 Gallons)

3,001-8,000 Gallons  
\$2.25 per Thousand Gallons

Over 3,000 Gallons  
\$3.00 per Thousand Gallons

8,001-13,000 Gallons  
\$2.85 per Thousand Gallons

**\*Monthly Minimums are as follows:**

13,001-18,000 Gallons  
\$3.25 per Thousand Gallons

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>
5/8" or 3/4"	\$17.50
1"	\$24.93
1 1/2"	\$42.07
2"	\$63.54
3"	\$113.89
4"	\$183.55
6"	\$709.77
8"	\$1251.39
10"	\$1816.22

Over 18,001 Gallons  
\$3.85 per Thousand Gallons

**D. BASIC SERVICE FEE.**

A basic residential service fee shall be charged to single-family residential customers receiving water and/or wastewater service from the District. The charge covers various other services, including administrative services that are not readily assessed to either the water or wastewater components of the customers' bills. A Basic Service Fee shall be separately assessed on the residential customer's bills in the amount of \$14.00.

**E. GROUNDWATER REDUCTION PLAN FEE.**

A Groundwater Reduction Plan ("GRP") fee shall be charged to all customers receiving water service from the District. Due to the District's obligation to reduce the amount of water pumped from the District's water wells, in compliance with the rules and regulations of the Harris Galveston Subsidence District, the District has entered into water supply agreements and a groundwater reduction plan agreement with the City of Houston. To provide funds for the additional costs associated with these agreements with the City of Houston, effective with the first cycle of bills after July 1, 2008, each customer shall be assessed a separate additional charge of \$1.25 per thousand gallons used.

**F. IRRIGATION METER.**

Customers may request a water tap and meter to accommodate service for such Customer's sprinkler system, which irrigates the Customer's property only. Customers shall pay the water tap charges and inspection fees and will be assessed fees for usage according to the same rates as are charged to District Customers in Paragraph A, above, for water usage. No wastewater or basic service fees shall be charged on irrigation meter accounts.

**G. PRORATION OF CHARGES.**

Each Customer's bill upon initiation of service shall be prorated for the billing period in which service commences. Such proration shall apply to the base water and wastewater charges, but not the Basic Service Fee and GRP fee, which shall be paid in full for the billing period. Likewise, each Customer's final bill shall be prorated for the billing period in which service is terminated.

**H. WINTER AVERAGING FOR SINGLE-FAMILY RESIDENTIAL.**

The District will implement "winter averaging" for the Single-Family Residential Customers by averaging the usage figures for December, January, and February and using such average for determining the wastewater charges for the Residential Customers for the following March through February twelve month period. To provide for winter averaging of new residential customers, the District will use 9,450 gallons as the average usage figure to determine the wastewater charge.

## ARTICLE IV

### RULES AND REGULATIONS GOVERNING DISTRICT SERVICES

The following Rules and Regulations (the "Rules and Regulations") shall govern the installation of connections or taps to the District's Waterworks and Sanitary Sewer System, the limitations on flow of waste into the Sanitary Sewer System, the protection of all facilities which are part of the District's Waterworks and Sanitary Sewer System, and set performance standards for water fixtures in new construction.

#### A. WATER SERVICE LINES AND WATER TAPS

1. All connections to the District's Water Mains shall be made by the District's Operator or a Contractor designated by the Operator. The connection shall include the furnishing and installing of the service tapline, water meter, and water meter box or vault.
2. The connections to the District's water mains and sanitary sewers may be made at different times.
3. The following materials are allowable for users extension from building to the District's Water Service Line: (All installations must comply with the plumbing code)\*
  - (a) Brass curb stops, corp stops, and U-branch and related fittings manufactured by Ford, Hays or Muller
  - (b) Polyethylene water service pipe, 3/4" to 3," per AWWA C901
  - (c) Type K, Class 1 copper water service pipe
  - (d) Water main pipe, 4" and larger, of PVC, AWWA C-900, 150 (DR-18)
  - (e) Plastic meter box up to 1" meter
  - (f) Concrete meter box or vaults - 2" meters and larger

#### B. SANTARY SEWER SERVICE LINE

1. Only one (1) service line may be connected to the District's sanitary sewage collection system for each residence or commercial building. (All installation must comply with the plumbing code.)\*
2. Only the following types of pipe and fitting materials are approved for constructing service lines. Pipe and fittings on each individual service line must consist of the same material.

- (a) Poly-vinyl-chloride type PS 46 conforming to ASTM F-789 or PSM (PVC) pipe conforming to ASTM Specification D3034 and installed according to ASTM D2321 or Schedule 40 or SDR 26.
  - (b) Ductile-Iron Pipe conforming to ANSI A21.51 with rubber gasket joints, ANSI A21.11, and installed according to manufacturer's recommendations.
3. Minimum sizes of service lines shall be as follows:
    - (a) Residential - 4-inches in diameter
    - (b) Commercial - 6-inches in diameter
  2. Minimum grades for service lines shall be as follows:
    - (a) 4-inch pipe - one foot drop per hundred feet (1%)
    - (b) 6-inch pipe - six inches drop per hundred feet (0.5%)
    - (c) 8-inch pipe - four inches drop per hundred feet (0.40%)
  3. Maximum grades for service lines shall be as follows:
    - (a) 4-inch pipe - two and one-half feet drop per hundred feet (2.5%)
    - (b) 6-inch pipe - one and one-half feet drop per hundred feet (1.5%)
    - (c) 8-inch pipe - one foot drop per hundred feet (1%)
  4. All service lines must be constructed to true alignment and grade. Warped and sagging service lines will not be permitted.
  5. Building tie-on connection must be made directly to the stub-out from the building plumbing at the foundation on all waste outlets.
  6. Water-tight adapters of a type compatible with the materials being joined must be used at the point of connection of the service line to the building plumbing. No cement grout materials are permitted.
  7. Where the District has provided wyes or stacks on sanitary sewer lines, these existing wyes or stack connections must be utilized for connection of the service line to the sewer main unless an exception is permitted by the District's Operator.
  8. In all cases where the District's sanitary sewer line is on the opposite side of the street from the connection, the District has provided cross street runs, generally at

alternate lot corners. Connections shall be made to these cross street runs and not at any other location.

9. Fittings and Cleanouts

- (a) No bends or turns at any point will be greater than forty-five (45') degrees.
- (b) Each horizontal service line must be provided with a cleanout at its upper terminal; and each such run of piping which is more than ninety (90') feet in length must be provided with a cleanout for each ninety (90') feet, or fraction thereof, in the length of such piping.
- (c) Each cleanout must be installed so that it opens in a direction opposite to the flow of the waste and, except in the case of wye branch and end-of-the-line cleanouts, cleanouts must be installed vertically above the flow line of the pipe.
- (d) Cleanout risers shall be extended to grade and sealed with air-tight mechanical plug.

10. All sanitary sewer connections shall be made by a qualified licensed master plumbing approved by the District. However, the District will make the inspection and the licensed plumber must certify on the application form, EXHIBIT "B," (hereto attached), that the sewer connection was made in accordance with these Rules and Regulations and the Plumbing Code.

11. When the service line is complete, and prior to backfilling the pipe trench, the applicant for sewer service shall request an inspection of the installation. Request for inspections shall be made to the District's Office Manager at least twenty-four (24) hours in advance of the time such inspection is desired.

12. The physical connection to the District's sewer main must be made by use of an adapter of a type compatible with materials being joined. The connection shall be water-tight. No cement grout materials are permitted.

13. Backfilling of the service line trench must be accomplished within twenty-four (24) hours of inspection and approval. No debris will be permitted in the trench.

**C. PROTECTION OF DISTRICT'S WATERWORKS AND SANITARY SEWER SYSTEM**

1. It shall be unlawful for any person, unless authorized in writing by the District's Office Manager, to tamper or interfere with, obstruct access to, or as a result of willful action injure, deface, or destroy any facilities that are a part of the District's waterworks and sanitary sewer system, including, with respect to the waterworks system, water plants, flushing valves, valve boxes, and water lines up to the meter box and including meters; provided, however, that duly authorized members of the Fire Department shall have such flushing valves for fire protection purposes.

2. It shall be unlawful for any person to connect any building to the waterworks system without a meter or to have a straight line connection to a building without being metered. It shall also be unlawful to draw water from the waterworks system without being metered, including the unauthorized use of a flushing valve or unmetered water taps. Meter installations shall include back flow prevention devices on all new commercial connections. Additionally, the District reserves the right to require any present or future connections, whether commercial or residential, to install a backflow prevention device. The cost of such devices shall be borne entirely by the customer.
3. Any residential, commercial, apartment or non-profit connection which shall have interior fire control or prevention systems, which depend on water from the District shall submit plans and calculations to the District for approval prior to connection of such systems or at any other time as required by the District. Any such private fire protection system shall be metered.
4. No downspouts, yard or street drains, or gutters will be permitted to be connected into the District's sanitary sewage facilities. All clean outs must be capped. No surface storm water shall be discharged into the District's sanitary sewer system.
5. Swimming pool connections will not be made to the District's sewer system unless approved by the Board of Supervisors.
6. Review and acceptance of the District shall be obtained prior to the discharge into the public sewers of any wastes and waters having:
  - (a) A 5-day, 20 degrees Centigrade biochemical-oxygen-demand (B.O.D.) greater than 300 ppm (parts per million).
  - (b) Suspended solids containing greater than 300 ppm (parts per million).
7. Pre-treatment: Where required, in the opinion of the District, to modify or eliminate wastes that are harmful to the structures, processes or operation of the sewage disposal works, the person shall provide, at his expense, such preliminary treatment or processing facilities as may be determined necessary to render his wastes acceptable for admission to the public sewers.
8. Grease, Oil and Sand Interceptors: Grease, oil and sand interceptors shall be provided for the proper handling of liquid wastes containing grease in excessive amounts or any flammable wastes, sand or other harmful ingredients; except that such interceptors shall not be required for private quarters or dwellings. All interceptors shall be of a type and capacity approved by the District and shall be located as to be readily and easily accessible for easy cleaning and inspection. Grease and oil interceptors shall be constructed of impervious materials capable of withstanding abrupt and extreme changes in temperature. They shall be of substantial construction, water-tight and equipped with easily removable covers which, when bolted in place, shall be gas-tight and water-tight. Where installed,

all grease, oil and sand interceptors shall be maintained by the owner, at his expense, in continuously efficient operation at all times.

9. Design calculations, plans, specifications and any other pertinent information relating to proposed preliminary treatment or processing facilities shall be submitted for approval of the District prior to the start of their construction, if the effluent from such facilities is to be discharged into the Public Sewer.
10. Sampling Wells: Sampling wells shall be provided for all new sewer connections serving commercial, unrestricted or unrecorded property. In addition, the District reserves the right to require the addition of a sampling well to any current connection at any time that such connection has a change of use or at any time that such sampling well is determined to be necessary by the District's engineer. Where required, such sampling wells shall be installed and maintained by the owner at his sole expense.
11. 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. No solder or flux which contains more than 0.2% lead may be used for the installation or repair of plumbing at any connection which provides water for human use. This requirement may only be waived for lead joints that are necessary for repairs to cast iron pipe.
12. Potable water supply piping, water discharge outlets, backflow prevention devices or similar equipment shall not be located so as to make possible their submergence in any contaminated or polluted liquid or substance.
13. No direct connection between the District's water supply and a potential source of contamination shall be permitted to exist. Potential sources of contamination shall be isolated from the District's water system by an air gap or an appropriate backflow prevention assembly in accordance with state plumbing regulations. Additionally, all pressure relief valves and thermal expansion devices shall be in compliance with state plumbing codes, and the District may require inspections of any such valve or backflow prevention device on such schedule as deemed appropriate by the Supervisors.
14. No cross-connection between the District's water supply and a private water system shall be permitted to exist. Where an actual air gap is not maintained between the District's water supply and a private water supply, an approved reduced pressure-zone backflow prevention assembly shall be properly installed and a service agreement shall exist for annual inspection and testing by a certified backflow prevention device tester.
15. No connection to the District's water supply shall be permitted which would allow the return of water used for condensing, cooling or industrial processes back to the District's water supply.

16. No plumbing fixture shall be installed within the District, which is not in compliance with a state approved plumbing code.
17. All plumbing installations on residential and commercial properties must be in compliance with the plumbing code. A licensed master plumber must perform all installations in the District.

**D. PROHIBITED DISCHARGES TO SEWAGE WORKS**

1. No person shall discharge or cause to be discharged any storm water, ground water, roof run-off, sub-surface drainage, down spouts, yard drains, yard fountain and ponds or lawn sprays into any sanitary sewer. Storm water and all other unpolluted drainage shall be discharged to such sewers as are specifically designated as storm sewers or to a natural outlet approved by the District. Unpolluted processed water may be discharged upon prior written approval of the District to a storm sewer or natural outlet or into the sanitary sewer system by an indirect connection whereby such discharge is cooled, if required, and flows into the sanitary sewer at a rate not in excess of three (3) gallons per minute, provided the waste does not contain materials or substances in suspension or solution in violation of the limits prescribed herein.
2. In cases where, and in the opinion of the District, the character of the sewage from any manufacturer or industrial plant building or other premises is such that it will damage the system or cannot be treated satisfactorily in the system, the District shall have the right to require such user to dispose of such waste otherwise and prevent it from entering the system.
3. No person shall discharge or cause to be discharged, either directly or indirectly, any of the following described substances, materials, waters or waste:
  - (a) Any liquid having a temperature higher than 150 degrees Fahrenheit (65 degrees Centigrade), except with approval of District.
  - (b) Any solids, liquids or gases, which by themselves or by interaction with other substances, may cause fire or explosion hazards, or in any other way be injurious to persons, property, or the operation of the sewage disposal works.
  - (c) Any solids, slurries or viscous substances of such character as to be capable of causing obstruction to the flow in sewers, or other interference with the proper operation of the sewage works, such as ashes, cinders, sand, mud, straw, shavings, metal, glass, rags, feathers, tar, plastics, wood, whole blood, paunch manure, hair and fleshlings, entrails, lime slurry, lime residues, slops, chemical residues, paint residues, or bulk solids.

- (d) Any garbage that has not been properly comminuted or shredded. If properly comminuted or shredded, then it may be accepted under provisions established in ARTICLE I.B.
  - (e) Any noxious or malodorous substance, which either singly or by interaction with other substances is capable of causing objectionable odors, or hazard to life; or forms solids in concentrations exceeding limits established in ARTICLE IV.C, or creates any other condition deleterious to structures of treatment processes; or requires unusual provisions, alteration, or exposure to handle such materials.
  - (f) Any waters or wastes having a pH lower than 5.5 or higher than 10.5, or having any corrosive property capable of causing damage or hazards to structures, equipment, or personnel of sewage disposal works.
  - (g) Any wastes or waters containing suspended or dissolved solids of such character and quantity that unusual attention or expense is required to handle such materials at the sewage treatment or in the public sewage works.
  - (h) Any waters or wastes containing a toxic or poisonous substance such as plating or heat-treating wastes in sufficient quantity to injure or interfere with any sewage treatment process, to constitute a hazard to humans or animals, or to create any hazard in the receiving waters of the sewage treatment plant.
  - (i) Any radioactive wastes greater than allowable releases as specified by current United States Bureau of Standards Handbooks dealing with the handling and release of radioactivity.
4. Except in quantities, or concentrations, or with provisions as stipulated herein, it shall be unlawful for any person, corporation or individual, to discharge water or wastes to the sanitary sewer containing:
- (a) Free or emulsified oil and grease exceeding on analysis an average of 100 parts per million (833 pounds per million gallons) of either or both, or combinations of free or emulsified oil and grease, if, in the opinion of the District it appears probable that such wastes:
    - (1) Can deposit grease or oil in the sewer lines in such manner to clog the sewers;
    - (2) Can overload skimming and grease handling equipment;
    - (3) Are not amenable to bacterial action and will therefore pass to the receiving waters without being affected by normal sewage treatment processes, or;

- (4) Can have deleterious effects on the treatment process due to excessive quantities.
- (b) Cyanides or cyanogen compounds capable of liberating hydrocyanic gas on acidification in excess of one-half (0.5) part per million by weight as Cn in the wastes from any outlet into the public sewers.
- (c) Materials which exert or cause:
  - (1) Unusual concentrations of solids or composition; as for example, in total suspended solids of inert nature (such as Fuller's Earth) and/or in total dissolved solids (such as sodium chloride, or sodium sulfate);
  - (2) Excessive discoloration;
  - (3) Unusual biochemical oxygen demand or an immediate oxygen demand; high hydrogen sulfide content; or
  - (4) Unusual flow and concentration shall be pretreated to a concentration acceptable to the District, if such wastes can cause damage to collection facilities, impair the process, incur treatment costs exceeding those of normal sewage, or render the water unfit for stream disposal or industrial use. Where discharge of such wastes to the sanitary sewer are not properly pretreated or otherwise corrected, the District may reject the wastes or terminate the service of water and/or sanitary sewer, require control of the quantities and rates of discharge of such wastes, or require payment of surcharges for excessive cost for treatment provided such wastes are amenable to treatment by normal sewage plant facilities operated by the District.

**E. POWERS AND AUTHORITY OF ENFORCING AGENTS**

The District shall be permitted to gain access to such properties as may be necessary for the purpose of inspection, observation, measurement, sampling and testing, in accordance with provisions of these regulations. Any person found to be violating any provision of this Order shall be served by the District with written notice stating the nature of the violation and providing a reasonable time limit for the satisfactory correction thereof. Any person who shall continue any violation beyond the time limit shall be guilty of violation of this Order and shall be summarily disconnected from the sanitary sewer and/or water service. Such disconnection and reconnection shall be at the total expense of the Consumer.

**F. WATER CONSERVATION PROVISIONS**

- 1. All new construction, whether residential or otherwise, shall use plumbing fixtures which are compatible with the plans of the Texas Water Development Board (TWDB) and/or the Texas Commission on Environmental Quality (TCEQ).

2. The District shall be supplied with a schedule of fixtures to be incorporated in all new construction and manufacturers or laboratory certification that the fixtures meet the conservation criteria set forth herein.

All water and sewer utility service to new connections, subsequent to the adoption of this Order, are subject and condition upon compliance with these provisions.

## **G. GREASE TRAPS**

### 1. Grease Trap Inspections.

- (a) The Office Manager or other duly authorized representative of the District shall be authorized, after providing reasonable notice to the landowner in advance, to enter upon any tract within the District to determine the necessity for a grease trap.
- (b) Any person who is responsible for a discharge into the District's sanitary sewer system for which, in the sole opinion of the District and its Office Manager, a grease trap is required and who does not have an approved grease trap in place shall have sixty (60) days from the date of notice by the District within which to construct and install the required grease trap and secure necessary approvals thereof.
- (c) The Office Manager or other duly authorized representative of the District shall be authorized to conduct monthly inspections of all grease traps within the District that are subject to this Order to ensure that grease traps are being maintained in effective operating condition, and that all necessary manholes, inspection chambers and related facilities are being maintained and are fully operational.
- (d) In the event a grease trap or any related facilities are found in an unserviceable condition or in need of cleaning or maintenance, the Office Manager or other duly authorized representative of the District shall give written notice to the person responsible for the discharge for which the grease trap is required advising such person of the deficiencies and requesting prompt attention to the matter. The Office Manager or other duly authorized representative of the District shall conduct such follow-up inspections as may be necessary until the grease trap is in effective operating condition.
- (e) The District may invoke the procedure described in Article V of this Order to discontinue water service to a tract or establishment in the event the owner or proprietor of said tract or establishment either (a) refuses to permit an inspection pursuant to this Section, or (b) fails, within seven (7) days after receiving written notice issued by the operator, the Board of Supervisors or other duly authorized representative of the District, to correct any condition found to be in violation of the District's

requirements for installation, maintenance and operation of the grease traps. In addition, the District may assess a fine of \$5,000.00 per day to any party that fails, within seven (7) days after receiving written notice of violation, to correct the condition prompting the notice, in accordance with the provisions of Article V of this Order, and the Board may, at its discretion, take such action as necessary to correct the condition and maintain the grease trap and bill the customer one and a half times the District's cost of such corrective action.

2. Grease Trap Inspection Fee. A monthly charge will be made against each person responsible for maintenance of a grease trap pursuant to this Order. The charge (grease trap inspection fee) shall defray the District's expenses of monthly inspections of grease traps as provided in this Order. Such grease trap inspection fees are described in Exhibit "F."

## **H. WATER EMERGENCY PROVISIONS**

1. Drought Contingency Plan.
  - (a) Trigger Conditions - For the purpose of this Plan, the District hereby adopts the trigger conditions (The "Trigger Conditions") set forth below:
    - (i) Mild Drought - This condition (herein, "Mild Drought Conditions") exists when demand on the District's water supply facilities reaches or exceeds eighty percent of the production capacity of such facilities for five (5) consecutive days, as determine by the District's Operator.
    - (ii) Moderate Drought - This condition (herein, "Moderate Drought Conditions") exists when demand on the District's water supply facilities reaches or exceeds ninety percent of the production capacity of such facilities for five (5) consecutive days, as determined by the District's Operator.
    - (iii) Severe Drought - This condition (herein, "Severe Drought Conditions") exists when demand on the District's water supply facilities reach or exceed one hundred percent of the production capacity of such facilities for twenty four (24) hours, as determined by the District's Operator.
  - (b) Notice - Once one of the above Trigger Conditions has occurred, Users will be notified that such Trigger condition has occurred and of the Drought Response Measures (as defined below) to be taken. The process for notifying Users may include any of the following:
    - (i) Mailing at least 48 hours prior to the commencement of the required Drought Response Measures, a written notice to each user;

- (ii) Posting of signs at the entrances to the District;
- (iii) Posting of notices at public places in the district; and
- (iv) Dissemination of press releases to the local news media.

Any notice issued shall contain (i) the date the Drought Response Measures will begin, (ii) the date the drought Response Measures will terminate, if known, (iii) a list of Drought Response Measures to be implemented, and (iv) an explanation of penalties for violations of such Drought Response Measures.

(c) Emergency Management Program - The District hereby establishes and adopts the following measures ("Drought Response Measures") for the respective Trigger conditions. The Drought Response Measures related to each Trigger Condition shall automatically become effective and shall be implemented by the District when such Trigger Condition occurs.

(i) Mild Drought - In the event of Mild Drought Conditions, the following Drought Response Measures shall be taken:

- Users will be asked to voluntarily reduce water use, and will be informed of specific steps that can be taken to reduce water use.
- All outdoor water usage, including, but not limited to, lawn and garden watering, car washing, and window washing, shall be limited as follows:
  - Only Users with even-numbered addresses may use water outdoors on even-numbered days and only Users with odd-numbered addresses may use water outdoors on odd numbered days. In the event no street address exists, only Users living on the north and west side of a street may use water outdoors on even-numbered days and only Users on the south and east side of a street may use water outdoors on odd-numbered days.
  - Outdoor water use shall be prohibited between the hours of 6:00 a.m. and 10:00 a.m. and between the hours of 6:00 p.m. and 12:00 a.m. (midnight).

(ii) Moderate Drought - In the event of Moderate Drought Conditions, the following Drought Response Measures shall be taken:

- The Drought Response Measures established for Mild Drought Conditions shall continue to be implemented.

- All outdoor water use, including, but not limited to, lawn and garden watering, car washing and window washing, must be conducted with a hand-held hose with a manual on-off nozzle.
  - The District shall recommend that the following public water uses not essential for public health and safety be curtailed:
    - Street Washing
    - Fire hydrant flushing; and
    - Filling of swimming pools
- (iii) Severe Drought - In the event of Severe Drought Conditions, the following Drought Response Measures shall be taken:
- The Drought Response Measures established for Mild Drought Conditions and Moderate Drought Conditions shall continue to be implemented.
  - All outdoor use of water, including but not limited to lawn and garden watering, car washing, and window washing shall be prohibited.
  - A surcharge equal to 200% of the applicable rate for all water used in excess of 10,000 gallons/month, shall be imposed on all Users.
  - The Board of the District may prohibit water use by certain industrial or commercial users which uses are not essential to the health and safety of the community so that remaining water is available for essential health and safety related uses.
- (d) Termination of Trigger Conditions/Notification. When a Trigger Condition occurs, the District shall enforce the Drought Response measures applicable to such Trigger Condition for a minimum of five (5) days after the last day the demand on the District's water supply facilities reach or exceed the limits of such Trigger Condition. After such five (5) day period, the Drought Response Measures prescribed may, in the discretion of the Board, be continued for an additional five (5) day period. After the expiration of ten (10) days, and assuming no other Trigger Conditions have occurred, the Drought Response Measures prescribed shall terminate and the District shall cease implementation and enforcement of such measures. The District will notify Users of the termination of the particular Drought Response Measures and may utilize

the same manner of notification used to inform Users of the occurrence of the Trigger Condition and implementation of the Drought Response Measures.

2. Emergency Contingency Plan. In the event of a fire, flood, hurricane, lightning stricken, tornado, windstorm, or any other act of God, riot, terrorist act, or any other act of civil disobedience, or any other similar occurrence which results in the inability of the District to provide potable water to Users (or the likelihood thereof), the Board, in its discretion, may, without prior notice, invoke all or any of the Drought Response Measures set forth in this Plan as "Emergency Response Measures." The Board may establish any of the penalties set forth in section 4 for violations of the emergency Response Measures.
3. Implementation. Without limitation to specific actions stated in the Plan to be taken by the District's Office Manager, the Office Manager will administer and enforce this Plan, and will oversee and be responsible for the execution and implementation of all elements of this Plan (or, if the District employs its own peace officers pursuant to Texas Water Code §49.216, such peace officers will be responsible for enforcement of the Plan. The Office Manager shall keep adequate records for plan verification. The Office Manager shall report to the Board of the District, at meetings of the Board, regarding action taken and which need to be take under this Plan. Without limiting the foregoing, the District's Office Manager shall advise the President of the Board (or if the President is unavailable to receive notification, another member of the Board) as soon as reasonably practical when particular Trigger Condition has been reached under this Plan and when a particular drought condition no longer exists.
4. Penalties. The following penalties shall apply to anyone violating the terms of this Plan or the Drought Response Measures or Emergency Response Measures adopted pursuant hereto:
  - (a) First Violation - Any person or entity who violates this Plan shall receive written notification of such violation, which notice shall set forth:
    - (i) The date of the violation,
    - (ii) The nature of the violation,
    - (iii) The Drought Response Measures then in effect and
    - (iv) The penalties applicable for any further violations of this Plan; provided, however, that if such person or entity has ever previously violated this Plan, the penalties set forth in Section (B) below, may, in the discretion of the Board, be imposed.

(b) Subsequent Violations:

- (i) Disconnection for Noncompliance - If any person or entity violates any provision of this Plan more than one time (which violation shall constitute any unauthorized use of the district services and/or facilities), then in addition to any other remedies, penalties, sanctions and enforcement procedures provided for herein, the District shall have the right to terminate water service to such person or entity after notice and any other procedural requirements in the District's Rate Order are satisfied.
- (ii) Monetary Penalties for Noncompliance - If any person or entity violates any provision of this Plan more than one time (which violation shall constitute an unauthorized use of District services and/or facilities), then, in addition to disconnection as provided in Subsection (A) of this Section, the Board of the District, after providing required notice, may impose a penalty of up to \$5,000.00 for each violation of this Plan. Each day that a breach of any provision of this Plan continues shall be considered a separate violation. This penalty shall be in addition to any other legal rights and remedies of the district as may be allowed by law.

5. Remedies Cumulative. All rights, remedies, sanctions, penalties and enforcement procedures provided for in the Order be cumulative. In addition, the District shall have and may exercise and enforce any and all rights and remedies provided by law or in equity.

## ARTICLE V

### SOLID WASTE

The District may contract with an independent contractor to provide for solid waste and trash collection within the District. If the Board of the District determines that it is in the best interest of the District to contract for solid waste and trash collection, the fee for such service, as established by contract, shall be paid by the District with revenues received from the customer's payment of their water, sewer, and basic services fees.

## ARTICLE VI

### WATER THEFT

The following schedule of penalties for the theft or unauthorized use of water by a commercial or temporary water user as defined in this Order shall be assessed:

First Offense: \$1,500 plus the cost of the water taken including any GRP fees as described in Section 3(E) of this Order and attorneys fees.

Second Offense: \$2,500 plus the cost of the water taken including any GRP fees as described in Section 3(E) of this Order and attorneys' fees.

Third Offense: \$5,000 plus the cost of the water taken including any GRP fees as described in Section 3(E) of this Order and attorneys' fees.

Any damages to the District's facilities will be charged to the person responsible based on the cost of the necessary repairs, plus a damage fee of \$50.00.

Any residential theft of water matter shall be referred to the Board and handled on a case-by-case basis.

## **ARTICLE VII**

### **ENFORCEMENT OF THIS ORDER ESTABLISHING WATER AND SEWER RATES, RULES AND REGULATIONS, AND WATER EMERGENCY PROVISIONS**

#### **A. ENFORCEMENT**

1. Rules and Regulations shall be recognized by the Courts of the State of Texas as if they were penal ordinances.
2. Pursuant to Section 49.004, Texas Water Code, enforcement of the Rules and Regulations shall be by complaints filed in the appropriate court of jurisdiction in the county in which the principal's office is located.

#### **B. PENALTIES**

1. In addition to any fines or penalties provided for in the Order, any person, firm, or corporation that violates any of the provisions of this Order may be guilty of a misdemeanor by a court of competent jurisdiction, shall be punished by a fine not to exceed Five Thousand Dollars (\$5,000.00) for each offense. Each day of such violation shall be deemed a separate offense.
2. Any person violating any of the provisions of this Order shall become liable to the District for any expense, loss or damage occasioned by the District by reason of such violation.
3. Termination of Service.

#### **C. NOTICE OF VIOLATION**

1. Delinquent Accounts. In the event a Consumer shall fail to pay any water and/or sewer bill prior to delinquency, the District's Office Manager shall deliver notice of such delinquency to the Consumer by door hanger on the premises where service is received. An initial ten dollar (\$10.00) fee shall also be assessed against the delinquent customer. The notice shall contain the following:

- (a) fact, date and amount of delinquency, including all penalties;
  - (b) the telephone number and address of the District's representative to contact in the event questions arise with respect to the delinquency, or to object to a delinquent bill on account of clerical error or other billing irregularity;
  - (c) a statement that the District's Office Manager has the authority to resolve clerical mistakes or other billing irregularity in the water and/or sewer bill; and
  - (d) a statement that failure to pay the delinquent amount will result in termination of service on the date stated which shall be at least seventy-two (72) hours after posting said notice.
2. The District's Office Manager is not required to make an adjustment in any particular case. Any Consumer objection received and not adjusted by the District's Office Manager to the satisfaction of the Consumer, upon the Consumer's request, will be referred for a hearing before the District's Board of Supervisors. If a hearing is requested, then the service termination will be held in abeyance until further order from the District's Board of Supervisors.
3. Other Violations. In the event any person shall violate any of the provisions of this Order, the Board shall notify such person in writing at the address on the District's billing records, if any, by certified mail, return receipt requested, and by regular mail of such violation and the notice shall contain the following:
- notice of the nature of the violation;
- (a) notice of the potential penalty for the violation; and
  - (b) date, time and location of the District's next Board meeting at which meeting such person will be entitled to present all evidence in his possession with respect to the violation.
  - (c) The notice shall be mailed not later than ten (10) days prior to the meeting.
4. Any decision of the District's Board of Supervisors shall be final.

**D. NON-WAIVER**

The failure, on the part of the District, to enforce any section, clause, sentence or provision of this Order shall not constitute a waiver of the right of the District to later enforce any section, clause, sentence or provision of this Order.

**E. VALIDITY**

1. All provisions of District's orders or regulations in conflict herewith are hereby repealed. The validity of any section, clause, sentence or provision of this order

shall not affect the validity of any other part of this Order, which can be given effect without the invalidated part or parts.

2. The District's President is authorized to execute and the District's Secretary to attest this Order on behalf of the District.

**EXHIBIT "A"**

**WASTEWATER DISCHARGE CRITERIA**

<u>TYPE OF DEVELOPMENT</u>	<u>CALCULATED VALUE</u>
Bakery .....	0.225 GPD per sq. ft.
Barber Shop, General.....	150 GPD per bowl
Barber Shop, Supercuts.....	77 GPD per bowl
Beauty Shop.....	150 GPD per bowl
Bowling Alley.....	200 GPD per lane
Car Repair .....	0.05 GPD per sq. ft.
Carwash, Tunnel, Self Serve.....	2,000 GPD per carwash
Carwash, Tunnel, with Attendants.....	9,920 GPD per carwash
Carwash, Hand Type, Self Serve .....	385 GPD per carwash bay
Church.....	1 GPD per seat
Club, Tavern, or Lounge.....	10 GPD per occupant
Convenience Store .....	0.07 GPD per sq. ft.
Country Club.....	100 GPD x members, 25 GPD x guests
Day Care Center.....	10 GPD per occupant
Dormitory.....	90 GPD per bed
Fire Station.....	90 GPD per capita
Funeral Home .....	675 GPD per service
Gas Station, Diamond Shamrock *** .....	495 GPD per station
Gas Station, Gulf ***.....	478 GPD per station
Gas Station, Gulf, with Carwash ** .....	2,685 GPD per station
Gas Station, Mobil *** .....	610 GPD per station
Gas Station, Other, Full Service *** .....	553 GPD per station
Gas Station, Other, Self Service *** .....	510 GPD per station
Gas Station, Texaco, Not within 2 Blocks of Freeway *** .....	440 GPD per station
Gas Station, Texaco, within 2 Blocks of Freeway *** .....	700 GPD per station
Gas Station, Texaco, with Carwash ** .....	3,210 GPD per station
Grocery Store, 5,000 - 28,999 sq. ft.....	0.00 GPD per sq. ft.
Grocery Store, 29,000+ sq. ft.....	0.21 GPD per sq. ft. minus 3,773 GPD
Health Club .....	0.38 GPD per sq. ft.
Homeless Shelter .....	33 GPD per bed
Hospital .....	200 GPD per bed
Hotel, Motel **** .....	78 GPD per room
Hotel, Motel w/Kitchenettes **** .....	135 GPD per room
Manufacturing.....	0.05 GPD per sq. ft.

- \* = Does not include Carwash
- \*\* = Includes Convenience Store
- \*\*\* = Rooms without Kitchen Facilities
- \*\*\*\* = Does not include Restaurant or Laundry

NOTE: This information is subject to change without notice.

TYPE OF DEVELOPMENT

CALCULATED VALUE

Modeling Studio.....	989 GPD per studio
Nursing Home *** .....	90 GPD per bed
Office.....	0.10526 GPD per sq. ft.
Photo Store, One Hour Processing.....	1,000 GPD per store
Post Office, Excluding Dock.....	0.85 GPD per sq. ft.
Prison.....	90 GPD per capita
Racquetball Club.....	160.25 GPD per court
Recreational Vehicle Park.....	75 GPD per vehicle
Residence, Apartment with Washer/Dryer.....	225 GPD per unit
Residence, Apartment without Washer/Dryer.....	200 GPD per unit
Residence, Condominium .....	225 GPD per unit
Residence, Duplex.....	315 GPD per unit
Residence, Single Family.....	315 GPD per unit
Residence, Townhouse.....	315 GPD per unit
Restaurant, Burger King, Air Cooled Machines .....	0.73 GPD per sq. ft.
Restaurant, Burger King, Water Cooled Machines.....	0.98 GPD per sq. ft.
Restaurant, Full Service, General.....	35 GPD per seat
Restaurant, Jack in the Box.....	0.90 GPD per sq. ft.
Restaurant, Luther's.....	5,180 GPD per restaurant
Restaurant, Mary Lee's.....	23 GPD per seat
Restaurant, McDonald's .....	0.58 GPD per sq. ft.
Restaurant, Monterey House.....	13 GPD per seat
Restaurant, Paper Plate, General.....	10 GPD per seat
Restaurant, Paper Plate, No Seating.....	0.07 GPD per sq. ft.
Restaurant, Pizza Inn.....	12 GPD per seat
Restaurant, Popeye's, Lease Space.....	(0.25 GPD x sq. ft.) + (12 GPD x seating)
Retail .....	0.07 GPD per sq. ft.
School, High.....	15 GPD per seat
School, Others Non-Residential.....	10 GPD per seat
School, Residential.....	100 GPD per capita
Service Center.....	0.05 GPD per sq. ft.
Skating Rink.....	5 GPD per capita
Stadium .....	3 GPD per seat
Swimming Pool.....	5 GPD per swimmer
Theater, Drive-In.....	5 GPD per space
Theater, Indoor.....	5 GPD per seat
Toilet.....	80 GPD per toilet
Transportation Terminal.....	5 GPD per passenger
Warehouse.....	0.83 GPD per sq. ft.
Washateria.....	288 GPD per machine

- \* = Does not include Carwash
- \*\* = Includes Convenience Store
- \*\*\* = Rooms without Kitchen Facilities
- \*\*\*\* = Does not include Restaurant or Laundry

NOTE: This information is subject to change without notice.

**EXHIBIT "B"**

**SUNBELT FRESH WATER SUPPLY DISTRICT  
APPLICATION FOR WATER/SEWER SERVICE**

NAME: \_\_\_\_\_ DATE: \_\_\_\_\_  
ADDRESS: \_\_\_\_\_ PHONE: \_\_\_\_\_  
CITY: \_\_\_\_\_  
STATE: \_\_\_\_\_ ZIP: \_\_\_\_\_  
SIGNATURE: \_\_\_\_\_  
\_\_\_\_\_  
(PRINT NAME)

**SITE DESCRIPTION**

LOT/RESERVE: \_\_\_\_\_ BLOCK: \_\_\_\_\_  
SUBDIVISION: \_\_\_\_\_  
TRACT: \_\_\_\_\_ SURVEY: \_\_\_\_\_ ABSTRACT: \_\_\_\_\_  
STREET ADDRESS OF PROJECT: \_\_\_\_\_  
TRACT SIZE: \_\_\_\_\_ ACRES: \_\_\_\_\_ SQUARE FEET: \_\_\_\_\_

(THREE SETS OF SITE PLANS, WHICH MUST INCLUDE UTILITY LAYOUT, MUST BE SUBMITTED)  
**EXISTING DEVELOPMENT**

PLEASE CHECK IF NOTHING EXISTS ON THIS SITE: \_\_\_\_\_  
STREET ADDRESS OF PROJECT: \_\_\_\_\_  
TYPE OF DEVELOPMENT (i.e. OFFICE, RETAIL, WAREHOUSE, M.G.): \_\_\_\_\_  
SQUARE FOOTAGE OF EACH TYPE OF DEVELOPMENT: \_\_\_\_\_  
HIGH VOLUME WATER USER INFORMATION\*: \_\_\_\_\_  
NAME OF EXISTING DEVELOPMENT: \_\_\_\_\_  
NUMBER OF UNITS IF APARTMENT OR TOWNHOUSES: \_\_\_\_\_

**PROPOSED DEVELOPMENT**

TYPE OF DEVELOPMENT (i.e., OFFICE, RETAIL, WAREHOUSE, MFG. APARTMENT OR TOWNHOUSE): \_\_\_\_\_  
SQUARE FOOTAGE OF EACH DEVELOPMENT: \_\_\_\_\_  
NUMBER OF UNITS: \_\_\_\_\_

\* High volume water user information must include such information as number of shampoo bowls in a beauty shop; number of seats in a restaurant and whether or not it is full service or paper plate service; number of washing machines in a washateria; number of seats in a lounge; and occupancy of a day care center.