

SAMPLE COVER PAGE

[insert corporation logo if available]

# Tariff for G & W Water Supply Corporation

WSC Association  
P O Box 1219  
Waller, Texas 77484  
Telephone: \_936-372-9858

---

# **TARIFF**

**G&W WATER SUPPLY CORPORATION  
P.O. BOX 1219  
WALLER, TEXAS 77484**

**936-372-9858**

## TABLE OF CONTENTS

**SECTION A.        RESOLUTION OF AUTHORITY**

**SECTION B.        STATEMENTS**

**SECTION C.        DEFINITIONS**

**SECTION D.        GEOGRAPHIC AREA SERVED**

**SECTION E.        SERVICE RULES AND REGULATIONS**

1. Service Entitlement
2. Service Location and Classification
3. Service Requirements
4. Requirements for Mandatory Sewer Connection
5. Activation of Standard Service
6. Activation of Non-Standard Service
7. Changes in Service Classification
8. Membership
9. Owners and Renters
10. Denial of Service
11. Applicant's or Transferee's Recourse
12. Insufficient Grounds for Refusal of Service
13. Deferred Payment Agreement (Miscellaneous Transaction Forms)
14. Charge Distribution and Payment Application
15. Due Dates, Delinquent Bills and Service Disconnection Date
16. Rules for Disconnection of Service
17. Billing Cycle Changes
18. Back-Billing
19. Disputed Bills
20. Inoperative Meters
21. Bill Adjustment Due to Meter Error
22. Meter Tampering and Diversion
23. Meter Relocation
24. Prohibition of Multiple Connections to a Single Tap
25. Member's Responsibility

**SECTION F.        DEVELOPER, SUBDIVISION, and  
NON-STANDARD SERVICE REQUIREMENTS**

**Part I. General Requirements – All Types of Non-Standard Service Requests**

1. Corporation's Limitations
2. Purpose
3. Application of Rules
4. Non-Standard Service Application (see Sample Application Packet)
5. Design

6. Non-Standard Service Contract
7. Construction of Facilities by Applicant Prior to Execution of Service Contract
8. Property and Right-of-Way (See Sample Application Packet)
9. Bids for Construction
10. Pre-Payment for Construction and Services
11. Construction

**Part II. Request for Service to Subdivided Property – Additional Requirements for Developers of Subdivisions**

1. Developer Required to Provide Detailed Information
2. Service Within Subdivisions (Corporation's Obligation to Provide)
3. Service to Subdivisions of 50 Acres or More
4. Execution of Non-Standard Service Contract

**SECTION G.**

**RATES AND SERVICE FEES**

1. Service Investigation Fee
2. Membership Fee
3. Easement Fee (Sample Application Packet)
4. Installation Fee
5. Equity Buy-In Fee (See also Sections C, Definitions, and Miscellaneous for how to calculate)
  - Impact Fee (Option)
6. Monthly Charges
7. Assessments
8. Late Payment Fee
9. Owner Notification Fee (Miscellaneous Transaction Form)
10. Mortgagee/Guarantor Notification Fee (Miscellaneous Transaction Form)
11. Returned Check Fee (Miscellaneous Transaction Form)
12. Reconnect Fee
13. Seasonal Reconnect Fee
14. Service Trip Fee
15. Equipment Damage Fee
16. Customer History Report Fee
17. Meter Test Fee (Miscellaneous Transaction Fee)
18. Transfer Fee (Miscellaneous Transaction Fee)
19. Non-Disclosure Fee
20. Information Copy Fee
21. Customer Service Inspection Fee
22. Franchise Collection Fee
23. Regulatory Assessment
24. Additional Assessments
25. Groundwater District Production Fee
26. Other Fees

**SECTION H. DROUGHT CONTINGENCY AND EMERGENCY WATER DEMAND  
MANAGEMENT PLAN**

1. Introduction
2. Public Involvement
3. Coordination with Regional Water Planning Group
4. Trigger Conditions
5. Stage Levels of Water Allocations
6. Initiation and Termination Procedures
7. Penalties for Violations
8. Exemptions or Waivers
9. Implementation

**SECTION I. SAMPLE APPLICATION PACKET**

1. Water Supply Corporation Application and Agreement Form (USDA RUS-TX Bulletin 1780-9)
2. Right-of-Way Easement (Location Required)(Form FmHA 442-8)
3. Right-of-Way Easement (General)(Form FmHA 442-9)
4. Non-Standard Service Contract.

**SECTION J. MISCELLANEOUS TRANSACTION FORMS**

1. Alternate Billing Agreement for Rental Accounts
2. Confidentiality of Utility Records Form
3. Customer Notice of Water Rationing
4. Customer Notice of Violation of Water Rationing
5. Customer Notice of 2<sup>nd</sup> Violation & Penalty
6. Customer Notice of Subsequent Violation & Penalty
7. Termination Notice –Water Rationing Violations
8. Deferred Payment Agreement
9. Installment Agreement
10. Line Extension Refund Agreement
11. Membership Mortgage Agreement
12. Membership Transfer Authorization
13. Meter Test Authorization and Test Report
14. Notice to Owner of Rental Property
15. Notice of Requirement to comply with the Subdivision and Service Extension Policy
16. Notice of Returned Check
17. Request for Service Discontinuance
18. Right-of-Way Easement Denial Letter and Affidavit Form
19. Equipment and Line Dedication Agreement
20. Termination Notice – Past Due Account
21. Wastewater Billing Services Agreement
22. Developer Dedication, Bill of Sale, & Assignment Agreement
23. Applicant's Notice of Insufficient Information
24. Individual Dedication Agreement
25. Service Inspection Certification
26. Agreement to Provide Fireflow in Designated Areas

**SECTION K.**

**MISCELLANEOUS**

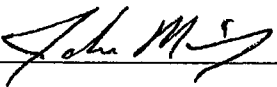
1. Tariff Filing Requirements (TCEQ)
2. Equity Buy In Fee Calculation Example
3. AWWA Equivalency Chart
4. Voluntary Contributions on Behalf of Emergency Services Policy (Sample)

## **SECTION A.** **RESOLUTIONS**

THE BOARD OF DIRECTORS OF G&W WATER SUPPLY CORPORATION ESTABLISHES THAT  
:

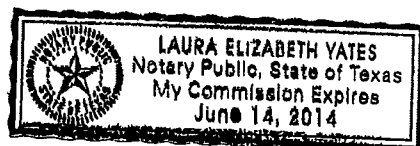
1. This Tariff of the G&W Water Supply Corporation, serving in Waller and Grimes consisting of Sections A. through H. and forms inclusive, is adopted and enacted as the current regulations and policies effective as of April 1, 2011.
2. Only those preexisting written contracts or agreements executed by the present or previous Board of Directors shall remain in effect, unless the contract or agreement requires compliance with changes of the tariff from time to time.
3. The adoption (or revisions) of this tariff does not prohibit or limit the Corporation from enforcing previous penalties or assessments from before the current effective date.
4. An official copy of this and all policies or records shall be available during regular office hours of the Corporation. The Secretary of the Corporation shall maintain the original copy as approved and all previous copies for exhibit.
5. Rules and regulations of state or federal agencies having jurisdiction shall supersede any terms of this policy. If any section, paragraph, sentence, clause, phrase, word, or words of this policy are declared unconstitutional or invalid for any purpose, the remainder of this policy shall not be affected.
6. This tariff has been adopted (revised) in compliance in Open Meeting in compliance with the Open Meeting Act, Chapter 551 of the Texas Government Code.

PASSED and APPROVED this 11 day of April, 2011.

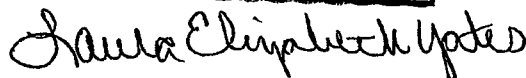
  
\_\_\_\_\_

President, G&W Water Supply Corporation

SEAL



ATTEST:

  
\_\_\_\_\_

Secretary, G&W Water Supply Corporation

Approved   
\_\_\_\_\_

G&W WSC

## **SECTION B. STATEMENTS**

1. **Organization.** The G&W Water Supply Corporation is a member-owned, non-profit corporation incorporated pursuant to the Texas Water Code Chapter 67, and the provisions of the Texas Business Organizations Code applicable to member owned member controlled non-profit corporations for the purpose of furnishing potable water and or sewer utility service. Corporation operating policies, rates, and regulations are adopted by the Board of Directors elected by the Members of the Corporation.
2. **Non-Discrimination Policy.** Membership in the Corporation and service is provided to all Applicants who comply with the provisions of this Tariff regardless of race, creed, color, national origin, sex, disability, or marital status.
3. **Policy and Rule Application.** These policies, rules, and regulations apply to the water and or sewer services provided by the G&W Water Supply Corporation, also referred to as Corporation, (initials of corp.), or (initials of corp.) WSC. Failure on the part of the Member, Consumer, or Applicant to observe these policies, rules and regulations gives the Corporation the authority to deny or discontinue service according to the terms of this Tariff as amended from time to time by the Board of Directors of the Corporation.
4. **Corporation Bylaws.** The Corporation Members have adopted bylaws which establish the make-up of the Board of Directors and other important regulations of the Corporation. The bylaws are on file at the Corporation's office.
5. **Fire Protection Responsibility.** The Corporation does not provide nor imply that fire protection is available on any of the distribution system. All hydrants or flush valves are for the operation and maintenance of the system and may be used for refill only by authorized fire departments. The Corporation reserves the right to remove any hydrant, due to improper use or detriment to the system as determined by the Corporation, at any time without notice, refund, or compensation to the contributors unless such hydrants are installed pursuant to the terms of a Non-Standard Service Contract as provided for in Section F, in which event the terms and conditions of the Contract shall apply.
6. **Damage Liability.** The G&W WSC is not liable for damages caused by service interruptions, events beyond its control, and for normal system failures. The limits of liability of the 1,000,000.00 WSC is the extent of the cost of service provided. By acceptance of Membership, Member consents to waiver of such liability.
7. **Information Disclosure.** The records of the Corporation shall be kept in the Corporation office in WALLER, Texas. All information collected, assembled, or maintained by or for the Corporation shall be disclosed to the public in accordance with the Texas Public Information Act. **In no event and under no circumstances shall the Corporation disclose the Social Security Number of any member or customer to any person other than an employee of the Corporation.** An individual customer may request in writing that their address, telephone number, and account records be kept confidential. Such confidentiality does not prohibit the utility from disclosing this information to an





official or employee of the state or a political subdivision of the state acting in an official capacity or an employee of the Corporation acting in connection with the employee's duties. Further, such confidentiality does not prohibit the Corporation from disclosing the name and address of each member entitled to vote on a list to be made available to the Corporation's voting members, or their agents or attorneys, in connection with a meeting of the Corporation's members. The Corporation shall give its applicants and customers notice of rights to confidentiality under this policy and all prevailing associated fees for such request.

8. **Customer Notice Provisions.** The Corporation shall give written notice of monthly rate changes by mail or hand delivery to all consumers at least 30 days prior to the effective date of the new rate. The notice shall contain the old rates, new rates, effective date of the new rate, date of Board authorization, and the name and phone number of the Corporation's contact person designated to address inquiries about the rate change.
9. **Grievance Procedures.** Any Member of the Corporation or individual demonstrating an interest under the policies of this Tariff in becoming a Member of the Corporation shall have an opportunity to voice concerns or grievances to the Corporation by the following means and procedures:
  - a. By presentation of concerns to the Corporation's manager or authorized staff member. If not resolved to the satisfaction of the aggrieved party then,
  - b. By presenting a letter to the Board of Directors stating the individual's grievance or concern and the desired result.
  - c. The Board of Directors shall respond to the complaint by communicating the Board's decision in writing.
  - d. Any charges or fees contested as a part of the complaint in review by the Corporation under this policy shall be suspended until a satisfactory review and final decision has been made by the Board of Directors.
10. **Customer Service Inspections.** The Corporation requires that a customer service inspection certification be completed prior to providing continuous water service to new construction and for all new members as part of the activation of standard and some non-standard service. Customer service inspections are also required on any existing service when the corporation has reason to believe that cross-connections or other potential contaminant hazards exist, or after any material improvement, correction or addition to the members' water distribution facilities. This inspection is limited to the identification and prevention of cross connections, potential contaminant hazards and illegal lead materials. (30 TAC 290.46(i-j)) (See Tariff Section G. 20.)
11. **Submetering Responsibility.** Submetering and Non-Submetering by Master Metered Accounts may be allowed in the Corporation's water distribution or sewer collection system provided the Master Metered Account customer complies with the Texas Commission on Environmental Quality Chapter 291, Subchapter H rules pertaining to Submetering. The Corporation has no jurisdiction or responsibility to the tenants; tenants receiving water under a Master Metered Account are not considered customers of the Corporation. Any interruption or impairment of water service to the tenants is the responsibility of the Master Metered Account Customer. Any complaints regarding submetering should be directed to the Texas Commission on Environmental Quality.



**NOTE:** The system should check with the Master Metered Account Customer to:

1. See if they have registered with the TCEQ, (Section 13 Texas Water Code Subchapter M.)
  2. See that they do not charge their tenants more than the total amount of charges that you have billed. If the aggregate bill is greater than the Corporation's charge, the Master Metered Account Customer is considered by the TCEQ to be a separate Public Water System and will be required to comply with all TCEQ regulations.
  3. Protect the System's CCN. Should the Master Metered Account Customer continue to violate these or other State regulations, the Corporation will need to request a Cease and Desist Order from the TCEQ. (Texas Water Code Section 13.252 and 30 TAC Section 291.118 )
12. ***Voluntary Contributions Policy.*** The Corporation's board has approved and set up guidelines for accepting Voluntary Contributions on Behalf of Emergency Service Providers in our service area. The policy adopted sets up the guidelines for collection, accounting, and distribution of funds to the respective local Emergency Service Response entities. References Texas Water Code Section 13.143 & Section 67.017 (See Voluntary Contribution Policy in Miscellaneous Section.)

Approved \_\_\_\_\_



## **SECTION C.** **DEFINITIONS**

**Active Service** -- The status of any Member receiving authorized service under the provisions of this Tariff.

**Applicant** -- A person, partnership, cooperative corporation, corporation, agency, public or private organization of any type applying for service with the G&W Water Supply Corporation.

**Board of Directors** -- The governing body elected by the Members of the G&W Water Supply Corporation vested with the management of the affairs of the Corporation. (Section 22.001(1), Business Organizations Code)

**Bylaws** -- The rules pertaining to the governing of the G&W Water Supply Corporation adopted by the Corporation Members. (Section 22.001(2), Business Organizations Code)

**Certificate of Convenience and Necessity (CCN)** -- The authorization granted under Chapter 13 Subchapter G of the Texas Water Code for G&W Water Supply Corporation to provide water and/or sewer utility service within a defined territory. G&W Water Supply Corporation has been issued Certificate Number \_\_\_\_\_. Territory defined in the CCN shall be the Certificated Service Area. (See Tariff Section D. Certificated Service Area Map)

**Corporation** -- The G&W Water Supply Corporation. (Section B. 3 of this Tariff)

**Developer** -- Any person, partnership, cooperative corporation, corporation, agency, or public or private organization who subdivides land or requests two (2) or more water or sewer service connections on a single contiguous tract of land [as defined in Section 13.2502 (e)(1) of the Water Code].

**Disconnection of Service** -- The discontinuance of water or sewer service by the Corporation to a Member/Customer.

**Easement** -- A private perpetual dedicated right-of-way for the installation of water and or sewer pipelines and necessary facilities which allows access to property for future operation, maintenance, facility replacement, facility upgrades, and/or installation of additional pipelines (if applicable). This may also include restrictions on the adjacent area to limit the installation of sewer lines or other facilities that would restrict the use of any area of the easement. (See Sample Application Packet, Form-RUS-TX 442-8 (Rev. 9-02) or Form RUS-TX 442-9 (Rev. 9-02)) The easement will be filed in the real property records of the appropriate county or counties.

**Equity Buy-In Fee** -- Each Applicant shall be required to achieve parity with the contributions to the construction of the Corporations facilities capacity that have been made previously by existing Members. This fee shall be assessed prior to providing or reserving service on a per service unit basis for each property and shall be assigned and restricted to that property for which the service was originally requested. (Tariff Section G. 5., also see Miscellaneous)

**Final Plat** -- A complete plan for the subdivision of a tract of land showing or referencing Local Tax

Appraisal Maps, access to public road(s), number and size of lots, location of dedicated water/sewer easements, and location(s) of lakes, streams, or rivers through the property. The G&W Water Supply Corporation shall determine if a plat submitted for the purpose of this Tariff shall qualify as a final plat. For purposes of evaluating Sub-Division service requests under Section F, the Corporation may accept preliminary plats or plats awaiting final approval pending execution of agreement for service by the Corporation.

**Hazardous Condition** -- A condition that jeopardizes the health and welfare of the Members/Consumers of the Corporation as determined by the Corporation or regulatory authority.

**Impact Fee**-- A charge or assessment against the property for which service is requested to generate revenue for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to new development within the Corporation's service area. The term includes amortized charges, lump-sum charges, capital recovery fees, contributions in aid of construction, and any other fee that functions in this manner. (Tariff Section G. 5., Also see Chapter 395 Local Government Code)

**Indication of Interest Fee** -- A fee paid by a potential Member of the Corporation for the purpose of determining the feasibility of a construction and /or expansion project. The Indication of Interest Fee may be converted to a Membership Fee upon determination that service to the Applicant is feasible and available. This also applies to applicants applying for, or receiving, Temporary Service. (Tariff Section E. 8. b., and Sample Application Packet - USDA RUS-TX Bulletin 1780-9 (Rev. 09/02))

**Liquidated Membership** -- A Membership that has been canceled due to delinquent charges exceeding the Membership Fee or for other reasons as specified in this Tariff.

**Member** -- Any person, partnership, cooperative corporation, corporation, agency, or public or private organization who holds a membership in the Corporation and who is a record owner of a fee simple title to the property served, that has qualified for service and been certified as a member in accordance with the Corporation's Tariff. (TX Water Code Section 13.002(11), TX Water Code Section 67.016 d)

**Membership** -- A non-interest bearing stock purchased from the Corporation evidencing a Member's interest in the Corporation. (See Tariff Section E. 8 b and Sections 22.053, 22.151(c), Business Organizations Code)

**Membership Fee** -- A fee qualified as such under the terms of the tariff and the bylaws of the Corporation assigned to the real estate designated to receive service. The membership fee shall be refundable upon termination of service and surrendering the Membership. (30 TAC 291.3 Definitions, Texas Water Code Section 13.043(g))

**Proof of Ownership** -- For the purpose of this tariff, applicants for service and membership shall provide proof of ownership of the real estate to be served by deed of trust, warranty deed, or other recorded documentation. (Texas Water Code Section 67.016 (d))

**Rural Utilities Service (RUS)** -- An Agency of the United States Department of Agriculture Rural Development Mission Area that provides loan and grant funds for development of rural water and sewer systems serving communities with a population of less than ten thousand (10,000) people.

Approved \_\_\_\_\_



G&W<sup>211</sup>WSC

**Renter** -- A consumer who rents or leases property from a Member or who may otherwise be termed a tenant. (See Tariff Section E. 9.)

**Re-Service** -- Providing service to an Applicant at a location for which service previously existed. Costs of such re-servicing shall be based on justifiable expenses. (See Tariff Section E. 5. b., E. 6. b., and Miscellaneous)

**Reserved Service Charge** -- A monthly charge for each active account at a specific location for which a meter has not been installed but for which the Corporation and the Applicant have entered into agreement and/or contract for reserving service. This monthly charge shall be based on the Corporation's fixed costs to service the Applicant's dedicated facilities on a per Service Unit basis. This charge reserves service to the Applicant's property designated to receive service. This fee is determined on a case by case basis but shall never exceed the Service Availability Charge for Metered Service on a per Service Unit basis. (See Tariff Section F. 6. d., e)

**Seasonal Reconnect Fee** -- The fee charged for resumption of service at a location where the member has voluntarily suspended service, in a written request, for a period of time not exceeding nine months within a twelve month period. The fee based on the total months for which service is suspended multiplied by the amount of the monthly minimum fee the Corporation charges active customers.

**Service Availability Charge** -- (Also known as "minimum monthly charge", "minimum", or the "base rate") The monthly charge assessed each Member/Customer for the opportunity of receiving service. The Service Availability Charge is a fixed rate based upon the meter, service size, or equivalent dwelling unit(s). (See definition of Reserved Service Charge)

**Service Application and Agreement** -- A written agreement between the Member/Applicant and the Corporation defining the specific type of service requirements requested on the current service application and agreement form, and the responsibilities of each party required before service is furnished. (See Sample Application Packet RUS-TX Bulletin 1780-9 (Rev. 09/02) or Non-Standard Service Contract)

**Service Investigation Fee** -- A fee for costs associated with determining if service is available and determining cost of service. (See Tariff Section G. 1.)

**Service Unit** -- The base unit of service used in facilities design and rate making. For the purpose of this Tariff, a service unit is a 5/8" X 3/4" water meter. Sewer facilities are designed and rates are based on the basis of population served or demand. (See Tariff Section G. 6. a., Miscellaneous)

**Subdivide** -- To divide the surface area of land into lots or tracts. (Local Government Code Chapter 232, Section 232.021 Definitions, Texas Water Code Section 13.2502 (e)(1))

**Subdivider** -- An individual, firm, corporation, or other legal entity that owns any interest in land and that directly or indirectly subdivides land into lots as a part of a common promotional plan in the ordinary course of business. (Local Government Code Chapter 232, Section 232.021 Definitions)

**Subdivision** -- An area of land that has been subdivided into lots or tracts. (Local Government Code Chapter 232, Section 232.021 Definitions)

**Tariff** -- The operating policies, service rules, service extension policy, service rates, rationing policies, sample application packet, and miscellaneous transaction forms adopted by the Board of Directors. A copy of this Board approved tariff is on file at the Corporation office and as required since September 1, 1989 at the State office of the TCEQ.

**Temporary Service** -- The classification assigned an applicant that is in the process of construction. This could also apply to service for uses other than permanent (agricultural, road construction, drilling, livestock, etc.). The Board will set the length of time associated with this classification. This classification will change to permanent service after requirements in Tariff Section E. 1, E. 2, E. 3, and E. 5 are met. Applicant must have paid an Indication of Interest Fee.

**Texas Commission on Environmental Quality (TCEQ)** -- State regulatory agency having jurisdiction of water and sewer service utilities and appellate jurisdiction over the rates and fees charged by Non-Profit Water and Sewer Service Corporations.

**Transferee** -- An Applicant receiving a G&W WSC Membership by legal means from a person or entity desiring to forfeit and transfer current rights of Membership to another person or entity. (See Tariff Section E. 8 c., Miscellaneous Transaction Forms, Section 67.016 Texas Water Code)

**Transferor** -- A Member who transfers Membership by legal means to another person or entity desiring to qualify for service at a property for which the Membership is currently issued or to the Corporation. (Texas Water Code, Section 67.016)

**Water Conservation Penalty** -- A penalty that may be assessed under Section H of this Tariff to enforce customer / member water conservation practices during drought contingency or emergency water demand circumstances. (See Texas Water Code Section 67.011 (b)).



## **SECTION D. GEOGRAPHIC AREA SERVED**

This section should include an area map that shows the Corporation's Certificated Service Area. Therefore, the Corporation must make sure that its current service area corresponds to the area and/or facilities as approved by the TCEQ in its Certificate of Convenience and Necessity. **It is the responsibility of the Corporation to properly file a map showing its service area with the TCEQ and to file for any changes in that service area. This copy of the Commission's official service map will serve as documentation in the event of future disputes over service areas.**

### **G&W WSC**

## **CERTIFICATE OF CONVENIENCE AND NECESSITY**

To Provide (Water or Sewer) Service Under V.T.C.A., Water Code  
and Texas Commission on Environmental Quality Substantive Rules

**Certificate No. 11864 & 12391**

**I. Certificate Holder:**

Name: G&W Water Supply Corporation  
Address: 27395 FIELD STORE ROAD  
WALLER, TX 77484

**II. General Description and Location of Service Area:**

The area covered by this certificate is located approximately 2 miles north of Somewhere, Texas on US Highway 92. The service area is generally bounded on the east by US Highway 92, on the south by Longtree Creek, on the west by County Road 33 and on the north by Lake Coldwater in Longtree County, Texas.

**III. Certificate Maps:**

The certificate holder is authorized to provide water service in the area identified on the Commission's official service area map, WRS-255, maintained in the offices of the Texas Commission on Environmental Quality, 12015 Park 35 Circle, Austin, Texas with all attendant privileges and obligations.

This certificate is issued under Application No. 30999-C and subject to the rules and orders of the Commission, the laws of the State of Texas, conditions contained herein and may be revoked for violations thereof. The certificate is valid until amended or revoked by the Commission.

Issued Dated:

ATTEST: \_\_\_\_\_

THE STATE OF TEXAS  
COUNTY OF TRAVIS

Attachment "J"  
16 of 70

TEXAS WATER COMMISSION

I hereby certify that this is a true and correct copy of a Texas Water Commission Document, the original of which is filed in the permanent records of the Commission.



Given under my hand and the seal of office on  
NOV 21 1990

*Brenda W. Foster*

Brenda W. Foster, Chief Clerk  
Texas Water Commission

APPLICATION NO. 8503-C

IN THE MATTER OF THE APPLICATION §  
OF G & W WATER SUPPLY CORPORATION §  
FOR A WATER CERTIFICATE OF §  
CONVENIENCE AND NECESSITY NUMBER §  
12391 IN GRIMES AND WALLER  
COUNTIES, TEXAS

TEXAS WATER COMMISSION

ORDER

On November 14, 1990, the Texas Water Commission pursuant to Chapter 13 of the Texas Water Code considered the application of G & W Water Supply Corporation for a water Certificate of Convenience and Necessity No. 12391 in Grimes and Waller Counties. After considering the evidence, the Commission finds that:

No person has requested a public hearing on the application;

Notice of the application was given all affected and interested parties;

The criteria set forth in Section 13.246(c) have been considered by the Commission; and

Granting the application is necessary for the service, accommodation, convenience and safety of the public.

NOW, THEREFORE, BE IT ORDERED BY THE TEXAS WATER COMMISSION that the application is granted and Certificate of Convenience and Necessity No. 12391 is issued to G & W Water Supply Corporation in accordance with the terms and conditions set forth herein and in the certificate.

BE IT FURTHER ORDERED that G & W Water Supply Corporation shall serve every customer and applicant for service within the area certified under Certificate of Convenience and Necessity No. 12391 and that such service shall be continuous and adequate.

DATE ISSUED: NOV 19 1990

TEXAS WATER COMMISSION

ATTEST:

*Brenda W. Foster*  
Brenda W. Foster, Chief Clerk

*B. J. Wynne, III*  
B. J. Wynne, III, Chairman



President Bill Robinson

Vice. President Hugh Wheatfall

Sec. Tres. Billy Kloecker

## G & W WATER SUPPLY CORPORATION

P.O. BOX 511

HEMPSTEAD, TEXAS 77445

(409) 372 - 3696 ~~(409) 372-7122~~

FAX (409) 372 - 2887

December 4, 1992

We are pleased to announce that we have arrived at that time to set meters and supply you water. Our contractor will be going around and installing the water meters. After he has installed your meter you are allowed to make your connection. You will have from when the meter is set to about December 23, 1992 to use water for flushing and testing your lines without being charged for water. The first billing should arrive on or about January 25, 1993. The rates for water were set by the Board of Directors at \$19.00 for the first 2000 gallons, and \$4.00 per 1000 gallons of water after.

Members shall see that all plumbing connections shall be made to comply with the TEXAS WATER COMMISSIONS rules and regulations.

All connections shall be designed to ensure against backflow or siphonage into the Corporation's water supply. No water connection from any public drinking water supply system shall be made to any establishment where an actual or potential contamination or system hazard exist without an air gap separation between the drinking water supply and the source of potential contamination. This means that the private wells cannot be connected to any lines served by the Corporations water system.

The member shall provide access to the meter at all reasonable times for the purpose of reading, installing, checking, repairing, or replacing the meter.

The Corporation shall require each member to provide a cutoff valve on the member's side of the meter for purposes of isolating the member's service pipeline and plumbing facilities from the Corporation's water pressure. The member's use of the Corporation's curb stop or other similar valve for such purpose is prohibited.

The Corporation's ownership and maintenance responsibility of water supply and metering equipment shall end at the point where the member connects to the equipment provided by the Corporation during the installation of the metering equipment.

Further information can be obtained by calling Mr. Frank Tressie at 409 372-9858.

### Board of Directors

Bill Robinson Hockley 372-3696

Vernon Hamner - Waller 372-2736  
~~Thomas Hargrave - Waller 372-8881~~  
Delores Hargrave - Waller 372-2193  
~~Rusty Goodson - Hockley 372-3341~~

Hugh Wheatfall - Navasota 825-7122  
~~Arlene Fink - Navasota 825-2184~~  
~~Chris Glem - Navasota 825-2694~~  
Billy Kloecker - Hempstead 826-6190 <sup>216</sup>

## SECTION E. SERVICE RULES AND REGULATIONS

1. ***Service Entitlement.*** The Applicant(s) shall be considered qualified and entitled to water and or sewer utility service when proper application has been made, terms and conditions of Service and Membership have been met and continue to be met, and all fees have been paid as prescribed. (30 TAC 291.85 (a))
2. ***Service Location and Classification.*** For the purposes of this Tariff, service requested by the Applicant(s) shall be for real estate designated to receive the service provided by the Corporation. Service shall be through a meter or sewer tap located on that designated real estate unless otherwise approved by the board. Service shall be divided into the following two classes:
  - a. **Standard Service** is defined as service on an existing pipeline where pipeline or service facility extensions are not required and special design and/or engineering considerations are not necessary. Typically, this would include 5/8" X 3/4" or 3/4" sized water meter services set on existing pipelines or 4" gravity sewer taps, pressure collection facilities installed or connected to collection lines no more than five feet in depth.
  - b. **Non-Standard Service** is defined as any service request which requires a larger meter service, service to a Master Metered Account (see E. 3. c. of this section), or an addition to the supply, storage and/or distribution/collection system. The service requirements as prescribed by Section F of this Tariff shall be required of the Non-Standard Service Applicant prior to providing service.
3. ***Service Requirements.*** The Corporation's Service Application and Agreement Form shall be completed in full and signed by the Applicant(s). Where applicable in addition to the applicant any other person sharing an ownership interest in and receiving service at that property shall sign the Service Application and Agreement Form (Typically this would be the applicant's spouse). (See Sample Application RUS-TX Bulletin 1780-9 (Rev. 09/02))
  - a. A Right-of-Way Easement Form, Sanitary Control Easement, or other such easement form, required by the Corporation, must be completed by the Applicant for the purpose of allowing future facility additions. (See Sample Application - RUS-TX Bulletin 1780-9 (Rev. 09/02), 30 TAC 290.47 Appendix C.) **NOTE:** This requirement may be delayed for Non-Standard Service requests.
  - b. The Applicant shall provide proof of ownership to property for which service has been requested in a manner acceptable to the Corporation. Proof of ownership shall consist of warranty deed, deed of trust or other recordable documentation of fee simple title to the real estate designated to receive service. (Texas Water Code 67.016 (e), and 13.002 (11).
  - c. On the request by the property owner or owner's authorized agent, the Corporation shall install individual meters owned by the Corporation in an apartment house, manufactured home rental community, multiple use facility, or condominium on which construction begins after January 1, 2003, unless the Corporation determines that installation of individual meters are not feasible. If the Corporation determines that installation of meters is not feasible, the property owner or manager shall install a plumbing system that is compatible with the installation of submeters or individual meters. The Corporation shall be entitled to the payment of costs, including the costs of individual meter installations, as provided in Section F.4. The cost of individual meter installation shall be prepaid by the property owner as well as the cost of any additional facilities or supply occasioned by the total water/sewer service demand represented by full occupancy of the property, as determined under applicable



- provisions of Section F. It shall be the responsibility of the property owner to obtain the memberships required for each individual meter.
- d. Notice of application approval and costs of service determined by the Corporation shall be presented to the Applicant in writing and shall remain in effect for a period not to exceed thirty (30) days. After that time the Applicant must re-apply for service. (30 TAC 291.81 (a) (1))
  - e. If the water main has been located in the public right-of-way and is adjacent to Applicant's property due to the current or previous landowner's refusal to grant easement to the Corporation for the purpose of installing the water main and appurtenances, and the Corporation has documentation of such refusal, the Applicant, prior to receiving the requested service, shall grant easement required under this Tariff and in addition to the normally required fees for new customer service, shall pay such sums as are reasonably necessary to cap the existing line in the ROW and construct the appropriate line or lines within that easement for the Corporation's system-wide service. (see Miscellaneous Transaction Forms)
4. **Ownership of equipment.** All water meters and equipment and materials required to provide water or wastewater service to the point of connection; water meter or service tap, is the property of the Corporation upon installation.
5. **Requirements for Mandatory Sewer Connection.** – [Optional: does not apply to EDAP Funded Recipients.] Effective [insert date of adoption of tariff provision by Board], the installation of any private on-site wastewater treatment or holding facility on property within the Corporation's certificated service area which is less than 300 feet (measured from boundary line of the property to the nearest point of the Corporation's wastewater collection system along a public-right-of-way or utility easement) is prohibited and service to any such property will be provided by the Corporation. (Note: This does not apply to any person who has installed an on-site wastewater holding or treatment facility if that on-site facility was installed prior to construction and operation of the Corporation's wastewater collection system within 300 feet of the property or prior to the effective date stated herein.) Any costs for connection to the Corporation's wastewater collection system in excess of the standard costs required under Section G must be paid for by the wastewater service applicant. The Corporation must review and approve plans and specifications for any connection prior to construction (Texas Water Code 49.234).
6. **Activation of Standard Service.**
- a. **New Tap** -- The Corporation shall charge a non-refundable service installation fee as required under Section G of this tariff. The service installation fee shall be quoted in writing to the Applicant. All fees shall be paid or a deferred payment contract signed in advance of installation. (30 TAC 291.86 (a)(1)(A))
  - b. **Re-Service** -- On property where service previously existed, the Corporation shall charge the Membership Fee (where the Membership Fee has been liquidated or refunded), reconnection costs, any delinquent charges if the applicant is the person that previously incurred those charges, seasonal reconnect fee as appropriate, and other applicable costs necessary to restore service.
  - c. **Performance of Work** -- All tap and equipment installations specified by the Corporation shall be completed by the Corporation staff or designated representative after all application requirements have been met. The tap for a standard service request shall be completed within five (5) working days whenever practicable, but not later than 10 working days. This time may

requirements have been met. The tap for a standard service request shall be completed within five (5) working days whenever practicable, but not later than 10 working days. This time may be extended for installation of equipment for Non-Standard Service Request. (see Section F)

- d. **Inspection of Customer Service Facilities** -- The property of the Applicant/ Member shall be inspected to insure compliance with state required Minimum Acceptable Operating Practices For Public Drinking Water Systems as promulgated by the Texas Commission on Environmental Quality or successor agency. The customer must, at his or her expense, properly install, inspect, test, maintain and provide all required documentation of any approved backflow prevention device required by the Corporation. (30 TAC 290.46(j); Service Agreement Form)

**6. Activation of Non-Standard Service.** Activation of Non-Standard Service shall be conducted as prescribed by terms of Section F of this Tariff.

**7. Changes in Service Classification.** If at any time the Corporation determines that the customer service needs changed from those originally applied for to a different service classification and the Corporation determines that additional or different facilities are necessary to provide adequate service, the Corporation shall require the Applicant/Member to re-apply for service under the terms and conditions of this Tariff. Applicant/Members failing to comply with this provision shall be subject to the Disconnection with Notice Provisions of this Tariff, Section E.15.

**8. Membership.**

- a. **Eligibility** - Eligibility for Membership shall not guarantee service to the Applicant or Transferee; however, qualification for service is a prerequisite to Membership eligibility for new Applicants or continued Membership for Transferees.
- b. **Membership** - Upon qualification for service, qualification for Membership, and payment of the required fees, the Corporation shall certify the Applicant as a Member. The Membership shall entitle the Member to one (1) connection to the Corporation's water/sewer utility service and one (1) share of Corporation Stock. The Membership entitles the Member to one (1) vote in the election of directors and in such other matters requiring the approval of the Corporation's Members at any Annual or Special Membership Meeting of the Corporation as prescribed by the Corporation Bylaws. Ownership of more than one (1) Membership shall not authorize the Member to cast more than one (1) vote at any annual or special meeting. Each Membership and Stock thereby represented may be assigned to the specified parcel of land originally designated to receive service at the time of application. (Texas Water Code 67.016) **NOTE (1):** In the event that the Corporation is conducting a potential Members survey for indications of interest in future service for the purpose of determining the feasibility of an initial construction or expansion project under RUS guidelines (see Sample Application Packet), regular application procedures may be modified. An Indication of Interest Fee may be required prior to qualifications for receipt of service by the Applicant but shall only be used or applied as a Membership Fee for Membership purposes (upon issuance of a Membership) if service is ultimately received or reserved by the Applicant as a result of the planned project facilities. If service is not provided within the scope of this project, Indication of Interest Fees shall be refunded, less expenses, within sixty (60) days of the loan closing with the Rural Utilities Service. **NOTE (2):** In the event the applicant is in the process of construction the Membership will be considered TEMPORARY until such time as the final Customer Service Inspection is completed and the forms are returned as required. (See Section C., Section E. Sub-Section 1. Service Entitlement)
- c. **Transfers of Membership.** (Texas Water Code 67.016)
  - 1) A Member is entitled to transfer Membership in the Corporation only under the following circumstances:

- (b) The Membership is transferred without compensation to a person related to the Transferor within the second degree by consanguinity; or
  - (c) The Membership is transferred without compensation or by sale to the Corporation; or
  - (d) The Membership is transferred as a part of the conveyance of real estate from which the Membership arose.
- 2) In the event that Membership is transferred pursuant to the provisions of Sub-Section 8.c. (1) such transfer shall not be completed or recorded on the books and records of the Corporation until such time as the transferor has provided satisfactory evidence to the Corporation of such transfer. A transfer of Membership shall not be binding on the Corporation until such transfer has been approved as provided by Sub-Section 8.c. (3).
- 3) Qualifications for service upon transfer of Membership set forth in Sub-Section 8.c.(1) and 8.c.(2) shall be subject to approval of the Corporation and shall be recorded on the books and records of the Corporation only upon the following terms and conditions:
- (a) A Transferee has completed the required Application Packet including granting the Corporation with a private utility easement on the form provided by the Corporation.
  - (b) The Transferee has paid the balance of the Transferor's membership fee to the face value of the Transferor's membership fee, to the extent that it was partially liquidated.
  - (c) The Transferee demonstrates satisfactory evidence of ownership of the property designated to receive service and from which the Membership originally arose.
- 4). If the application packet and other information is not completed on the day transfer of membership is requested the corporation will give the transferee written notice of 10 additional days to produce completed documentation to the corporation office. Service will be disconnected on the day following the 10<sup>th</sup> day according to disconnection with notice requirements. Additional time may be allowed at the directions of the manager or board.
- d. **Cancellation of Membership** -- To keep a Membership in good standing, a Service Availability Charge or a Reserved Service Charge must be paid monthly to the Corporation, whether or not water is used. Failure to pay this monthly charge to the Corporation shall jeopardize the Member's Membership standing and give rise to liquidation of the Membership Fee and forfeiture of the Membership. A Member may be relieved of this obligation to pay by surrendering the Membership, properly documented, to the Corporation. The Member shall also complete a Service Discontinuance Request Form prior to termination of service. (See Misc. Transaction Forms.) However, a Member is not relieved of any obligations incurred prior to the date of surrender of a properly endorsed Membership prior to termination of service. Rights to future service at this tap shall be extended on an as-available basis and subject to the terms of the Activation of Service Sub-Section E.3.of this Tariff. (Texas Water Code 67.016)
- e. **Liquidation Due To Delinquency** -- When the amount of the delinquent charges owed by the Member equals the Membership Fee, the Membership Fee shall be liquidated and the Membership canceled and transferred back to the Corporation. In the event the Member leaves a balance due on an account guaranteed under the terms of a Service Application and Agreement, and the delinquent Member owns more than one Membership, the Corporation may liquidate as many of the Member Guarantor's Membership Fees as necessary to satisfy the balance due the Corporation, provided proper notice has been given (see Tariff Section E, Subsection 16.). The Corporation shall collect any remaining account balances by initiation of legal action. Re-instatement of service shall be subject to the terms of the Activation of Service Sub-Section E. 3. of this Tariff.
- f. **Cancellation Due To Policy Non-Compliance** -- The Corporation may cancel a Membership anytime a Member fails to comply with policies of the Corporation, including but not limited to Member's failure to provide proof of ownership of the property from which the Membership



- arose. (Texas Water Code 67.016)
- g. **Re-assignment of Canceled Membership** -- The Corporation, upon cancellation of Membership under the provisions of this Tariff, may re-assign the Membership rights thereby granted to any person who satisfactorily demonstrates eligibility for Membership, including but not limited to proof of ownership of the property from which the Membership arose. (Texas Water Code 67.016)
  - h. **Mortgaging of Memberships** -- Nothing herein shall preclude a Member from mortgaging his/her Membership. However, notification to the holder of any security interest (mortgagee/lien-holder) of account status of Member/mortgagor will be provided only upon satisfactory completion of requirements for such conditions under the Membership Mortgage Agreement (See Miscellaneous Transaction Forms). Prior to the cancellation of any Membership as provided under Sub-Section E. 8.d. (Cancellation of Membership), the Corporation will notify the holder of any security interest in the Membership. The holder of the security interest also must hold a security interest in the real property at which water service is provided under the Membership. The Corporation may transfer the Membership to the holder of such security interest in lieu of cancellation, provided the holder of the security interest pays in full all delinquent and unpaid obligations and provided further that the holder of the security interest has secured title to the real property from which the Membership arose. The Corporation may withhold cancellation of a Membership pending the resolution of any foreclosure proceedings or similar legal proceedings by the holder of the security interest.
  - i. **Cancellation and Re-Assignment of Membership as a Result of Bankruptcy Proceedings** -- Upon notice of the filing of a petition in bankruptcy, the Corporation may require the posting of a deposit or other form of security, acceptable to the Corporation, as a condition for continuing utility service. Unless special circumstances require otherwise, the amount of security shall equal the amount of charges for the month of greatest use during the preceding 12 months. The Corporation shall not require the payment of any security prior to the expiration of 20 days following the date on which the petition is filed. Failure to provide this security by the date specified by the Corporation may result in termination of service according to the Disconnection with Notice Provisions of Section E (16) of this tariff, with a copy of the notice to the bankruptcy Trustee.
  - j. **Cancellation and Re-Assignment of Membership as a Result of Divorce (or Dissolution of Joint Tenancy)** -- The Corporation shall transfer the membership to a spouse (or joint tenant) who has been awarded the property designated to receive service. The Corporation must be provided adequate documentation of the ownership rights of the spouse (or joint tenant) requesting transfer, such as final divorce decree, temporary court order, or agreement. In no event shall any membership(s) be transferred if the transferee does not otherwise meet the qualifications for membership and for service.
9. **Owners and Renters.** Any Member, renting or leasing real estate property designated to receive service according to the terms of this tariff to other parties, is responsible for all charges due the Corporation. The Corporation may bill the renter or lessee for utility service (at Member Request) as a third party, but the Member is fully responsible for any and all unpaid bills left by the renter/lessee. The owner shall be required to sign an Alternate Billing Agreement. (See Miscellaneous Transaction Forms.) The Member shall take responsibility for any necessary deposits from the renter/lessee to ensure payment of a past due bill. The Corporation will notify the Member of the renter's past due payment status. Such notification will be subject to a service charge (see Section: Miscellaneous Transaction Forms).
10. **Denial of Service.** The Corporation may deny service for the following reasons:

- a. Failure of the Applicant or Transferee to complete all required easements, forms and pay all required fees and charges;
  - b. Failure of the Applicant or Transferee to comply with rules, regulations, policies, and bylaws of the Corporation;
  - c. Existence of a hazardous condition at the Applicant's property which would jeopardize the welfare of the Members/Users of the Corporation upon connection;
  - d. Failure of Applicant or Transferee to provide representatives or employees of the Corporation reasonable access to property, for which service has been requested;
  - e. Failure of Applicant or Transferee to comply with all governmental rules and regulations of the Corporation's tariff on file with the state regulatory agency governing the service applied for by the Applicant;
  - f. Failure of Applicant or Transferee to provide proof of ownership, to the satisfaction of the Corporation, of property for which the tap has been requested, and/or
  - g. Applicant's service facilities are known to be inadequate or of such character that satisfactory service cannot be provided.
  - h. Failure of Applicant or transferee to comply with applicable regulations for on-site sewage disposal systems if the Corporation has been requested to deny service by the TCEQ or the TCEQ's designated representative under Chapter 366 of the Texas Health and Safety Code.
11. ***Applicant's or Transferee's Recourse.*** In the event the Corporation refuses to serve an Applicant under the provisions of these rules, the Corporation must notify the Applicant, in writing, on the basis of its refusal. The Applicant may file for an appeal, in writing, with the Board of Directors of the Corporation.
12. ***Insufficient Grounds for Refusal of Service.*** The following shall not constitute sufficient cause for the refusal of service to an Applicant:
- a. Delinquency in payment for service by a previous occupant of the premises to be served;
  - b. Failure to pay a bill to correct previous underbilling due to misapplication of rates more than six (6) months prior to the date of application;
  - c. Violation of the Corporation's rules pertaining to operation of non-standard equipment or unauthorized attachments which interferes with the service of others, unless the customer has first been notified and been afforded reasonable opportunity to comply with said requirements;
  - d. Failure to pay a bill of another customer as guarantor thereof unless the guarantee was made in writing to the Corporation as a condition precedent to service;
  - e. Failure to pay the bill of another customer at the same address except where the change of customer identity is made to avoid or evade payment of a utility bill;
13. ***Deferred Payment Agreement.*** The Corporation may offer a deferred payment plan to a Member who cannot pay an outstanding balance in full and is willing to pay the balance in reasonable installments as determined by the Corporation, including any Late Penalty Fees or interest on the monthly balance to be determined as per agreement. (See Miscellaneous Transaction Forms) Failure to make required and timely payments as provided in any deferred payment agreement will void that agreement and service will be discontinued. The Corporation may consider another deferred payment agreement provided payments will be made by automatic bank draft or credit/debit card. Non-payment of any amount under an additional deferred payment agreement will cause service to be disconnected immediately and service will not be restored until the account is paid in full and all other charges resulting from the disconnection of service are fully paid.
14. ***Charge Distribution and Payment Application.***
- a. **The Service Availability Charge or the Reserved Service Charge** is for the billing period from



the 1st day of the month to the <sup>31st</sup> 15th day of the month. Charges shall be prorated for meter installations and service termination's falling during the billing period. Billings for this amount shall be mailed on or about the 1st of the month preceding the month for which this charge is due. All services shall be subject to this charge whether or not the service is in use by the Member.

- b. **Gallonge Charge** shall be billed at the rate specified in Section G and billing shall be calculated in one hundred (100) gallon increments. Water charges are based on monthly meter readings and are calculated from reading date to reading date. Readings used in all billing calculations shall be taken by the Corporation's employees or designated representative.
- c. **Posting of Payments** -- All payments shall be posted against previous balances prior to posting against current billings.
- d. **Forms of Payment:** The Corporation will accept the following forms of payment: cash, personal check, cashier's check, money order, credit card, automatic debit on customer's bank account, or draft on bank. The Corporation will not accept two-party checks, pay checks, or any other instrument of payment that is not made out to the Corporation. The Corporation reserves the right to require exact change and may refuse to accept payments made using more than \$1.00 in coins.

**15. Due Dates, Delinquent Bills, and Service Disconnection Date.** The Corporation shall mail all bills on or about the 1st of the month. All bills are considered the responsibility of each person signing the Service Application and Agreement Form. All bills shall be due and payable upon receipt and are past due beyond the date indicated on the bill (allowing approximately fifteen (15) days to pay), after which time a penalty shall be applied as described in Section G. A bill is delinquent if not paid on or before the past due date. Payments made by mail will be considered late if postmarked after the past due date. A 15 day grace period may then be allowed for delayed payments prior to mailing of final notices. Final notices shall be mailed allowing ten (10) additional days for payment prior to disconnection. The ten (10) additional days shall begin on the day the final notice is deposited with the U.S. Postal Service with sufficient postage. If the past due date for the regular or final billing is on a weekend or holiday, the past due date for payment purposes shall be the next day the Corporation office is open for business after said weekend or holiday. For all disputed payment deadlines, the date postmarked on each bill will determine the beginning of each billing cycle or final notice mailings.

- Upon written request, any residential customer 60 years of age or older who occupies the entire premises of a dwelling receiving water utility service from the Corporation shall receive extension of the past due date, without penalty. The extension shall not exceed 10 days beyond the usual 15 day payment period for a total of no more than 25 days from the date the bill is issued. The request may specify extension of the late payment periods for current and subsequent billings. (Reference Utilities Code Section 182.001 - 182.005)

**16. Rules for Disconnection of Service.** The following describes the rules and conditions for disconnection of service. Notwithstanding any language to the contrary in the Service Application and Agreement Form, the Corporation can only discontinue service for the reasons set forth in this Section. For the purposes of disconnecting sewer service under these policies, water service will be terminated in lieu of disconnecting sewer service. In instances of nonpayment of sewer service or other violations by a Member who is not a water customer, the Corporation has the option to disconnect the sewer tap or take other appropriate actions.

- a. **Disconnection with Notice** -- Water utility service may be disconnected for any of the following reasons after proper notification has been given.
  - 1) **Returned Checks** -- The Corporation shall mail, via the U.S. Postal Service, a notice requiring redemption of the returned instrument within ten (10) days of the date of the notice to be made in the Corporation office. Redemption of the returned instrument shall be made by



cash, money order, or certified check. Failure to meet these terms shall initiate disconnection of service. (see Miscellaneous Transaction Forms) Any such instruments returned as insufficient or non-negotiable for any reason for any two billing periods within a 12-month period shall be considered evidence of bad credit risk by the Corporation. The Member/Customer in violation shall be placed on a "cash-only" basis for a period of 12 months.

**NOTE:** "cash only," means certified check, money order, or cash.

- 2) Failure to pay a delinquent account for utility service, failure to timely provide a deposit or other security under Section E (8) (i), or failure to comply with the terms of a deferred payment agreement (Miscellaneous Transaction Forms);
  - 3) Violation of the Corporation's rules pertaining to the use of service in a manner which interferes with the service of others or the operation of non-standard equipment if a reasonable attempt has been made to notify the Member and the Member is provided with a reasonable opportunity to remedy the situation;
  - 4) Failure of the Member to comply with the terms of the Corporation's Service Agreement, Tariff (including, where appropriate, Section H), Bylaws, or Special Contract provided that the Corporation has given notice of said failure to comply, and Member has failed to comply within a specified amount of time after notification.
  - 5) Failure to provide access to the meter under the terms of this Tariff or to property at which water service is received when there is reason to believe that a hazardous condition or policy violation exists for which access is necessary to verify.
  - 6) Misrepresentation by any Applicant or Transferee of any fact on any form, document, or other agreement required to be executed by the Corporation.
  - 7) Failure of Member to re-apply for service upon notification by the Corporation that Member no longer meets the terms of the service classification originally applied for under the original service application.
  - 8) Failure to pay a delinquent account billed by the Corporation for sewer utility service provided by [Retail Public Utility] pursuant to the Corporation's Agreement with the [Retail Public Utility]. (See Miscellaneous Transaction Forms - Figure 1: 30 TAC 291.85 (e)(2) Appendix A "SEWER BILLING SERVICES FOR A RETAIL PUBLIC UTILITY PROVIDED BY A NON-PROFIT WATER SUPPLY CORPORATION")
  - 9) Cancellation of membership by Member on an account that the Member holds for water/sewer service to the Member's renter/lessee, even if the renter/lessee has kept the account balance current under an Alternate Billing Agreement. (Note: The cancellation of membership must be in writing and signed by the Member. CORPORATION ASSUMES NO LIABILITY TO RENTER/LESSEE; MEMBER IS SOLELY RESPONSIBLE FOR COMPLIANCE WITH, AND LIABILITY UNDER ANY FEDERAL, STATE OR LOCAL LAW CREATING OR PROTECTING RIGHTS OF RENTERS/LESSEES.)
  - 10) Violation of any applicable regulation or pertaining to on-site sewage disposal systems if the Corporation has been requested in writing to disconnect service by the TCEQ or the TCEQ's designated representative under Chapter 366 of the Texas Health and Safety Code.
- b. **Disconnection Without Notice** -- Water utility service may be disconnected without notice for any of the following conditions:
- 1) A known dangerous or hazardous condition exists including but not limited to a public health nuisance under Chapter 341 of the Health and Safety Code or a dangerous or hazardous condition under 30 TAC Sections 290.46 (j) and 290.46 (i). A line leak on the member's side of the meter is considered a potential contaminant hazard. Before disconnecting service, the Corporation shall conduct a customer service inspection (CSI) in accordance with Section 290.46(j) to verify that a health hazard exists. If the CSI determines that a health hazard exists, the Corporation will notify the local county health office. The corporation will provide

the member with written notice that the member has 5 business days to eliminate the hazard prior to disconnection of service. This may include repairing a line leak. If the member refuses to allow access for the purpose of conducting the CSI, the Corporation will immediately terminate service. Service can only be restored once the CSI confirms no health hazard exists, the health hazard has been removed or repaired, or the health hazard has been isolated from the Corporation's water system by the installation of a backflow prevention device.

- 2) Service is connected without authority by a person who has not made application for service or who has reconnected service without authority following termination of service for nonpayment; and
- 3) In instances of tampering with the Corporation's meter or equipment, by-passing the meter or equipment, or other diversion of service.

**NOTE:** Where reasonable, given the nature of the reason for disconnection, a written statement providing notice of disconnection and the reason therefore shall be posted at the place of common entry or upon the front door of each affected residential unit as soon as possible after service has been disconnected.

c. **Disconnection Prohibited** -- Utility service may not be disconnected for any of the following reasons:

- 1) Failure of the Member to pay for merchandise or charges for non-utility service provided by the Corporation, unless an agreement exists between the Applicant and the Corporation whereby the Member guarantees payment of non-utility service as a condition of service;
- 2) Failure of the Member to pay for a different type or class of utility service unless a fee for such service is included in the same bill;
- 3) Failure of the Member to pay charges arising from an underbilling occurring due to any misapplication of rates more than six (6) months prior to the current billing;
- 4) Failure of the Member to pay the account of another Member as guarantor thereof, unless the Corporation has in writing the guarantee as a condition precedent to service;
- 5) Failure of the Member to pay charges arising from an underbilling due to any faulty metering, unless the meter has been tampered with or unless such underbilling charges are due under the Inoperative Meters subsection E. 20. of this tariff.
- 6) Failure of the Member to pay estimated bill other than a bill rendered pursuant to an approved meter reading plan, unless the Corporation is unable to read the meter due to circumstances beyond its control.

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

e. **Disconnection Due to Utility Abandonment** -- The Corporation may not abandon a Member or a Certificated Service Area without written notice to its Members and all similar neighboring utilities and approval from the Texas Commission on Environmental Quality.

f. **Disconnection for Ill Customers** -- The Corporation may not discontinue service to a delinquent residential Member permanently residing in an individually metered dwelling unit when that Member establishes that discontinuance of service will result in some person at that residence becoming seriously ill or more seriously ill if service is discontinued. To avoid disconnection under these circumstances, the Member or tenant must provide a written statement from a physician to the Corporation prior to the stated date of disconnection. Service may be disconnected in accordance with Subsection (a) of the Section if the next month's bill and past due bill are not paid by the due date of the next month's bill, unless the Member or tenant enters into a Deferred Payment Agreement (see Miscellaneous Transaction Forms). The Corporation

shall provide notice to an owner of rental property in the event a tenant requests service not be discontinued due to illness as per this subsection.

- g. **Disconnection of Master-Metered Accounts and Non-Standard Sewer Services** -- When a bill for water utility services is delinquent for a master-metered service complex (defined as a complex in which a single meter serves two (2) or more residential dwelling units), the following shall apply: (30 TAC SUBCHAPTER H. 291.126)
  - 1) The Corporation shall send a notice to the Member as required. This notice shall also inform the Member that notice of possible disconnection will be provided to the tenants of the service complex in five (5) days if payment is not rendered before that time.
  - 2) At least five (5) days after providing notice to the Member and at least five (5) days prior to disconnection, the Corporation shall post at notices, stating "Termination Notice" in public areas of the service complex notifying the residents of the scheduled date for disconnection of service.
  - 3) The tenants may pay the Corporation for any delinquent bill in behalf of the owner to avert disconnection or to reconnect service to the complex.
- h. **Disconnection of Temporary Service** -- When an applicant with a Temporary service fails to comply with the conditions stated in the Service Application and Agreement Form or other rules of this Tariff service may be terminated with notice.

- 17. **Billing Cycle Changes.** The Corporation reserves the right to change its billing cycles if the workload requires such practice. After a billing period has been changed, the billings shall be sent on the new change date unless otherwise determined by the Corporation.
- 18. **Back-billing.** The Corporation may back-bill a Member for up to four (4) years (48 months) for meter error, misapplied meter multiplier, incorrect meter readings, or error in computing a Member's bill. Failure to pay the most recent six (6) months billing will result in disconnection of service. Back-billing shall not extend beyond current Membership except in cases involving the transfer of a Membership conditioned upon payment of delinquent obligations by the Transferee, as provided in Section E. 8. h.
- 19. **Disputed Bills.** In the event of a dispute between the Member and the Corporation regarding any bill, the Corporation shall forthwith make and conduct an investigation as shall be required by the particular case, and report the results in writing thereof to the Member. All disputes under this Subsection must be submitted to the Corporation, in writing, prior to the due date posted on said bill except in cases involving the transfer of a Membership conditioned on payment of delinquent obligations by the Transferee, as provided under Section E. 8. h.
- 20. **Inoperative Meters.** Water meters found inoperative will be repaired or replaced within a reasonable time. If a meter is found not to register for any period, unless by-passed or tampered with, the Corporation shall make a charge for units used, but not metered, for a period not to exceed three (3) months, based on amounts used under similar conditions during the period preceding or subsequent thereto, or during corresponding periods in previous years.
- 21. **Bill Adjustment Due To Meter Error.** The Corporation shall test any Member's meter upon written request of the Member. In the event the meter tests within the accuracy standards of The American Water Works Association, a test fee as prescribed in Section G of this Tariff shall be imposed. In the event the test results indicate that the meter is faulty or inaccurate, the test fee shall be waived, the meter shall be calibrated or replaced, and a billing adjustment may be made as far back as six (6) months but not extending beyond current Membership except in cases involving the transfer of a Membership conditioned on payment of delinquent obligations by the Transferee, as provided under Sub-Section 6.h.



The billing adjustment shall be made to the degree of the meter's inaccuracy as determined by the test. The Member shall complete a Meter Test Request Form prior to the test. (See Misc. Transaction Forms.)

**22. Meter Tampering and Diversion.**

- a. For purposes of this Section, the term "Tampering" shall mean meter-tampering, by-passing, or diversion of the Corporation's service equipment, or other instances of diversion, including:
1. removing a locking or shut-off device used by the Corporation to discontinue service,
  2. physically disorienting the meter,
  3. attaching objects to the meter to divert service or to by-pass,
  4. inserting objects into the meter,
  5. other electrical and mechanical means of tampering with, by-passing, or diverting service, and
  6. preventing the supply from being correctly registered by a metering device due to adjusting the valve so that flow is reduced below metering capability.

The burden of proof of Tampering is on the Corporation. Photographic evidence or any other reliable and credible evidence may be used; however, any evidence shall be accompanied by a sworn affidavit by the Corporation's staff when any action regarding Tampering is initiated. A court finding of Tampering may be used instead of photographic or other evidence, if applicable. Unauthorized users of services of the Corporation shall be prosecuted to the extent allowed by law under the Texas Penal Code Section 28.03.

- b. If the Corporation determines under subsection (a) that Tampering has occurred, the Corporation shall charge the offending party the total actual loss to the Corporation, including the cost of repairs, replacement of damaged facilities, and lost water revenues.
- c. In addition to actual damages charged under subsection (b), the Corporation may assess a penalty against the offending party. The penalty shall not exceed six (6) times the Service Availability Charge.

**Note:** For purposes of this Section, "offending party" means the person who committed the Tampering. So, for example, in an owner/tenant situation where the tenant committed the Tampering, the Corporation cannot charge actual damages or penalty to the owner.

**23. Meter Relocation.** Relocation of services shall be allowed by the Corporation provided that:

- a. The relocation is limited to the existing property designated to receive service;
- b. A current easement for the proposed location has been granted to the Corporation; and
- c. The Member pays the actual cost of relocation plus administrative fees.

**24. Prohibition of Multiple Connections To A Single Tap.** No more than one (1) residential, commercial, or industrial service connection is allowed per meter. The Corporation may consider allowing an apartment building or mobile home/RV park to apply as a "Master Metered Account" and have a single meter (This refers to Section E. 3. c. Any unauthorized sub-metering or diversion of service shall be considered a Multiple Connection and subject to disconnection of service. If the Corporation has sufficient reason to believe a Multiple Connection exists, the Corporation shall discontinue service under the Disconnection with Notice provisions of this Tariff. (see Sample Application Packet RUS-TX



Bulletin 1780-9 (Rev. 09/02)

**25. Member's Responsibility.**

- a. The Member shall provide access to the meter as per the easement and service agreement. If access to the meter is hindered or denied preventing the reading of the meter, an estimated bill shall be rendered to the Member for the month; and a notice shall be sent to the effect that access could not be gained. If access is denied for three (3) consecutive months after proper notification to the Member, then service shall be discontinued and the meter removed with no further notice.
- b. The Member shall be responsible for compliance with all utility, local, and state codes, requirements, and regulations concerning on-site service and plumbing facilities.
  - 1) All connections shall be designed to ensure against on-site sewage contamination, back-flow or siphonage into the Corporation's water supply. In particular, livestock water troughs shall be plumbed above the top of the trough with air space between the discharge and the water level in the trough. (30 TAC 290.46, Health & Safety Code Chapter 366)
  - 2) The use of pipe and pipe fittings that contain more than 8.0% lead or solder and flux that contain more than 0.2% lead is prohibited for any plumbing installation or repair of any residential or non-residential facility providing water for human consumption and connected to the Corporation's facilities. Customer service pipelines shall be installed by the applicant. (30 TAC 290.46 )
  - 3) All pipe and fittings used by the customer to convey sewage from its source to the sewer line must be a minimum of D-3034, SDR-35 or equivalent, 4-inch diameter pipe. No DWV (drain waste and vent) pipe or fittings will be allowed. All joints must be watertight and pipe must be installed to recommended grade. All non-household sewer customers who have potential for dirt, grit, sand, grease, oil, or similar substances must install and maintain a trap ahead of their entrance to the Corporation's sewer collection piping. A double cleanout is required at the property line and recommended at the house. The Corporation may impose other site-specific requirements. All sewer and potable water service pipeline installations must be a minimum of nine feet apart and meet all applicable plumbing standards for crossings, etc.  
Requirements for Traps:
    - (A) Discharges requiring a trap include but are not limited to:
      - (i) grease or waste containing grease in amounts that will impede or stop the flow in the public sewers;
      - (ii) oil, flammable wastes;
      - (iii) sand, and other harmful ingredients.
    - (B) Any person responsible for discharges requiring a trap shall, at his own expense, and as required by the approving authority:
      - (i) Provide equipment and facilities of a type and capacity approved by the approving authority;
      - (ii) locate the trap in a manner that provides ready and easy accessibility for cleaning and inspection; and
      - (iii) maintain the trap in effective operating condition.
    - (C) Approving Authority Review and Approval (By the Board of Directors or Agency):
      - (i) If pretreatment or control is required, the approving authority shall review and approve design and installation of equipment and processes.
      - (ii) The design and installation of equipment and processes must conform to all applicable statutes, codes, ordinances and other laws.
      - (iii) Any person responsible for discharges requiring pretreatment, flow equalizing or other facilities shall provide and maintain the facilities in effective operating condition at his own expense.



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

- c. A Member owning more than one (1) Membership shall keep all payments current on all accounts. Failure to maintain current status on all accounts shall be enforceable as per Service Application and Agreement executed by the Member.
- d. The Corporation's ownership and maintenance responsibility of water supply and metering equipment shall end at the meter or other service equipment. Therefore, all water usage registering upon and/or damages occurring to the metering equipment owned and maintained by the Corporation shall be subject to charges as determined by the Corporation's Tariff as amended from time to time by the Board of Directors.
- e. The Corporation shall require each Member to have a cut-off valve on the Member's side of the meter for purposes of isolating the Member's service pipeline and plumbing facilities from the Corporation's water pressure. The valve shall meet AWWA standards (a ball valve is preferred). The Member's use of the Corporation's curb stop or other similar valve for such purposes is prohibited. Any damage to the Corporation's equipment shall be subject to service charges. (This cut-off valve may be installed as a part of the original meter installation by the Corporation.)

Approved \_\_\_\_\_



**SECTION F.**  
**DEVELOPER, SUBDIVISION AND NON-STANDARD SERVICE REQUIREMENTS**

**Part I. General Requirements**

**This section details the requirements for all types of non-standard service requests.**

1. ***Corporation's Limitations.*** All Applicants shall recognize that the Corporation must comply with local, state, and federal rules and regulations as promulgated from time to time, and with covenants of current indebtedness. The Corporation is not required to extend retail water or sewer service to an Applicant in a subdivision where the responsible party (Applicant/Developer) of the applicable property (subdivision) has failed to comply with the terms of this policy. Section 13.2502 of the Texas Water Code requires that notice be given herein or by publication (see Miscellaneous Transaction Forms) or by alternative means to the Developers/Applicants. (Also see Tariff Section F. 11.)
  
2. ***Purpose.*** It is the purpose of this Section to define the process by which the specific terms and conditions for service to subdivisions and other kinds of Non-Standard Service are determined, including the Non-Standard Service Applicant's and the Corporation's respective costs.  
  

For purposes of the Section, the term "Applicant" shall refer to the individual or entity that desires to secure Non-Standard Service from the Corporation. The Applicant must be the same person or entity that is authorized to enter into a contract with the Corporation setting forth the terms and conditions pursuant to which Non-Standard Service will be furnished to the property. In most cases, the Applicant shall be the owner of real property for which Non-Standard Service is sought. In the event that the Applicant is other than the owner of real property, the Applicant must furnish evidence to the Corporation that it is authorized to request Non-Standard Service on behalf of such owner, or that it otherwise has authority to request Non-Standard Service for the real property.
  
3. ***Application of Rules.*** This Section is applicable to subdivisions, additions to subdivisions, developments, or whenever additional service facilities are required for a single tract of property. Examples of non-standard services for a single tract of land can include, but are not limited to, road bores, extensions to the distribution system, service lines exceeding 3/4" diameter and service lines exceeding \_\_\_\_ feet. Non-residential or residential service applications requiring a larger sized meter typically will be considered non-standard. For the purposes of this Tariff, Applications subject to this Section shall be defined as Non-Standard. This Section may be altered or suspended for planned facility expansions when the Corporation extends its indebtedness. The Board of Directors of the Corporation or their designee shall interpret on an individual basis whether or not the Applicant's service request shall be subject to all or part of the conditions of this Section.

This Section sets forth the general terms and conditions pursuant to which the Corporation will process Non-Standard Service Requests. The specific terms and conditions pursuant to which the Corporation will provide non-standard service in response to any request will

depend upon the nature of such request and may be set forth in a legally enforceable, contractual agreement to be entered into by the Corporation and the service Applicant. The agreement may not contain any terms or conditions that conflict with this Section.

4. ***Non-Standard Service Application.*** The Applicant shall meet the following requirements prior to the initiation of a Non-Standard Service Contract by the Corporation:
- a. The Applicant shall provide the Corporation a completed Service Application And Agreement giving special attention to the item(s) on SPECIAL SERVICE NEEDS OF THE APPLICANT.
  - b. A final plat (see Tariff Definition Section- Final Plat) approved by the Corporation must accompany the Application showing the Applicant's requested service area. The plat must be approved by all governmental authorities exercising jurisdiction over lot sizes, sewage control, drainage, right-of-way, and other service facilities. Plans, specifications, and special requirements of such governmental authorities shall be submitted with the plat. Applicants for single taps involving extension or upsizing of facilities shall be required to submit maps or plans detailing the location of the requested extension and details of demand requirements.

**NOTE:** It is the responsibility of the developer / applicant to secure all necessary approvals of the subdivision once an Agreement is in place between the Corporation and the Applicant.

- c. A Non-Standard Service Investigation Fee shall be paid to the Corporation in accordance with the requirements of Section G of this Tariff for purposes of paying initial administrative, legal, and engineering fees. The Corporation shall refund any balance that remains after it has completed its service investigation, and has completed all legal and engineering services associated with processing a request. In the event such a fee is not sufficient to pay all expenses incurred by the Corporation, the Applicant shall pay to the Corporation upon the Corporation's request all additional expenses that have been, or will be incurred by the Corporation and Corporation shall have no obligation to complete processing of the Application until all remaining expenses have been paid.
- d. If after the service investigation has been completed, the Corporation determines that the Applicant's service request is for property located, in whole or in part, outside the area described in the Corporation's Certificate of Convenience and Necessity, service may be extended provided that:
  - 1). The service location is not in an area receiving similar service from another retail Corporation;
  - 2). The service location is not within another retail Corporation's Certificate of Convenience and Necessity; and
  - 3) The Corporation's Certificate of Convenience and Necessity shall be amended to include the entirety of Applicant's property for which service is requested. Applicant shall pay all costs incurred by Corporation in amending its CCN, including but not limited to engineering and professional fees. If the service location is contiguous to or within one-fourth (1/4) mile of Corporation's Certificate of Convenience and Necessity, Corporation may extend service prior to completing the amendment to its CCN, but will do so only upon Applicant's legally enforceable agreement to fully support such amendment (including but not limited to payment of all professional



fees, including legal, surveying and engineering fees incurred by Corporation in securing the amendment).

5. **Design.** The Corporation shall approve the design requirements of the Applicant's required facilities prior to initiation of a Non-Standard Service Contract in accordance with the following schedule:
  - a. The Corporation's Consulting Engineer shall design, or review and approve plans for, all on-site and off-site service facilities for the Applicant's requested service within the Corporation's specifications, incorporating any applicable municipal or other governmental codes and specifications.
  - b. The Consulting Engineer's fees shall be paid out of the Non-Standard Service Investigation Fee under Tariff Section F. 4.
  - c. The Consulting Engineer shall submit to the Corporation a set of detailed plans, specifications, and cost estimates for the project.
  - d. The Corporation's Engineer shall ensure that all facilities for any Applicant meet the demand for service as platted and/or requested in the plans or plat submitted in application for service. The Corporation reserves the right to upgrade design of service facilities to meet future demands provided however, that the Corporation shall pay the expense of such upgrading in excess of that which is reasonably allocable to the level and manner of service requested by the Applicant.
  
6. **Non-Standard Service Contract.** Applicants requesting or requiring Non-Standard Service may be requested to execute a written contract, drawn up by the Corporation's Attorney, in addition to submitting the Corporation's Service Application and Agreement. Said contract shall define the terms of service prior to construction of required service facilities. The service contract may include, but is not limited to:
  - a. All costs associated with required administration, design, construction, and inspection of facilities for water/sewer service to the Applicant's service area and terms by which these costs are to be paid.
  - b. Procedures by which the Applicant shall accept or deny a contractor's bid, thereby committing to continue or discontinue the project.
  - c. Equity Buy-In Fee (Front-end Capital Contributions) required by the Corporation in addition to the other costs required under this Section.
  - d. Monthly Reserved Service Charges as applicable to the service request.
  - e. Terms by which service capacity shall be reserved for the Applicant and duration of reserved service with respect to the demand which the level and manner of the service will have upon the Corporation's system facilities.
  - f. Terms by which the Applicant shall be reimbursed or compensated for fees duplicated in assessments for monthly rates and Equity Buy-In Fees.
  - g. Terms by which the Corporation shall administer the Applicant's project with respect to:
    - 1) Design of the Applicant's service facilities;
    - 2) Securing and qualifying bids;
    - 3) Execution of the Service Contract;
    - 4) Selection of a qualified bidder for construction;
    - 5) Dispensing advanced funds for construction of facilities required for the Applicant's service;

- 6) Inspecting construction of facilities; and
- 7) Testing facilities and closing the project.
- h. Terms by which the Applicant shall indemnify the Corporation from all third party claims or lawsuits in connection with the project.
- i. Terms by which the Applicant shall dedicate, assign and convey to the Corporation all constructed facilities and related rights (including contracts, easements, rights-of-way, deeds, warranties, and so forth) by which the Corporation shall assume operation and maintenance responsibility for the Applicant's project. The Applicant shall also provide reproducible as-built drawings of all constructed facilities. The as-built drawings must verify that all facilities have been properly located within the easements conveyed to the Corporation.
- j. Terms by which the Board of Directors shall review and approve the Service Contract pursuant to current rules, regulations, and bylaws.

**7. Construction of Facilities by Applicant Prior to Execution of Service Contract --** The Corporation and the Applicant must execute a Non-Standard Service Contract prior to the purchase of supplies and materials or initiation of construction of facilities by the Applicant. In the event that the Applicant commences construction of any such facilities prior to execution of a Contract with the Corporation, then the Corporation may refuse to provide service to the Applicant or, in a subdivision, to any person purchasing a lot or home from the Applicant. Alternatively the Corporation may require full costs of replacing/repairing any facilities constructed without prior execution of a contract from any person buying a lot or home from Applicant. At a minimum, the Corporation will require that all facilities be uncovered by the Applicant for inspection by the Corporation, require that any facilities not approved by the Corporation be replaced, and take any other lawful action determined appropriate by the Board of Directors of the Corporation.

**8. Dedication of Water System Extension to WSC.** (a) Upon proper completion of construction of all on-site and off-site service facilities to meet the level and manner of service requested by the Applicant (the "Facilities"), the Facilities shall become the property of the WSC. The Facilities shall thereafter be owned and maintained by WSC subject to the warranties required of Applicant under Subsection (b). Any connection of individual customers to the Facilities shall be made by the WSC

(b) Upon transfer of ownership of the Facilities, Applicant shall warrant materials and performance of the Facilities constructed by Applicant for \_\_\_\_\_ months following the date of the transfer.

- 9. *Property and Right-of-Way Acquisition.*** With regard to construction of facilities, the Corporation shall require private right-of-way easements or purchase of private property as per the following conditions:
- a. If the Corporation determines that right-of-way easements or facility sites outside the Applicant's property are required, the Applicant shall secure easements or else title to

- facility sites in behalf of the Corporation. All right-of-way easements and property titles shall be researched, validated, and filed by the Corporation at the expense of the Applicant. (See Sample Application Packet RUS Form 442-8 or 442-9.)
- b. All additional costs associated with facilities that must be installed in public rights-of-way on behalf of the Applicant, due to the inability of the Applicant to secure private right-of-way easements, such as including road bores and TxDOT approvals shall be paid by the Applicant. Alternatively, Applicant shall pay all costs, including legal and other professional fees and the condemnation award in the event Corporation secures such private easements or facility sites through eminent domain proceedings.
  - c. The Corporation shall require an exclusive dedicated right-of-way on the Applicant's property (as required by the size of the planned facilities and as determined by the Corporation) and title to property required for other on-site and off-site facilities.
  - d. Easements and facilities sites shall be prepared for the construction of the Corporation's pipelines and facility installations in accordance with the Corporation's requirements and at the expense of the Applicant.
9. **Bids For Construction.** The Corporation's Consulting Engineer shall advertise for bids for the construction of the Applicant's proposed facilities in accordance with generally accepted practices. Plans and specifications shall be made available, with or without charge (as per Engineer's determination), to prospective bidders. Although the Corporation reserves the right to reject any bid or contractor, the Corporation shall generally award the contract to the lowest qualified bidder in accordance with the following criteria:
- a. The Applicant shall sign the Service Contract noting willingness to proceed with the project and shall pay all costs in advance of construction associated with the project;
  - b. The Contractor shall provide an adequate bid bond under terms acceptable to the Corporation;
  - c. The Contractor shall secure adequate performance and payment bonding for the project under terms acceptable to the Corporation;
  - d. The Contractor shall supply favorable references acceptable to the Corporation;
  - e. The Contractor shall qualify with the Corporation as competent to complete the work (including but not limited to current water/sewer license, OSHA competent person training, and other licenses / certificates as required to complete the project); and
  - f. The Contractor shall provide adequate certificates of insurance as required by the Corporation.
10. **Pre-Payment For Construction and Service.** After the Applicant has executed the Service Agreement, the Applicant shall pay to the Corporation all costs necessary for completion of the project prior to construction and in accordance with the terms of the Non-Standard Service Contract.
11. **Construction.**
- a. All roadwork pursuant to state, county and/or municipal standards (as applicable) shall be completed prior to facility construction to avoid future problems resulting from road right-of-way completion and excavation. Subject to approval of the requisite authority, approved road sleeves /casings may be installed prior to road construction to avoid road damage during construction of Applicant's facilities.

- b. The Corporation shall, at the expense of the Applicant, inspect the facilities to ensure compliance with Corporation standards.
- c. Construction plans and specifications shall be strictly adhered to, but the Corporation reserves the right to issue change-orders of any specifications, due to unforeseen circumstances during the design phase, to better facilitate construction or operation of the Applicant's facility. All change-order amounts shall be charged to the Applicant.

## **PART II. Request for Service to Subdivided Property**

**In addition to PART I requirements, this section contains additional requirements for developers of subdivisions.**

1. All developers or subdividers of property shall provide the corporation sufficient information describing the level and manner of service requested and the timeline for initiation of this service. The following is the minimum information needed for an engineering evaluation of the requested service to the property described in the application.

a. Completion of requirements described in **Section F. Part I. 4. *Non-Standard Service Application*** above.

b. Applicant shall provide the Corporation with details concerning access to the property during evaluation of application.

c. Applicant shall be notified in writing by the Corporation or designated representative if service can be extended in accordance with the details described on the Applicant's request for service.

2. ***Service within Subdivisions***-The Corporation's obligation to provide service to any customer located within a subdivision governed by this Section is strictly limited to the level and manner of the nonstandard service specified by the Applicant. The Applicant is responsible for paying for all costs necessary for non-standard service to a subdivision as determined by the Corporation under the provisions of this Tariff and specifically the provisions of this Section; if the Applicant fails to pay these costs, the Corporation has the right to require payment of these costs by any one or more of the persons purchasing lots or homes within such subdivision before the Corporation is obligated to provide water/sewer service. In addition, Corporation may elect to pursue any remedies provided by the Non-Standard Service Contract if one has been executed. Applicant is advised that purchasers of lots also may have legal recourse to the Applicant under Texas law, including but not limited to Section 13.257, Texas Water Code and the Texas Deceptive Trade Practices–Consumer Protection Act, Chapter 17, Subchapter E, Business and Commerce Code.

3. For Service to subdivisions involving tracts of 50 acres or greater, the Applicant / Developer must provide the following in addition to all other information otherwise required by this Section:

- a. Map and description of the area to be served using map criteria in Section 291.105(a)(2)(A-G of the TCEQ's Rules).
- b. Time frame for:
  - 1. Initiation of service

2. Service to each additional phase following the initial service
- c. Level of service (quantity and quality) for:
  1. Initial needs
  2. Phased and final needs and the projected land uses that support the requested level of service for each phase
- d. Manner of service for:
  1. Initial needs
  2. Phased and final needs and the projected land uses that support the requested level of service for each phase
- e. Any additional information requested by the Corporation necessary to determine the capacity and the costs for providing the requested service.
- f. Copies of all required approvals, reports and studies done by or for the Applicant / Developer to support the viability of the proposed development.

Applicant / Developer must provide reasonably sufficient information, in writing, to allow the Corporation to determine whether the level and manner of service specified by the Applicant / Developer can be provided within the time frame specified by the Applicant / Developer and to generally determine what capital improvements, including expansion of capacity of the Corporation's production, treatment and/or storage facilities and/or general transmission facilities properly allocable directly to the service request are needed. If the Applicant / Developer proposes development in phases, the Applicant / Developer should specify the level and manner of service and the estimated time frame within which that service must be provided for each phase, and the Applicant / Developer must depict the currently estimated location of each phase on the maps required under 30 TAC Section 291.105(a)(2)(A-G). It is important that the Applicant / Developer's written request be complete. A complete application by the Applicant / Developer should include: (a) the proposed improvements to be constructed by the Applicant / Developer; (b) a map or plat signed and sealed by a licensed surveyor or registered professional engineer; (c) the intended land use of the development, including detailed information concerning the types of land uses proposed; (d) the projected water and/or sewer demand of the development when fully built out and occupied, the anticipated water/sewer demands for each type of land use, and a projected schedule of build-out; (e) a schedule of events leading up to the anticipated date upon which service from the CCN holder will first be needed; and a proposed calendar of events, including design, plat approval, construction phasing and initial occupancy. Applicant / Developer must establish that current and projected service demands justify the level and manner of service being requested. In making his/her written request for service, the Applicant / Developer must advise the CCN holder that he/she may request expedited decertification from the TCEQ.

Upon payment of the required fees, the Corporation shall review Applicant / Developer's service request. If no additional information is required from Applicant / Developer, the Corporation will prepare a written report on Applicant / Developer's service request, subject to any final approval by the Corporation's governing body (if applicable) which must be completed within the 90 days from the date of application and payment of the required fees. The Corporation's written report will state whether the requested service will be provided, whether

the requested service can be provided within the time frame specified by the Applicant / Developer, and the costs for which the Applicant / Developer will be responsible (including capital improvements, easements or land acquisition costs, and professional fees).

In the event the Corporation's initial review of the Applicant / Developer's service shows that additional information is needed, the Corporation will notify Applicant / Developer of the need for such additional information. Notice of the need for additional information will be made in writing within 30 days of the date the Corporation receives the Applicant / Developer's payment of the required fees. Applicant / Developer should respond to the Corporation's request for additional information within 15 days of receipt of the Corporation's written request. In any case, the Corporation will provide the written report, including any final approval by the Corporation's Board (if applicable) within 90 days from the date of the **initial** written application and payment of all required fees.

By mutual written agreement, the Corporation and the Applicant / Developer may extend the time for review beyond the 90 days provided for expedited petitions to the TCEQ.

4. Upon final approval by the Corporation and acceptance of proposal for service by the Applicant / Developer, a non-standard service contract will be executed and the corporation shall provide service according to the conditions contained in the Non-Standard Service Contract.

Donna L. Nelson  
Chairman

Kenneth W. Anderson, Jr.  
Commissioner

Brandy Marty Marquez  
Commissioner

Brian H. Lloyd  
Executive Director



Greg Abbott  
Governor

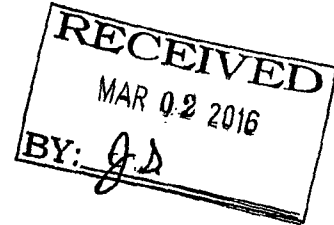
## Public Utility Commission of Texas

**TO:** G&W Water Supply Corporation  
PO Box 12119  
Waller, Texas 77484-1219

**FROM:** Legal Division

**DATE:** February 26, 2016

**RE:** **Tariff No. 45573** – *Informational Tariff Filing of G&W Water Supply Corporation Pursuant to Texas Water Code § 13.136(c)*



Receipt of the above-referenced tariff is hereby acknowledged. Your tariff has been assigned Tariff No. 45573 and has been designated a project within our electronic filing system. In order to facilitate the filing of updates or changes to your tariff, we ask that you use the control number and designation referenced in this notification. Continued use of this control number and designation will also ensure the most current document can be properly tracked and retrieved by agency staff when required. Filings in Tariff No. 45573 will also be available to the general public.

When making additional filings to this project, please include a cover page clearly stating the effective date of the tariff change, the date notice was sent to affected customers if notice was necessary, and the number of customers affected by the change.

If you have any questions about this matter, you may contact the Legal Division by telephone at 512-936-7260 or in writing at the address cited below.



Printed on recycled paper

An Equal Opportunity Employer  
238

G & W WATER SUPPLY CORPORATION  
P. O. BOX 1219  
WALLER, TEXAS 77484-1219  
Office: (936) 372-9858 Fax: (936) 372-5840

January 27, 2016

PUC  
1701 N. Congress Ave.  
Austin, Texas 78701

Attn: Central Records

Please find attached the rate increase changes to our tariff. Rate increases were approved by our Board of Directors January 19<sup>th</sup>, 2016. Rate increases went into effect January 19<sup>th</sup>, 2016.

Thank you,

David Derrick  
Corporation Manager



**SECTION G.**  
**RATES AND SERVICE FEES**

Unless specifically defined in this Tariff, all fees, rates, and charges as stated shall be non-refundable.

1. ***Service Investigation Fee.*** The Corporation shall conduct a service investigation for each service application submitted at the Corporation office. An initial determination shall be made by the Corporation, without charge, as to whether the service request is Standard or Non-Standard. An investigation shall then be conducted and the results reported under the following terms:
  - a. All Standard Service requests shall be investigated without charge and all applicable costs for providing service shall be quoted in writing to the Applicant within ten (10) working days of application.
  - b. All Non-Standard Service requests shall be subject to a fee, appropriate to each project, of sufficient amount to cover all administrative, legal, and engineering fees associated with investigation of the Corporation's ability to deliver service to the Applicant to;
    - (1) provide cost estimates of the project,
    - (2) to present detailed plans and specifications as per final plat,
    - (3) to advertise and accept bids for the project,
    - (4) to present a Non-Standard Service Contract to the Applicant, and
    - (5) to provide other services as required by the Corporation for such investigation. A Non-Standard Service Contract shall be presented to the Applicant within a suitable amount of time as determined by the complexity of the project. (See Section F.)
2. ***Membership Fee.*** At the time the application for service is approved, a refundable Membership Fee must be paid for each service requested before service shall be provided or reserved for the Applicant by the Corporation.
  - a. The Membership Fee for water service is \$ 100.00 for each service unit.
  - b. The Membership Fee for wastewater service is \$ N/A.00 for each service unit.
  - c. Membership fee for oversized or Master Metered Accounts shall be based on multiples of meter size equivalence or actual connections served.
3. ***Easement Fee.*** When the Corporation determines that private right-of-way easements and/or facilities sites are necessary to provide service to the Applicant, the Applicant shall be required to make good faith efforts to secure easements in behalf of the Corporation and/or pay all costs incurred by the Corporation in validating, clearing, and retaining such right-of-way in addition to tap fees otherwise required pursuant to the provisions of this Tariff. The costs may include all legal fees and expenses necessary to attempt to secure such right-of-way and/or facilities sites in behalf of the Applicant. (See Section E. 3., Section F. 7. a.)
4. ***Installation Fee.*** The Corporation shall charge an installation fee for service as follows:
  - a. **Standard Service** shall include all current labor, materials, engineering, legal, customer service inspection, and administrative costs necessary to provide individual metered water or wastewater service and shall be charged on a per tap basis as computed immediately prior to such time as metered service is requested and installed.
  - b. **Non-Standard Service** shall include any and all construction labor and materials, inspection, administration, legal, and engineering fees, as determined by the Corporation under the rules of Section F of this Tariff.
  - c. Standard and Non-Standard Service Installations shall include all costs of any pipeline



relocations as per Section E. 3(e) of this Tariff.

5. **Equity Buy-In Fee.** In addition to the Membership Fee, each Applicant shall be required to achieve parity with the contributions to the construction of the Corporation's facilities capacity that have been made previously by existing Members. This fee shall be assessed immediately prior to providing or reserving service on a per service unit basis for each property and shall be assigned and restricted to that property for which the service was originally requested. This fee shall be set aside for future capacity improvements such as line upgrades, new tanks, treatment or production. The formula applied to such fee calculated annually after receipt of the system audit is as follows:

**Sample Calculation:**

Total Contributions and Assets of the Corporation minus (-)  
Accumulated Depreciation minus (-)  
Outstanding Corporation Debt Principle minus (-)  
Developer Contributions minus (-)  
Grants received divided by  
Total Number of Members / Customers equals =  
Average Net Equity Buy-In Fee

a. Water Fee is \$400.00

- **Impact Fee**— In addition to the Membership Fee, each Applicant shall be required to pay an impact fee if an impact fee (or any equity buy-in fee) has not previously been paid for the property at which service is requested. This fee shall be used to assist in funding capital improvements to the Corporation's system capacity, including water supply. This fee shall be assessed immediately prior to providing service on a per service unit basis for each property and shall be assigned and restricted to that property for which the service was originally requested. **(The Corporation will not charge both an Equity Buy-In fee and an Impact Fee to the same property.)**

**Sample Calculation:**

Prepare and adopt a capital improvement plan  
Project number of connections during period covered by plan  
Prepare a table establishing the additional demand on system facilities and supply  
Identify additional facilities to be constructed and probable cost to be financed through impact fees  
Divide total cost to be financed through impact fees by number of connections the facilities will serve to determine per connection impact fee

6. **Monthly Charges.**

a. **Service Availability Charge**

- (1) Water Service - The monthly charge for standard metered water service, is for a 5/8" by 3/4" meter. The 5/8" X 3/4" meter charge is used as a base multiplier for larger non-standard meters in accordance with the following chart.

METER SIZE	5/8" X 3/4" METER EQUIVALENTS	MONTHLY RATE
5/8" X 3/4"	1.0	\$38.63

3/4"	1.5	\$57.95
1"	2.5	\$96.57
1 1/2"	5.0	\$193.13
2"	8.0	\$309.01
3" DISP.	9.0	\$347.67
3" CMPD.	16.0	\$618.02
3" TURB.	17.5	\$676.03
4" CMPD.	25.0	\$965.75
4" TURB.	30.0	\$1158.90
6" CMPD.	50.0	\$1931.50
6" TURB.	62.5	\$2414.38
8" CMPD.	80.0	\$3090.40

OCTAVE METERS- 2" and up will be assessed at time of application

- (2) Sewer Service - The monthly charge for standard sewer service on a per tap basis is as follows: (Insert formula)
- b. **Gallage Charge** - In addition to the Service Availability Charge, a gallage charge shall be added at the following rates for usage during any one (1) billing period.
- (1) Water - \$ 38.63 per 0 gallons, \$ 4.00 per 1, 000 gallons.
  - (2) Sewer - \$ N/A .00 per N/A per gallons for any gallage over N/A, 000 gallons.
  - (3) The Corporation shall, as required by Section 5.235, Water Code of the State of Texas, collect from each of its retail customers a regulatory assessment equal to one-half of one percent of the charge for retail water or wastewater service. This charge shall be collected in addition to other charges for utility service. This fee is collected on all charges pertaining to Section G.6. Monthly Charges of this tariff. (30 TAC 291.76 d.(3) (i) )
  - (4) The Corporation, as a part of its billing process, collects voluntary contributions on behalf of the Tri County Voluntary Fire Department and Emergency Medical Service. The Corporation shall retain from the proceeds the lesser amount of five percent or the total administrative costs for billing, collecting, and disbursing the voluntary contributions.
7. **Assessments** – If at the end of the fiscal year, or in the event of emergency repairs, the Board of Directors determines the total amount derived from the collection of water or wastewater charges to be insufficient for the payment of all costs incident to the operation of the Corporation's system during the year in which such charges are collected, the Board shall make and levy an assessment against each Member of the Corporation as the Board may determine or as may be required by Rural Development, so that the sum of such assessments and the amount collected from water and other charges is sufficient to fully pay all costs of the operation, maintenance, replacement and repayment on indebtedness for the year's operations. (Article XVIII of Bylaws, Section 1.)
8. **Late Payment Fee.** Once per billing period, a penalty of \$10.00 or 5%, which ever is larger, shall be applied to delinquent bills. This late payment penalty shall not be applied to any balance to which the penalty was applied in a previous billing, but shall be applied to any unpaid balance during the current billing period.

**NOTE:** For Political Subdivisions and state agencies the above late payment fee does not apply. Instead a late penalty of 1% shall be assessed for any amount unpaid on the 46<sup>th</sup> day after the bill is received by the state agency or political subdivision and an additional 1% shall be assessed for each month thereafter that the bill remains unpaid. (see Government Code Chapter 2251)

9. **Owner Notification Fee.** The Corporation may, at the expense of the Member, notify said Member of a renter/lessee delinquent account status prior to disconnection of service. The Owner Notification Fee shall be \$ N/A per notification. (See Miscellaneous Transaction Forms.)
10. **Mortgagee/Guarantor Notification Fee.** The Corporation shall assess a fee of \$ N/A for each notification to a Membership lien-holder under agreement prior to Membership cancellation. (See Miscellaneous Transaction Forms.)
11. **Returned Check Fee.** In the event a check, draft, or any other similar instrument is given by a person, firm, corporation, or partnership to the Corporation for payment of services provided for in this Tariff, and the instrument is returned by the bank or other similar institution as insufficient or non-negotiable for any reason, the account for which the instrument was issued shall be assessed a return check charge of \$35.00 (see Miscellaneous Transaction Forms).
12. **Reconnect Fee.** The Corporation shall charge a fee of \$50.00 for reconnecting service after the Corporation has previously disconnected the service for any reason provided for in this Tariff except for activation of service under Section E.3.b. Re-Service.
13. **Seasonal Reconnect Fee – Service Availability Charge** multiplied by the number of months during which service is suspended, not to exceed 9 months during any 12 consecutive months.
14. **Service Trip Fee.** The Corporation shall charge a trip fee of \$100.00 for any service call or trip to the Member's tap as a result of a request by the Member or resident for response to damage of Corporation's or another Member's facilities, for customer service inspections due to suspicion of meter tampering, bypass or diversion of service, or for the purpose of disconnecting or collecting payment for services. For service trips that extend beyond one hour, such as when an extended line location is required, the Corporation shall charge \$ 40.00 per employee per hour for each additional hour required. After hours a minimum fee of \$60.00 or \$40.00 per hour.
15. **Equipment Damage Fee.** If the Corporation's facilities or equipment have been damaged by tampering, by-passing, installing unauthorized taps, reconnecting service without authority, or other service diversion, a fee shall be charged equal to the actual costs for all labor, material, and equipment necessary for repair, replacement, and other Corporation actions. This fee shall be charged and paid before service is re-established. If the Corporation's equipment has not been damaged, a fee equal to the actual costs for all labor, material, equipment, and other actions necessary to correct service diversions, unauthorized taps, or reconnection of service without authority shall be charged. All components of this fee will be itemized, and a statement shall be provided to the Member. If the Corporation's facilities or equipment have been damaged due to negligence or unauthorized use of the Corporation's equipment, right-of-way, or meter shut-off valve, or due to other acts for which the Corporation incurs losses or damages, the Member shall be liable for all labor and material charges incurred as a result of said acts or negligence.
16. **Meter Tampering and Diversion Penalty.** In addition to the Equipment Damage Fee, the Corporation may charge a penalty for "Tampering" as defined in Section E.22. The penalty may only be assessed against the person who committed the Tampering. An owner cannot be assessed for the Tampering committed by their tenant. The penalty shall not exceed six (6) times the Service.



17. **Customer History Report Fee.** A fee of \$10.00 shall be charged to provide a copy of the Members record of past water purchases in response to a Member's request for such a record.
18. **Meter Test Fee.** The Corporation shall test a Member's meter upon written request of the Member. Under the terms of Section E of this Tariff, a charge of \$50.00 shall be imposed on the affected account.
19. **Transfer Fee.** An Applicant for service who is a Transferee shall complete all required application forms, etc., and pay a Transfer Fee of \$25.00.
19. **Non-Disclosure Fee.** A fee of \$5.00 shall be assessed any customer requesting in writing that personal information under the terms of this tariff not be disclosed to the public.
20. **Information Copy Fee.** A fee for the copying of any public information will be charged to the person requesting that information in compliance with the cost rules of the Texas Buildings and Procurement Commission set forth at 1 TAC Section 111.70.
21. **Customer Service Inspection Fee.** A fee of \$100.00 will be assessed each Applicant before permanent continuous service is provided to new construction.
22. **Franchise Fee Assessment.** A fee of N/A % of the amount billed for water service will be assessed each customer whose meter is located inside the corporate limits of the City of \_\_\_\_\_, Texas, as required by the City's ordinance requiring a franchise fee.
23. **Regulatory Assessment.** A fee of 0.5% of the amount billed for water/sewer service will be assessed each customer; this assessment is required under Texas law and TCEQ regulations.  
**NOTE:** The regulatory assessment is not to be collected from state agencies, wholesale customers, or buyers of non-potable (not drinkable) water. (Ref. TCEQ RG-199 revised Oct. 2002. TCEQ Section 291.76 (c))
24. **Additional Assessments.** In the event any federal, state or local government imposes on the Corporation a "per meter" fee or an assessment based on a percent of water/sewer charges, this fee or assessment will be billed and collected as a "pass through" charge to the customer.
25. **Groundwater District Production Fee.** A fee of .45 per thousand gallons of water used by each customer; this fee is collected to pay a portion of the annual fee charged the Corporation by Bluebonnet Groundwater Conservation District based on the amount of water pumped from the Corporation's wells located within the boundaries of the District.
26. **Administrative Fee.** A one-time fee of \$150.00 for new members and \$50.00 for new renters will be charged.
27. **Rental Deposit.** A one-time fee of \$375.00 is required of each new renter.
28. **Other Fees.** All services outside the normal scope of utility operations that the Corporation may be compelled to provide at the request of a customer or Member shall be charged to the recipient based on the cost of providing such service.



29. **Maintenance and Operational Fee.** A one- time fee of **\$500.00** collected from members and **\$125.00** from renters to pay cost of operation, maintenance, replacement of materials and equipment, and indebtedness.

Approved G&W  
WSC

A handwritten signature in dark ink, appearing to be "RCS", is written over a horizontal line.

01-19-16<sup>245</sup>

## DROUGHT CONTINGENCY PLAN FOR G&W WATER SUPPLY CORPORATION

### PUBLIC INVOLVEMENT:

- Public involvement in plan development
- Public information about plan
- Public notification of plan implementation/termination

### TRIGGERING CRITERIA

- Specific criteria for initiating/terminating drought response measures
- Explanation of the basis for criteria
- Describe information to be monitored

### DROUGHT RESPONSE MEASURE

- Curtailement of non-essential uses
- Water allocation
- Alternative water sources

### DESIGN THE PLAN

- 3-5 Drought response stages
- Public notification procedures
- Variance procedures
- Enforcement provisions

### ADOPT THE PLAN

- Adoption by governing body
- Submit plan to TNRCC if required
- Notify TNRCC when mandatory measures are implemented
- Provide copy to regional water planning group ((s))

### PERIODIC REVIEW/UPDATE

- Review and update at least every five years
- Conduct post-event review

## DROUGHT CONTINGENCY PLAN FOR G&W WATER SUPPLY CORPORATION

### PUBLIC INVOLVEMENT:

- Public involvement in plan development
- Public information about plan
- Public notification of plan implementation/termination

### TRIGGERING CRITERIA

- Specific criteria for initiating/terminating drought response measures
- Explanation of the basis for criteria
- Describe information to be monitored

### DROUGHT RESPONSE MEASURE

- Curtailment of non-essential uses
- Water allocation
- Alternative water sources

### DESIGN THE PLAN

- 3-5 Drought response stages
- Public notification procedures
- Variance procedures
- Enforcement provisions

### ADOPT THE PLAN

- Adoption by governing body
- Submit plan to TNRCC if required
- Notify TNRCC when mandatory measures are implemented
- Provide copy to regional water planning group ((s))

### PERIODIC REVIEW/UPDATE

- Review and update at least every five years
- Conduct post-event review



File

**SECTION H.**  
**DROUGHT CONTINGENCY**  
**AND**  
**EMERGENCY WATER DEMAND MANAGEMENT PLAN**  
*for G+W Water Supply Corp.*

**1. INTRODUCTION**

The goal of this Plan is to cause a reduction in water use in response to drought or emergency conditions so that the water availability can be maintained. Since emergency conditions can occur rapidly, responses must also be enacted quickly. This plan has been prepared in advance considering conditions that will initiate and terminate the Emergency Management program.

A Drought/Emergency Management Committee consisting of two Board Members and the System Manager will monitor usage patterns and public education efforts and will make recommendations to the Board on future conservation efforts, demand management procedures or any changes to this plan. The Committee will develop public awareness notices, bill stuffers, and other methods that will begin and continue as a constant type of reminder that water should be conserved at all times, not just during a drought or emergency. This Committee will also review and evaluate any needed amendments or major changes to this plan that may be needed due to changes in the WSC service area population, distribution system or supply. This review and evaluation will be done **at least every five years unless conditions necessitate more frequent amendments. (30 TAC 288.20 (c))**

The Plan will be implemented according to the five drought response stages as determined by the Board. Section 4 describes the conditions that will trigger these stages.

**2. PUBLIC INVOLVEMENT**

Opportunity for the public to provide input into the preparation of the Plan was provided by the Board by scheduling and providing public notice of a public meeting to accept input on the Plan. Notice of the meeting was provided to all customers. In the adoption of this Plan, the Board considered all comments from customers.

**3. COORDINATION WITH REGIONAL WATER PLANNING GROUP**

Being located within the GRIMES/WALLER County (name of regional water planning area or areas), a copy of this Plan has been provided to each Regional Water Planning Group.

**4. TRIGGER CONDITIONS**

The Drought Emergency Management Committee is responsible for monitoring water supply and demand conditions on a weekly basis (or more frequently if conditions warrant) and shall determine when conditions warrant initiation or termination of each stage of the Plan, that is, when the specified triggers are reached. The Committee will monitor monthly operating reports, water supply or storage tank levels and/or rainfall as needed to determine when trigger conditions are reached. The triggering

File

**SECTION H.**  
**DROUGHT CONTINGENCY**  
**AND**  
**EMERGENCY WATER DEMAND MANAGEMENT PLAN**  
*for G+W Water Supply Corp.*

**1. INTRODUCTION**

The goal of this Plan is to cause a reduction in water use in response to drought or emergency conditions so that the water availability can be maintained. Since emergency conditions can occur rapidly, responses must also be enacted quickly. This plan has been prepared in advance considering conditions that will initiate and terminate the Emergency Management program.

A Drought/Emergency Management Committee consisting of two Board Members and the System Manager will monitor usage patterns and public education efforts and will make recommendations to the Board on future conservation efforts, demand management procedures or any changes to this plan. The Committee will develop public awareness notices, bill stuffers, and other methods that will begin and continue as a constant type of reminder that water should be conserved at all times, not just during a drought or emergency. This Committee will also review and evaluate any needed amendments or major changes to this plan that may be needed due to changes in the WSC service area population, distribution system or supply. This review and evaluation will be done **at least every five years unless conditions necessitate more frequent amendments. (30 TAC 288.20 (c))**

The Plan will be implemented according to the five drought response stages as determined by the Board. Section 4 describes the conditions that will trigger these stages.

**2. PUBLIC INVOLVEMENT**

Opportunity for the public to provide input into the preparation of the Plan was provided by the Board by scheduling and providing public notice of a public meeting to accept input on the Plan. Notice of the meeting was provided to all customers. In the adoption of this Plan, the Board considered all comments from customers.

**3. COORDINATION WITH REGIONAL WATER PLANNING GROUP**

Being located within the GRIMES/WALLER County (name of regional water planning area or areas), a copy of this Plan has been provided to each Regional Water Planning Group.

**4. TRIGGER CONDITIONS**

The Drought Emergency Management Committee is responsible for monitoring water supply and demand conditions on a weekly basis (or more frequently if conditions warrant) and shall determine when conditions warrant initiation or termination of each stage of the Plan, that is, when the specified triggers are reached. The Committee will monitor monthly operating reports, water supply or storage tank levels and/or rainfall as needed to determine when trigger conditions are reached. The triggering

conditions described below take into consideration: the vulnerability of the water source under drought of record conditions; the production, treatment and distribution capacities of the system; and customer usage based upon historical patterns.

a. **Stage I - Customer Awareness/Voluntary Conservation:** Stage I will be implemented annually May 1<sup>st</sup> through September 30<sup>th</sup>.

b. **Stage II - Mild Condition:** Stage II best management practices may be implemented when one or more of the following conditions exist:

- 1) Water consumption has reached 80 percent of daily maximum supply for three (3) consecutive days.
- 2) Water supply is reduced to a level that is only 20 percent greater than the average consumption for the previous month.
- 3) When the static water level in 1, 2, 5 (name well or wells) falls 5 feet from the historical normal level for that well for the time period in consideration.
- 4) There is an extended period (at least eight (8) weeks) of low rainfall and daily use has risen 20 percent above the use for the same period during the previous year.

c. **Stage III - Moderate Conditions:** Stage III best management practices may be implemented when one of the following conditions exist:

- 1) Water consumption has reached 90 percent of the amount available for three consecutive days.
- 2) The water level in any of the water storage tanks cannot be replenished for two (2) consecutive days. Example: The highest recorded water level drops FIVE (5) feet or more for Two (2) consecutive days.
- 3) The static water level in 1, 2, 3 (name well or wells) falls 5 feet from the historical normal level for that well for the time period in consideration.

d. **Stage IV - Severe Conditions:** Stage IV best management practices may be implemented when one of the following conditions exist:

- 1) Water consumption has reached 95 percent of the amount available for three consecutive days.
- 2) The water level in any of the water storage tanks cannot be replenished for three (3) consecutive days. Example: The highest recorded water level drops TEN (10) feet or more for THREE (3) consecutive days.
- 3) The static water level in 1, 2, 5 (name well or wells) falls 20 feet from the historical normal level for that well for the time period in consideration.

e. **Stage V - Emergency**

- 1) Failure of a major component of the system or an event which reduces the minimum residual pressure in the system below 20 psi for a period of 24 hours or longer.
- 2) Water consumption of 100 percent of the maximum available and the water storage levels in the system drop during one 24-hour period.
- 3) Natural or man-made contamination of the water supply source(s).
- 4) The declaration of a state of disaster due to drought conditions in a county or counties served by the Corporation.
- 5) Reduction of wholesale water supply due to drought conditions.
- 6) Other unforeseen events which could cause imminent health or safety risks to the

conditions described below take into consideration: the vulnerability of the water source under drought of record conditions; the production, treatment and distribution capacities of the system; and customer usage based upon historical patterns.

a. **Stage I - Customer Awareness/Voluntary Conservation:** Stage I will be implemented annually May 1<sup>st</sup> through September 30<sup>th</sup>.

b. **Stage II - Mild Condition:** Stage II best management practices may be implemented when one or more of the following conditions exist:

- 1) Water consumption has reached 80 percent of daily maximum supply for three (3) consecutive days.
- 2) Water supply is reduced to a level that is only 20 percent greater than the average consumption for the previous month.
- 3) When the static water level in 1, 2, 5 (name well or wells) falls 5 feet from the historical normal level for that well for the time period in consideration.
- 4) There is an extended period (at least eight (8) weeks) of low rainfall and daily use has risen 20 percent above the use for the same period during the previous year.

c. **Stage III - Moderate Conditions:** Stage III best management practices may be implemented when one of the following conditions exist:

- 1) Water consumption has reached 90 percent of the amount available for three consecutive days.
- 2) The water level in any of the water storage tanks cannot be replenished for two (2) consecutive days. Example: The highest recorded water level drops FIVE (5) feet or more for TWO (2) consecutive days.
- 3) The static water level in 1, 2, 5 (name well or wells) falls 5 feet from the historical normal level for that well for the time period in consideration.

d. **Stage IV - Severe Conditions:** Stage IV best management practices may be implemented when one of the following conditions exist:

- 1) Water consumption has reached 95 percent of the amount available for three consecutive days.
- 2) The water level in any of the water storage tanks cannot be replenished for three (3) consecutive days. Example: The highest recorded water level drops TEN (10) feet or more for THREE (3) consecutive days.
- 3) The static water level in 1, 2, 5 (name well or wells) falls 20 feet from the historical normal level for that well for the time period in consideration.

e. **Stage V - Emergency**

- 1) Failure of a major component of the system or an event which reduces the minimum residual pressure in the system below 20 psi for a period of 24 hours or longer.
- 2) Water consumption of 100 percent of the maximum available and the water storage levels in the system drop during one 24-hour period.
- 3) Natural or man-made contamination of the water supply source(s).
- 4) The declaration of a state of disaster due to drought conditions in a county or counties served by the Corporation.
- 5) Reduction of wholesale water supply due to drought conditions.
- 6) Other unforeseen events which could cause imminent health or safety risks to the

public.

## 5. STAGES OF BEST MANAGEMENT PRACTICES

The following best management practices and use restrictions are to be implemented by the triggers in Section 4. The Board shall institute monitoring and enforce penalties for violations of the use restrictions for each of the Stages listed below. The water allocation measures are summarized below.

### a. Stage I - Customer Awareness/Voluntary Conservation

WSC Best Management Practices: Initiate public education measures to increase customer awareness of the benefits of water conservation and efficient water use by notifying customers of voluntary conservation measures and providing conservation information.

Voluntary Water Use Best Management Practices: Customers are requested to voluntarily limit the use of water for nonessential purposes and to practice water conservation.

Non-essential water uses include:

- (1) use of water to wash down any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
- (2) use of water to wash down buildings or structures for purposes other than immediate fire protection
- (3) flushing gutters or permitting water to run or accumulate in any gutter or street;
- (4) use of water for dust control; and,
- (5) failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s).

### b. Stage II - Mild Condition

Target: Achieve a 5 percent reduction in 10,000 (total water use, daily water demand, etc.)

WSC Best Management Practices: The system will reduce flushing operations. System will notify customers of water use restrictions in effect.

#### Customer Water Use Restrictions for Demand Reduction

- (1) Alternate day, time of day, or duration restrictions for irrigation of gardens and landscaped areas. (Example: Customers with street addresses ending in an even number may water outside areas on Sundays and Thursdays between the hours of 7:00 p.m. and 8:00 a.m. Customers with an odd number street address may water outside areas on Saturdays and Wednesdays between the hours of 7:00 p.m. and 8:00 a.m.)
- (2) Customers are not allowed to use water for the pre-defined non-essential purposes.

### c. Stage III - Moderate Conditions

Target: Achieve a 10 percent reduction in 20,000 (total water use, daily water demand, etc.)

WSC Best Management Practices: The system will eliminate flushing operations. System will notify customers of water use restrictions in effect.

public.

## 5. STAGES OF BEST MANAGEMENT PRACTICES

The following best management practices and use restrictions are to be implemented by the triggers in Section 4. The Board shall institute monitoring and enforce penalties for violations of the use restrictions for each of the Stages listed below. The water allocation measures are summarized below.

### a. Stage I - Customer Awareness/Voluntary Conservation

WSC Best Management Practices: Initiate public education measures to increase customer awareness of the benefits of water conservation and efficient water use by notifying customers of voluntary conservation measures and providing conservation information.

Voluntary Water Use Best Management Practices: Customers are requested to voluntarily limit the use of water for nonessential purposes and to practice water conservation.

Non-essential water uses include:

- (1) use of water to wash down any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
- (2) use of water to wash down buildings or structures for purposes other than immediate fire protection
- (3) flushing gutters or permitting water to run or accumulate in any gutter or street;
- (4) use of water for dust control; and,
- (5) failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s).

### b. Stage II - Mild Condition

Target: Achieve a 5 percent reduction in 10,000 (total water use, daily water demand, etc.)

WSC Best Management Practices: The system will reduce flushing operations. System will notify customers of water use restrictions in effect.

#### Customer Water Use Restrictions for Demand Reduction

- (1) Alternate day, time of day, or duration restrictions for irrigation of gardens and landscaped areas. (Example: Customers with street addresses ending in an even number may water outside areas on Sundays and Thursdays between the hours of 7:00 p.m. and 8:00 a.m. Customers with an odd number street address may water outside areas on Saturdays and Wednesdays between the hours of 7:00 p.m. and 8:00 a.m.)
- (2) Customers are not allowed to use water for the pre-defined non-essential purposes.

### c. Stage III - Moderate Conditions

Target: Achieve a 10 percent reduction in 30,000 (total water use, daily water demand, etc.)

WSC Best Management Practices: The system will eliminate flushing operations. System will notify customers of water use restrictions in effect.

Customer Water Use Restrictions for Demand Reduction

Outside water use is limited to designated water days between the hours of 7:00 p.m. and 8:00 a.m. by use of hand-held hoses, hand-held buckets, or drip irrigation. *Filling Pools.*

**d. Stage IV - Severe Conditions**

Target: Achieve a 25 percent reduction in 50,000 (total water use, daily water demand, etc.)

WSC Best Management Practices: System will notify customers of water use restrictions in effect.

Customer Water Use Restrictions for Demand Reduction

All outside watering prohibited.

**e. Stage V - Emergency**

Target: Achieve a 50 percent reduction in 100,000 (total water use, daily water demand, etc.)

WSC Best Management Practices: System will notify customers of water use restrictions in effect.

Customer Water Use Restrictions for Demand Reduction

Water use will be restricted to a percentage of each customer prior month usage. This percentage may be adjusted as needed according to demand on the system. Notice of this restriction will be sent to each customer.

**6. INITIATION AND TERMINATION PROCEDURES**

Once a trigger condition occurs, the Corporation, or its designated responsible representative, shall, based on recommendation from the Chairperson of the Drought/Emergency Management Committee, decide if the appropriate stage of best management practices and customer water use restrictions shall be initiated. The initiation may be delayed if there is a reasonable possibility the water system performance will not be compromised by the condition.

Written notice of the proposed stage of water demand reduction measure and customer water use restrictions shall be mailed or delivered to each affected customer upon the initiation of each stage. In addition, upon adoption of Stage IV or V, a notice will be placed in a local newspaper or announced on a local radio or television station. The customer notice shall contain the following information:

- a. The date water demand reduction measure shall begin,
- b. The expected duration,
- c. The stage (level) of water demand reduction measure to be employed,
- d. Penalty for violations of the water demand reduction measure program, and
- e. Affected area or areas.

A sample Customer Notice of water demand reduction measure and customer water use restrictions is included in Miscellaneous Transaction Forms of this tariff.

Customer Water Use Restrictions for Demand Reduction

Outside water use is limited to designated water days between the hours of 7:00 p.m. and 8:00 a.m. by use of hand-held hoses, hand-held buckets, or drip irrigation. *Filling Pools.*

**d. Stage IV - Severe Conditions**

Target: Achieve a ~~25~~ percent reduction in 50,000 (total water use, daily water demand, etc.)

WSC Best Management Practices: System will notify customers of water use restrictions in effect.

Customer Water Use Restrictions for Demand Reduction

All outside watering prohibited.

**e. Stage V - Emergency**

Target: Achieve a ~~50~~ percent reduction in 100,000 (total water use, daily water demand, etc.)

WSC Best Management Practices: System will notify customers of water use restrictions in effect.

Customer Water Use Restrictions for Demand Reduction

Water use will be restricted to a percentage of each customer prior month usage. This percentage may be adjusted as needed according to demand on the system. Notice of this restriction will be sent to each customer.

**6. INITIATION AND TERMINATION PROCEDURES**

Once a trigger condition occurs, the Corporation, or its designated responsible representative, shall, based on recommendation from the Chairperson of the Drought/Emergency Management Committee, decide if the appropriate stage of best management practices and customer water use restrictions shall be initiated. The initiation may be delayed if there is a reasonable possibility the water system performance will not be compromised by the condition.

Written notice of the proposed stage of water demand reduction measure and customer water use restrictions shall be mailed or delivered to each affected customer upon the initiation of each stage. In addition, upon adoption of Stage IV or V, a notice will be placed in a local newspaper or announced on a local radio or television station. The customer notice shall contain the following information:

- a. The date water demand reduction measure shall begin,
- b. The expected duration,
- c. The stage (level) of water demand reduction measure to be employed,
- d. Penalty for violations of the water demand reduction measure program, and
- e. Affected area or areas.

A sample Customer Notice of water demand reduction measure and customer water use restrictions is included in Miscellaneous Transaction Forms of this tariff.



If the water demand reduction measures extends beyond 30 days then the Chairperson of the Drought/Emergency Management Committee or manager shall present the reasons for the measures at the next scheduled Board Meeting and shall request the concurrence of the Board to extend the period of reduced demand measures.

When the trigger condition no longer exists then the responsible official may terminate the water demand reduction measures provided that such an action is based on sound judgment. Written notice of the end of demand reduction measures shall be given to customers. A water demand reduction measures period may not exceed 60 days without extension by action of the Board.

## 7. PENALTIES FOR VIOLATIONS

- a. **First Violation** – The customer/member will be notified by a written notice of their specific violation and their need to comply with the tariff rules. The notice will show the amount of penalty to be assessed for continued violations.
- b. **Second Violation** - The Corporation will assess a penalty of \$ 50.00.
- c. **Subsequent Violations** - The Corporation will assess an additional penalty of \$ 25.00 for violations continuing after the Second Violation. The Corporation may also install a flow restricting device in the customer's meter service to limit the amount of water that will pass through the meter in a 24 hour period. The costs of this procedure will be for the actual work and equipment and shall be paid by the customer.
- d. **Termination** – The Corporation will terminate service for up to 7 days for continuing violations after penalties are assessed under subsection (c). Service will remain off until any delinquent penalty or other assessment is fully paid including a charge for the service call to restore service.

**These provisions apply to all customers of the Corporation.**

**NOTE: PENALTY** -- The TCEQ rules provide that a WSC is allowed to charge a reasonable penalty to customers that fail to comply with the Rationing Procedures in accordance with 30TAC 291.41 (j) if:

- (1) the penalty is clearly stated in the tariff;
- (2) the penalty is reasonable and does not exceed six (6) times the minimum monthly bill stated in the water supply corporation's current tariff; and
- (3) the water supply corporation has deposited the penalty in a separate account dedicated to enhancing water supply for the benefit of all the water supply corporation's customers.

## 8. EXEMPTIONS OR WAIVERS

The Drought/Emergency Management Committee may, in writing, grant temporary a variance for existing water uses otherwise prohibited under this Plan if it is determined that failure to grant such variance could cause an emergency condition adversely affecting the health or sanitation of the public or the person requesting such variance and if one or more of the following conditions are met:

- a. Compliance with this Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is in effect.
- b. Alternative methods can be implemented which will achieve the same level of reduction in water use.

If the water demand reduction measures extends beyond 30 days then the Chairperson of the Drought/Emergency Management Committee or manager shall present the reasons for the measures at the next scheduled Board Meeting and shall request the concurrence of the Board to extend the period of reduced demand measures.

When the trigger condition no longer exists then the responsible official may terminate the water demand reduction measures provided that such an action is based on sound judgment. Written notice of the end of demand reduction measures shall be given to customers. A water demand reduction measures period may not exceed 60 days without extension by action of the Board.

## 7. PENALTIES FOR VIOLATIONS

- a. **First Violation** – The customer/member will be notified by a written notice of their specific violation and their need to comply with the tariff rules. The notice will show the amount of penalty to be assessed for continued violations.
- b. **Second Violation** - The Corporation will assess a penalty of \$ 50.00.
- c. **Subsequent Violations** - The Corporation will assess an additional penalty of \$ 25.00 for violations continuing after the Second Violation. The Corporation may also install a flow restricting device in the customer's meter service to limit the amount of water that will pass through the meter in a 24 hour period. The costs of this procedure will be for the actual work and equipment and shall be paid by the customer.
- d. **Termination** – The Corporation will terminate service for up to 7 days for continuing violations after penalties are assessed under subsection (c). Service will remain off until any delinquent penalty or other assessment is fully paid including a charge for the service call to restore service.

**These provisions apply to all customers of the Corporation.**

**NOTE: PENALTY** -- The TCEQ rules provide that a WSC is allowed to charge a reasonable penalty to customers that fail to comply with the Rationing Procedures in accordance with 30TAC 291.41 (j) if:

- (1) the penalty is clearly stated in the tariff;
- (2) the penalty is reasonable and does not exceed six (6) times the minimum monthly bill stated in the water supply corporation's current tariff; and
- (3) the water supply corporation has deposited the penalty in a separate account dedicated to enhancing water supply for the benefit of all the water supply corporation's customers.

## 8. EXEMPTIONS OR WAIVERS

The Drought/Emergency Management Committee may, in writing, grant temporary a variance for existing water uses otherwise prohibited under this Plan if it is determined that failure to grant such variance could cause an emergency condition adversely affecting the health or sanitation of the public or the person requesting such variance and if one or more of the following conditions are met:

- a. Compliance with this Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is in effect.
- b. Alternative methods can be implemented which will achieve the same level of reduction in water use.

Persons requesting an exemption from the provisions of this Ordinance shall file a petition for variance with the Drought/Emergency Management Committee within 5 days after the Plan or a particular drought response stage has been invoked or after a condition justifying the variance first occurs. All petitions for variances shall be reviewed by the Committee and shall include the following:

- Name and address of the petitioner(s).
- Purpose of water use.
- Specific provision(s) of the Plan from which the petitioner is requesting relief.
- Detailed statement as to how the specific provision of the Plan adversely affects the petitioner or what damage or harm will occur to the petitioner or others if petitioner complies with this Plan.
- Description of the relief requested.
- Period of time for which the variance is sought.
- Alternative water use restrictions or other measures the petitioner is taking or proposes to take to meet the intent of this Plan and the compliance date.
- Other pertinent information, as requested by the Committee.

Variances granted by the Committee shall be subject to the following conditions, unless specifically waived or modified by the Committee or Board of Directors:

- Variances granted shall include a timetable for compliance.
- Variances granted shall expire when the applicable Best Management Practice Stage is no longer in effect, unless the petitioner has failed to meet specified requirements. No variance allowed for a condition requiring water demand reduction measures will continue beyond the termination of the applicable Best Management Practice Stage under Section H. Any variance for a subsequent water reduction measure must be petitioned again. The fact that a variance has been granted in response to a petition will have no relevance to the Committee's decision on any subsequent petition.

No variance shall be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

## 9. IMPLEMENTATION

The Board establishes a Drought/Emergency Management Committee by Resolution, the chairperson of which will be the responsible representative to make Drought and Emergency Water Management actions. This Committee will review the procedures in this Plan at least annually. Modifications may be required to accommodate system growth, changes in water use demand, available water supply and/or other circumstances.

This Plan was adopted by the Board at a properly noticed meeting held on Nov 14, 2006

Persons requesting an exemption from the provisions of this Ordinance shall file a petition for variance with the Drought/Emergency Management Committee within 5 days after the Plan or a particular drought response stage has been invoked or after a condition justifying the variance first occurs. All petitions for variances shall be reviewed by the Committee and shall include the following:

- Name and address of the petitioner(s).
- Purpose of water use.
- Specific provision(s) of the Plan from which the petitioner is requesting relief.
- Detailed statement as to how the specific provision of the Plan adversely affects the petitioner or what damage or harm will occur to the petitioner or others if petitioner complies with this Plan.
- Description of the relief requested.
- Period of time for which the variance is sought.
- Alternative water use restrictions or other measures the petitioner is taking or proposes to take to meet the intent of this Plan and the compliance date.
- Other pertinent information, as requested by the Committee.

Variances granted by the Committee shall be subject to the following conditions, unless specifically waived or modified by the Committee or Board of Directors:

- Variances granted shall include a timetable for compliance.
- Variances granted shall expire when the applicable Best Management Practice Stage is no longer in effect, unless the petitioner has failed to meet specified requirements. No variance allowed for a condition requiring water demand reduction measures will continue beyond the termination of the applicable Best Management Practice Stage under Section H. Any variance for a subsequent water reduction measure must be petitioned again. The fact that a variance has been granted in response to a petition will have no relevance to the Committee's decision on any subsequent petition.

No variance shall be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

## 9. IMPLEMENTATION

The Board establishes a Drought/Emergency Management Committee by Resolution, the chairperson of which will be the responsible representative to make Drought and Emergency Water Management actions. This Committee will review the procedures in this Plan at least annually. Modifications may be required to accommodate system growth, changes in water use demand, available water supply and/or other circumstances.

This Plan was adopted by the Board at a properly noticed meeting held on Nov 14, 2006

**SECTION H.**  
**DROUGHT CONTINGENCY**  
**AND**  
**EMERGENCY WATER DEMAND MANAGEMENT PLAN**

**1. INTRODUCTION**

The goal of this plan is to cause a reduction in water use in response to drought or emergency conditions so that the water availability can be preserved. Since emergency conditions can occur rapidly, responses must also be enacted quickly. This plan has been prepared in advance considering conditions that will initiate and terminate the rationing program.

A Drought/Emergency Management Committee consisting of two Board Members and the System Manager will monitor usage patterns and public education efforts and will make recommendations to the Board on future conservation efforts, demand management procedures or any changes to this plan. The Committee will develop public awareness notices, bill stuffers, and other methods that will begin and continue as a constant type of reminder that water should be conserved at all times, not just during a drought or emergency. This Committee will also review and evaluate any needed amendments or major changes due to changes in the WSC service area population, distribution system or supply. This review and evaluation will be done on a regular basis of five years unless conditions necessitate more frequent amendments.

The plan will be implemented according to the three stages of rationing as imposed by the Board. Section D describes the conditions that will trigger these stages.

**2. PUBLIC INVOLVEMENT**

Opportunity for the public to provide input into the preparation of the Plan was provided by the Board by scheduling and providing public notice of a public meeting to accept input on the Plan. Notice of the meeting was provided to all customers. In the adoption of this plan, the Board considered all comments from customers.

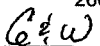
**3. COORDINATION WITH REGIONAL WATER PLANNING GROUP**

Being located within the \_\_\_\_\_ (name of regional water planning area or areas), a copy of this Plan has been provided to that Regional Water Planning Group.

**4. TRIGGER CONDITIONS**

The Drought Emergency Management Committee is responsible for monitoring water supply and demand conditions on a monthly basis (or more frequently if conditions warrant) and shall determine when conditions warrant initiation or termination of each stage of the plan, that is, when the specified triggers are reached. The Committee will monitor monthly operating reports, water supply or storage

Approved  \_\_\_\_\_

260  
 WSC

**SECTION H.**  
**DROUGHT CONTINGENCY**  
**AND**  
**EMERGENCY WATER DEMAND MANAGEMENT PLAN**

**1. INTRODUCTION**

The goal of this plan is to cause a reduction in water use in response to drought or emergency conditions so that the water availability can be preserved. Since emergency conditions can occur rapidly, responses must also be enacted quickly. This plan has been prepared in advance considering conditions that will initiate and terminate the rationing program.

A Drought/Emergency Management Committee consisting of two Board Members and the System Manager will monitor usage patterns and public education efforts and will make recommendations to the Board on future conservation efforts, demand management procedures or any changes to this plan. The Committee will develop public awareness notices, bill stuffers, and other methods that will begin and continue as a constant type of reminder that water should be conserved at all times, not just during a drought or emergency. This Committee will also review and evaluate any needed amendments or major changes due to changes in the WSC service area population, distribution system or supply. This review and evaluation will be done on a regular basis of five years unless conditions necessitate more frequent amendments.

The plan will be implemented according to the three stages of rationing as imposed by the Board. Section D describes the conditions that will trigger these stages.

**2. PUBLIC INVOLVEMENT**

Opportunity for the public to provide input into the preparation of the Plan was provided by the Board by scheduling and providing public notice of a public meeting to accept input on the Plan. Notice of the meeting was provided to all customers. In the adoption of this plan, the Board considered all comments from customers.


**3. COORDINATION WITH REGIONAL WATER PLANNING GROUP**

Being located within the \_\_\_\_\_ (name of regional water planning area or areas), a copy of this Plan has been provided to that Regional Water Planning Group.

**4. TRIGGER CONDITIONS**

The Drought Emergency Management Committee is responsible for monitoring water supply and demand conditions on a monthly basis (or more frequently if conditions warrant) and shall determine when conditions warrant initiation or termination of each stage of the plan, that is, when the specified triggers are reached. The Committee will monitor monthly operating reports, water supply or storage

Approved \_\_\_\_\_  


261  
 WSC

tank levels and/or rainfall as needed to determine when trigger conditions are reached. The triggering conditions described below take into consideration: the vulnerability of the water source under drought of record conditions; the production, treatment and distribution capacities of the system, and member usage based upon historical patterns.

- a. **Stage I - Mild Condition:** Stage I water allocation measures may be implemented when one or more of the following conditions exist:
- 1) Water consumption has reached 80 percent of daily maximum supply for three (3) consecutive days.
  - 2) Water supply is reduced to a level that is only 20 percent greater than the average consumption for the previous month.
  - 3) There is an extended period (at least eight (8) weeks) of low rainfall and daily use has risen 20 percent above the use for the same period during the previous year.
- b. **Stage II - Moderate Conditions:** Stage II water allocation measures may be implemented when one of the following conditions exist:
- 1) Water consumption has reached 90 percent of the amount available for three consecutive days.
  - 2) The water level in any of the water storage tanks cannot be replenished for three (3) consecutive days. Example: The highest recorded water level drops \_\_\_\_\_ ( ) feet or more for \_\_\_\_\_ ( ) consecutive days.
- c. **Stage III - Severe Conditions:** Stage III water allocation measures may be implemented when one of the following five conditions exist:
- 1) Failure of a major component of the system or an event which reduces the minimum residual pressure in the system below 20 psi for a period of 24 hours or longer.
  - 2) Water consumption of 95 percent or more of the maximum available for three (3) consecutive days.
  - 3) Water consumption of 100 percent of the maximum available and the water storage levels in the system drop during one 24-hour period.
  - 4) Natural or man-made contamination of the water supply source(s).
  - 5) The declaration of a state of disaster due to drought conditions in a county or counties served by the Corporation.
  - 6) Reduction of wholesale water supply due to drought conditions.
  - 7) Other unforeseen events which could cause imminent health or safety risks to the public.

## 5. STAGE LEVELS OF WATER ALOCATIONS

The stage levels of water allocations are to be placed in effect by the triggers in Section D. The System shall institute monitoring and enforce penalties for violations of the Drought Plan for each of the Stages listed below. The water allocation measures are summarized below.

a. **Stage I - Mild Conditions**

- 1) Alternate day, time of day, or duration restrictions for outside water usage allowed. (System will notify Customers which restriction is in effect)
- 2) The system will reduce flushing operations.
- 3) Reduction of customers' water use will be encouraged through notices on bills or

Approved \_\_\_\_\_



262  
B&W WSC

tank levels and/or rainfall as needed to determine when trigger conditions are reached. The triggering conditions described below take into consideration: the vulnerability of the water source under drought of record conditions; the production, treatment and distribution capacities of the system, and member usage based upon historical patterns.

- a. Stage I - Mild Condition:** Stage I water allocation measures may be implemented when one or more of the following conditions exist:
- 1) Water consumption has reached 80 percent of daily maximum supply for three (3) consecutive days.
  - 2) Water supply is reduced to a level that is only 20 percent greater than the average consumption for the previous month.
  - 3) There is an extended period (at least eight (8) weeks) of low rainfall and daily use has risen 20 percent above the use for the same period during the previous year.
- b. Stage II - Moderate Conditions:** Stage II water allocation measures may be implemented when one of the following conditions exist:
- 1) Water consumption has reached 90 percent of the amount available for three consecutive days.
  - 2) The water level in any of the water storage tanks cannot be replenished for three (3) consecutive days. Example: The highest recorded water level drops \_\_\_\_\_ ( ) feet or more for \_\_\_\_\_ ( ) consecutive days.
- c. Stage III - Severe Conditions:** Stage III water allocation measures may be implemented when one of the following five conditions exist:
- 1) Failure of a major component of the system or an event which reduces the minimum residual pressure in the system below 20 psi for a period of 24 hours or longer.
  - 2) Water consumption of 95 percent or more of the maximum available for three (3) consecutive days.
  - 3) Water consumption of 100 percent of the maximum available and the water storage levels in the system drop during one 24-hour period.
  - 4) Natural or man-made contamination of the water supply source(s).
  - 5) The declaration of a state of disaster due to drought conditions in a county or counties served by the Corporation.
  - 6) Reduction of wholesale water supply due to drought conditions.
  - 7) Other unforeseen events which could cause imminent health or safety risks to the public.

## 5. STAGE LEVELS OF WATER ALOCATIONS

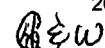
The stage levels of water allocations are to be placed in effect by the triggers in Section D. The System shall institute monitoring and enforce penalties for violations of the Drought Plan for each of the Stages listed below. The water allocation measures are summarized below.

**a. Stage I - Mild Conditions**

- 1) Alternate day, time of day, or duration restrictions for outside water usage allowed. (System will notify Customers which restriction is in effect)
- 2) The system will reduce flushing operations.
- 3) Reduction of customers' water use will be encouraged through notices on bills or

Approved \_\_\_\_\_



263  
 WSC



other method.

**b. Stage II - Moderate Conditions**

- 1) All outside water use is prohibited (except for livestock variances).
- 2) Make public service announcements as conditions change via local media (TV, radio, newspapers, etc.).

**c. Stage III - Severe Conditions**

- 1) All outside watering prohibited.
- 2) Water use will be restricted to a percentage of each member's prior month usage. This percentage may be adjusted as needed according to demand on the system. Notice of this amount will be sent to each customer.
- 3) Corporation shall continue enforcement and educational efforts.

**NOTE :**

- Refer to your water purchase contract for additional restrictions/requirements that may be imposed by stipulations from the wholesale supplier.
- There may be additional restrictions imposed by Governmental Entities.
- Meters will be read as often as necessary to insure compliance with this program for the benefit of all the customers.

**6. INITIATION AND TERMINATION PROCEDURES**

Once a trigger condition occurs, the Corporation, or its designated responsible representative, shall, based on recommendation from the Chairperson of the Drought/Emergency Management Committee, decide if the appropriate stage of rationing shall be initiated. The initiation may be delayed if there is a reasonable possibility the water system performance will not be compromised by the condition. If water allocation is to be instituted, written notice to the customers shall be given.

Written notice of the proposed water allocation measure shall be mailed or delivered to each affected customer upon the initiation of each stage. In addition, upon adoption of Stage II or Stage III, a notice will be placed in a local newspaper or announced on a local radio or television station. The customer notice shall contain the following information:

- a. The date water allocation shall begin,
- b. The expected duration,
- c. The stage (level) of water allocations to be employed,
- d. Penalty for violations of the water allocation program, and
- e. Affected area or areas.

A sample Customer Notice of water allocation conditions is included in Miscellaneous Transaction Forms of this tariff.

If the water allocation program extends 30 days then the Chairperson of the Drought/Emergency Management Committee or manager shall present the reasons for the allocations at the next scheduled Board Meeting and shall request the concurrence of the Board to extend the allocation period.

When the trigger condition no longer exists then the responsible official may terminate the water allocations provided that such an action is based on sound judgment. Written notice of the end of

other method.

**b. Stage II - Moderate Conditions**

- 1) All outside water use is prohibited (except for livestock variances).
- 2) Make public service announcements as conditions change via local media (TV, radio, newspapers, etc.).

**c. Stage III - Severe Conditions**

- 1) All outside watering prohibited.
- 2) Water use will be restricted to a percentage of each member's prior month usage. This percentage may be adjusted as needed according to demand on the system. Notice of this amount will be sent to each customer.
- 3) Corporation shall continue enforcement and educational efforts.

**NOTE :**

- Refer to your water purchase contract for additional restrictions/requirements that may be imposed by stipulations from the wholesale supplier.
- There may be additional restrictions imposed by Governmental Entities.
- Meters will be read as often as necessary to insure compliance with this program for the benefit of all the customers.

## **6. INITIATION AND TERMINATION PROCEDURES**

Once a trigger condition occurs, the Corporation, or its designated responsible representative, shall, based on recommendation from the Chairperson of the Drought/Emergency Management Committee, decide if the appropriate stage of rationing shall be initiated. The initiation may be delayed if there is a reasonable possibility the water system performance will not be compromised by the condition. If water allocation is to be instituted, written notice to the customers shall be given.

Written notice of the proposed water allocation measure shall be mailed or delivered to each affected customer upon the initiation of each stage. In addition, upon adoption of Stage II or Stage III, a notice will be placed in a local newspaper or announced on a local radio or television station. The customer notice shall contain the following information:

- a. The date water allocation shall begin,
- b. The expected duration,
- c. The stage (level) of water allocations to be employed,
- d. Penalty for violations of the water allocation program, and
- e. Affected area or areas.

A sample Customer Notice of water allocation conditions is included in Miscellaneous Transaction Forms of this tariff.

If the water allocation program extends 30 days then the Chairperson of the Drought/Emergency Management Committee or manager shall present the reasons for the allocations at the next scheduled Board Meeting and shall request the concurrence of the Board to extend the allocation period.

When the trigger condition no longer exists then the responsible official may terminate the water allocations provided that such an action is based on sound judgment. Written notice of the end of

allocations shall be given to customers. A water allocation period may not exceed 60 days without extension by action of the Board.

## **7. PENALTIES FOR VIOLATIONS**

- a. **First Violation** – The customer/member will be notified by a written notice of their specific violation.
- b. **Second Violation** - The Corporation may install a flow restricting device in the customer's service line to limit the amount of water that will pass through the meter in a 24 hour period. The cost of this shall be the actual cost to do the work and shall be paid by the customer.
- c. **Subsequent Violations** - The Corporation may terminate service for up to 7 days and charge for the service call to restore service.

**These provisions apply to all customers of the Corporation.**

## **8. EXEMPTIONS OR WAIVERS**

The Drought/Emergency Management Committee may, in writing, grant temporary variance for existing water uses otherwise prohibited under this Plan if it is determined that failure to grant such variance would cause an emergency condition adversely affecting the health or sanitation for the public or the person requesting such variance and if one or more of the following conditions are met:

- a. Compliance with this Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is in effect.
- b. Alternative methods can be implemented which will achieve the same level of reduction in water use.

Persons requesting an exemption from the provisions of this Ordinance shall file a petition for variance with the Drought/Emergency Management Committee within 5 days after the Plan or a particular drought response stage has been invoked or after a condition justifying the variance first occurs. All petitions for variances shall be reviewed by the Committee and shall include the following:

- Name and address of the petitioner(s).
- Purpose of water use.
- Specific provision(s) of the Plan from which the petitioner is requesting relief.
- Detailed statement as to how the specific provision of the Plan adversely affects the petitioner or what damage or harm will occur to the petitioner or others if petitioner complies with this Plan.
- Description of the relief requested.
- Period of time for which the variance is sought.
- Alternative water use restrictions or other measures the petitioner is taking or proposes to take to meet the intent of this Plan and the compliance date.
- Other pertinent information, as requested by the Committee.

Variances granted by the Committee shall be subject to the following conditions, unless specifically waived or modified by the Committee or Board of Directors:

- Variances granted shall include a timetable for compliance.

allocations shall be given to customers. A water allocation period may not exceed 60 days without extension by action of the Board.

## **7. PENALTIES FOR VIOLATIONS**

- a. **First Violation** – The customer/member will be notified by a written notice of their specific violation.
- b. **Second Violation** - The Corporation may install a flow restricting device in the customer's service line to limit the amount of water that will pass through the meter in a 24 hour period. The cost of this shall be the actual cost to do the work and shall be paid by the customer.
- c. **Subsequent Violations** - The Corporation may terminate service for up to 7 days and charge for the service call to restore service.

**These provisions apply to all customers of the Corporation.**

## **8. EXEMPTIONS OR WAIVERS**

The Drought/Emergency Management Committee may, in writing, grant temporary variance for existing water uses otherwise prohibited under this Plan if it is determined that failure to grant such variance would cause an emergency condition adversely affecting the health or sanitation for the public or the person requesting such variance and if one or more of the following conditions are met:

- a. Compliance with this Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is in effect.
- b. Alternative methods can be implemented which will achieve the same level of reduction in water use.

Persons requesting an exemption from the provisions of this Ordinance shall file a petition for variance with the Drought/Emergency Management Committee within 5 days after the Plan or a particular drought response stage has been invoked or after a condition justifying the variance first occurs. All petitions for variances shall be reviewed by the Committee and shall include the following:

- Name and address of the petitioner(s).
- Purpose of water use.
- Specific provision(s) of the Plan from which the petitioner is requesting relief.
- Detailed statement as to how the specific provision of the Plan adversely affects the petitioner or what damage or harm will occur to the petitioner or others if petitioner complies with this Plan.
- Description of the relief requested.
- Period of time for which the variance is sought.
- Alternative water use restrictions or other measures the petitioner is taking or proposes to take to meet the intent of this Plan and the compliance date.
- Other pertinent information, as requested by the Committee.

Variances granted by the Committee shall be subject to the following conditions, unless specifically waived or modified by the Committee or Board of Directors:

- Variances granted shall include a timetable for compliance.

- Variances granted shall expire when the water allocation is no longer in effect, unless the petitioner has failed to meet specified requirements. No variance allowed for a condition requiring water allocation will continue beyond the termination of water allocation under Section F. Any variance for a subsequent water allocation must be petitioned again. The fact that a variance has been granted in response to a petition will have no relevance to the Committee's decision on any subsequent petition.

No variance shall be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

## 9. IMPLEMENTATION

The Board establishes a Drought/Emergency Management Committee by Resolution, the chairperson of which will be the responsible representative to make Drought and Emergency Water Management actions. This Committee will review the procedures in this plan annually or more frequently. Modifications may be required to accommodate system growth, changes in water use demand, available water supply and/or other circumstances.

This Plan was adopted by the Board at a properly noticed meeting held on \_\_\_\_\_.

- Variances granted shall expire when the water allocation is no longer in effect, unless the petitioner has failed to meet specified requirements. No variance allowed for a condition requiring water allocation will continue beyond the termination of water allocation under Section F. Any variance for a subsequent water allocation must be petitioned again. The fact that a variance has been granted in response to a petition will have no relevance to the Committee's decision on any subsequent petition.

No variance shall be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

## 9. IMPLEMENTATION

The Board establishes a Drought/Emergency Management Committee by Resolution, the chairperson of which will be the responsible representative to make Drought and Emergency Water Management actions. This Committee will review the procedures in this plan annually or more frequently. Modifications may be required to accommodate system growth, changes in water use demand, available water supply and/or other circumstances.

This Plan was adopted by the Board at a properly noticed meeting held on \_\_\_\_\_.

**Attachment “K” – Question 15**

**Kickapoo FWSD Rate Order**

## CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS           §  
  §  
COUNTY OF WALLER         §

I, the undersigned officer of the Board of Directors of Kickapoo Fresh Water Supply District of Waller County, hereby certify as follows:

1. The Board of Directors of Kickapoo Fresh Water Supply District of Waller County convened in regular session on the 18<sup>th</sup> day of August, 2011, outside the boundaries of the District, and the roll was called of the members of the Board:

Sukhjinder (Suky) Dhother, M.D.	President
Gary D. Smith	Vice President
Susan L. (Susie) Higley	Assistant Vice President/ Assistant Secretary
Rajesh Chandwani	Assistant Secretary
Nicolette (Nikki) T. Szeto	Secretary

and all of said persons were present except Director(s) Chandwani + Smith, thus constituting a quorum. Whereupon, among other business, the following was transacted at the meeting: a written

### RATE ORDER AND REGULATIONS REGARDING WATER LINES AND CONNECTIONS

was introduced for the consideration of the Board. It was then duly moved and seconded that the resolution be adopted, and, after due discussion, the motion, carrying with it the adoption of the resolution, prevailed and carried unanimously.

2. That a true, full, and correct copy of the aforesaid resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that the action approving the resolution has been duly recorded in the Board's minutes of the meeting; that 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; that each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the aforesaid meeting, and that the resolution would be introduced and considered for adoption at the meeting, and each of the officers and members consented, in advance, to the holding of the meeting for such purpose; that the meeting was open to the public as required by law; and that public notice of the time, place, and subject of the meeting was given as required by Chapter 551, Texas Government Code, and Section 49.063, Texas Water Code.

SIGNED AND SEALED the 18<sup>th</sup> day of August, 2011.



Nicolette Szeto  
Secretary, Board of Directors



## RATE ORDER AND REGULATIONS REGARDING WATER LINES AND CONNECTIONS

WHEREAS, Kickapoo Fresh Water Supply District of Waller County (the "District") is in the process of constructing a water system to provide service to residential and commercial establishments within the District; and

WHEREAS, the District has the authority to collect garbage; and

WHEREAS, it is necessary that fees, charges, and conditions be established for service from the District's water system; Now, Therefore,

BE IT ORDERED BY THE BOARD OF DIRECTORS OF KICKAPOO FRESH WATER SUPPLY DISTRICT OF WALLER COUNTY THAT:

Section 1. Definitions. The following words or phrases shall have the meanings indicated below:

A. "Single Family Residential User" - means a user of the District's water system which consists of one residence designed for use and occupancy by a single family unit.

B. "Non-Single Family Residential User" - means any user of the District's water system, other than a Single Family Residential or Public Space User, including, but not limited to, commercial establishments, multi-family residential units, recreational facilities, clubs and Non-Taxable Users.

C. "Public Space User" - means any user of the District's System for public or homeowner association esplanades, recreational areas or green spaces ("Public Spaces").

D. "Non-Taxable User" - means a user of the District's water system that is not subject to ad valorem taxation by governmental entities under the provisions of the Texas Property Tax Code.

### Section 2. Tap and Inspection Fees.

A. Single Family Residential User Water Tap. Prior to connection to the District's water system, a tap fee in the amount shown in Exhibit "A" shall be paid to the District to cover the cost of making said connection and the cost of providing the water meter. Connections to the District's water system shall not be allowed without the prior written approval of the District, an approved sewer inspection, and all such connections shall be inspected by the District's operator or its subcontractor.

B. Non-Single Family Residential User Connection. Connections to the District's system shall not be allowed prior to receipt by the District's operator of (a) the District's engineer's letter approving the connection and (b) payment of the tap fee. All water system connections shall be made by the District's operator or its subcontractors and all sewer connections shall be inspected by the District's operator or its subcontractors. Prior to any connection being made to the District's water system by a Non-Single Family Residential User, such User shall:

- (1) pay a tap fee shown in Exhibit "A"; and
- (2) present a written request to the District stating the amount of capacity desired, identifying the tract for which service is desired including a scale plat thereof, and describing the improvements to be constructed thereon, accompanied by schematic drawings and construction prints of the proposed connection lines and connection points to the District's system. The District's engineer will review the plans and note any required revisions. The engineer will then return the plans, as approved, to the User with a notation that he has no objection to the connection(s) being made to the District's system by the District's operator as per the approved (and if appropriate, revised) plans.

C. Public Space User Water Tap. Prior to any connection being made to the District's water system by a Public Space User, for use in a public area, such User shall pay a tap fee in the amount shown in Exhibit "A". The User must provide the District's operator with drawings of the proposed connection points to the District's system and specifications on required Backflow Prevention Assemblies to be installed.

D. Non-Taxable Users. Non-Taxable users shall pay a tap fee in the amount shown in Exhibit "A". The District will provide and install all meters and taps. All connections to the District's System shall be made by a representative of the District. The Non-Taxable User must present a written request to the District stating the amount of capacity desired, identifying the tract for which service is desired including a scale plat thereof, and describing the improvements to be constructed thereon, accompanied by schematic drawings and construction prints of the proposed connection lines and connection points to the District's system. The District's engineer will review the plans and note any required revisions. The engineer will then return the plans, as approved, to the User with a notation that he has no objection to the connection(s) being made to the District's system by the District's operator as per the approved (and if appropriate, revised) plans.

E. Pre-Facility Inspection. All builders or contractors for property owners within the District must contact the operator, prior to starting any work on property within the District, to do an inspection to verify District facilities. If any District facility is either damaged or cannot be located, the operator will make necessary repairs or locate and make visible at the expense of the District. A copy of the inspection will be

given to the builder's or contractor's representative. After the inspection and any necessary work is completed, the builder or contractor will then be responsible for paying the costs of all damages, adjustments, relocations and repairs found during the Final Site Survey. The cost for each inspection is shown on Exhibit "A" and is payable with the tap fee.

F. Post Facility Inspection. After construction has been completed on the property, but before service is transferred to a User, the District's operator will conduct a Final Site Survey to reinspect the water tap, meter and all other District facilities on the property for a fee in the amount shown in Exhibit "A". (The fee shall be collected at the time the tap fee is paid.) 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") before service shall be initiated to a User. If any reinspections of the facilities are required to ensure that the District's facilities are repaired, adjusted or relocated, a fee in the amount shown in Exhibit "A" 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 for said charges. The District also may withhold the provision of service to the property or to other property owned by any 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 Section 10 prior to withholding the provision of service.

G. Grease Trap Inspection. For each grease trap installed, there shall be charged a monthly flat rate inspection fee in the amount shown in Exhibit "A". If the operator is required to reinspect the grease trap, such reinspection shall be charged at the same rate.

H. Meter Installations. All meter installations will be done by the District's operator. The cost shall be the amount shown on Exhibit "A".

I. Builder Responsibilities.

(1) Street Cleaning. The builder and developer will be responsible for ensuring that the street in front of their lots stays free from the accumulation of trash, sediment, dirt, and all other debris. Street cleaning will be done by street scraping or by using a vacuum sweeper. Washing sediments into the storm sewer inlets is prohibited by the District and the EPA.

(2) Concrete Wash-Out Site. Each builder will provide a single, dedicated concrete wash-out site on one of the builder's reserved lots, for use during construction or will use a site designated by the Developer. The site selected will be

reviewed with the District and developer, and an identification sign must be erected on the site by the builder prior to use.

The builder will clean and maintain the site as necessary and is responsible for the proper and legal disposal of concrete. Silt fencing must be installed along the curb in front of the wash-out site as well as an access pad.

The builder will inform its subcontractors of the location and purpose of the concrete wash-out site.

(3) Other Builder Responsibilities. The builder is responsible for observing all signs and for enforcing the District's Rate Order and Regulations Regarding Water Lines and Connections with all employees, suppliers, and subcontractors. Builders are responsible for conducting regular inspections of their erosion control measures to insure they are functioning properly.

(4) Failure to Comply. Failure of a builder to comply with these builder responsibilities will be considered a violation of this Rate Order and Regulations Regarding Water Lines and Connections and will subject the builder to penalties in Section 24. Further, the District, at its sole option, may perform or have performed any of the builder's responsibilities and backcharge the builder for the cost. Failure to timely pay a backcharge or to comply with these responsibilities will subject the builder to termination of service in accordance with Section 10A or withholding of taps in accordance with Section 2F.

### Section 3. Platting and Permit Requirements.

A. Permit Requirement. Before any connection is made to the District's water system, the person requesting such connection shall provide to the District a copy of: (1) any necessary development or building permit from Waller County and/or the City of Houston; or (2) a waiver for any development or building permit from Waller County and/or the City of Houston.

B. Platting Requirement. Prior to initially connecting to the District's water system, a User shall submit to the District's operator or engineer proof that the User's property has been platted in accordance with the subdivision ordinances of the City of Houston. Acceptable proof of platting includes a copy of the recorded plat, or a certificate from the City of Houston that the property has been platted or that the property is legally exempt from the platting process.

Section 4. Water Regulations. The following plumbing regulations apply to all users of the District's potable water distribution system.

Plumbing Material Restrictions. The use of the following plumbing materials are prohibited in any and all improvements connected to the District's water system:

- A. Any pipe or pipe fitting which contains more than 8.0% lead; and
- B. Any solder or flux which contains more than 0.2% lead.

Prior to initiating service to new construction or buildings containing new plumbing fixtures, the User must provide the District's operator with a signed and dated "Customer Service Inspection Certification" in the form attached to this Rate Order as Exhibit "B".

**Section 5. Plumbing Regulations; Prohibition Against Cross-Connections and Unacceptable Plumbing Practices; Penalty for Violation.**

Pursuant to Chapter 290 of the Texas Administrative Code, the District adopts the following plumbing regulations, which apply to all users of the District's potable water distribution system.

A. **Service Agreements.** Prior to receiving service from the District to new construction or 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 in the form attached to this Rate Order as Exhibit "C".

B. **Plumbing Fixtures.** A User is not permitted to install any plumbing fixture which is not in compliance with a state approved plumbing code and the plumbing code, if any, required by the city in whose jurisdiction the District is located.

C. **Prohibition Against Water Contamination.** No direct connection between the District's potable water distribution system and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the District's potable water distribution system by the installation of an air-gap or an appropriate backflow prevention device in accordance with state plumbing regulations. In addition, all pressure relief valves and thermal expansion devices must be in accordance with state plumbing codes and the plumbing code, if any, required by the city in whose jurisdiction the District is located.

D. **Backflow Prevention Assemblies.** All sprinkler systems, spas and pools must have backflow prevention assemblies installed by the User at the User's sole cost and expense. In addition, the District, in its sole discretion, may require a Non Single Family Residential User to install a backflow prevention assembly at any meter(s) servicing such a User's property. The District, in its sole discretion, also may require any User to install other backflow prevention assemblies at any fixture in order to prevent contamination of the District's potable water distribution system or if the User's plumbing system poses a high health hazard. A high health hazard is defined by the TCEQ as a "cross-connection, potential cross-connection, or other situation involving any substance that could cause death, illness, spread of disease, or has a high probability of causing such effects if introduced into the potable drinking water

supply." If the District determines that a User must install a backflow prevention assembly as a protection against a high health hazard, the backflow prevention assembly used must comply with a state approved plumbing code and the plumbing code, if any, required by the city in whose jurisdiction the District is located, and must be tested and certified at least annually by a recognized backflow prevention assembly tester. A list of certified backflow prevention assembly inspectors can be obtained from the local office of the TCEQ.

The User is responsible for insuring that all backflow prevention assemblies are tested upon installation by a recognized backflow prevention assembly tester. A list of certified backflow prevention assembly inspectors can be obtained from the local office of the TCEQ. The User is solely responsible for the cost of this test. If the District requires the installation of a backflow prevention assembly in order to prevent a serious threat to the District's public water supply, then the District, in its sole discretion, may immediately terminate service to the User. In that event, service will not be restored until the backflow prevention assembly has been installed and tested and a signed and dated original of a "Backflow Prevention Assembly Test and Maintenance Report" in the form attached to this Rate Order as Exhibit "D" has been provided to the District's operator.

If the District determines that a backflow prevention assembly must be installed pursuant to this Rate Order for reasons other than to eliminate a serious threat to the District's public water system, the User must install the backflow prevention assembly within five (5) working days after receipt of notice from the District that such installation is required. In addition, the User must provide the District's operator with a signed and dated original of a "Backflow Prevention Assembly Test and Maintenance Report" in the form attached to this Rate Order as Exhibit "D" within three (3) working days of the installation of the backflow prevention assembly and within three (3) working days of any subsequent repair, maintenance or testing of such assembly. If the User fails to provide the testing certificate within this time, the District, in its discretion, may terminate service to the User pursuant to the terms of this Rate Order. The District's operator will retain such reports for a minimum of three (3) years. The Backflow Prevention Annual Administration Fee listed in Exhibit "A" will be billed to the User on an annual basis with the monthly District billing.

E. Customer Service Inspections. A customer service inspection is required prior to the time the District (i) provides continuous water service to new construction, (ii) provides water service to private plumbing facilities that have been added to existing construction or materially improved or corrected, or (iii) continues service to a User 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 User. For single family residential service, a licensed plumber, a water supply protection specialist licensed by the Texas State Board of Plumbing, or a certified waterworks operator holding an endorsement from the

TCEQ may perform this customer service inspection. For all other types of service, a water supply protection specialist licensed by the Texas State Board of Plumbing, or a certified waterworks operator holding an endorsement from the TCEQ may perform the inspection. All fees relating to the customer service inspection shall be paid by the User prior to the inspection, and if the inspection is made in connection with new construction, the fee will be collected with the tap fee.

Prior to initiating service to new construction or buildings containing new plumbing fixtures, the User must provide the District's operator with a signed and dated "Customer Service Inspection Certification" in the form attached to this Rate Order as Exhibit "B". The District's operator will retain such inspection certifications. The District's operator or its subcontractors may, at the discretion of the District and/or the District's operator, periodically inspect a User'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.

F. Prohibition Against Cross-Connections. No cross-connection between the District's potable water distribution system and a private water system is permitted. Where an actual air gap is not maintained between the public water supply and a private water supply, an approved reduced pressure-zone backflow prevention assembly must be properly installed and such assembly must be annually inspected and tested by a certified backflow prevention device tester. A list of certified backflow prevention device testers may be obtained from the local office of the TCEQ. By accepting service from the District, all Users agree to allow such annual inspection and testing of backflow prevention assemblies to take place during normal business hours. If any User refuses to allow such annual inspection and testing, service to such User will be discontinued until such inspection and testing is completed.

No connection which allows water to be returned to the District's potable water distribution system is permitted. This includes, but is not limited to, any device pursuant to which water is removed from the District's potable water distribution system, circulated through a User's system for condensing, cooling and heating of fluids or industrial processes, including but not limited to a heat exchange system, and routed back to the District's potable water distribution system.

G. Notice of Unacceptable Plumbing Practices. The District shall notify the User in writing of any cross-connection or other unacceptable plumbing practice which has been identified during the customers service inspection, any periodic reinspection, or any other inspection. At its sole cost and expense, the User shall immediately correct any unacceptable plumbing practice on its premises and properly install, test and maintain any backflow prevention device required by the District within five (5) working days of receipt of notice of the improper cross-connection. The User shall provide copies of all testing and maintenance records on such devices to the District within three (3) working days of the testing or maintenance. If the User fails to correct

the noted unacceptable plumbing practice, the District may immediately terminate water service or, at the User's sole cost and expense, eliminate the cross-connection or correct the unacceptable plumbing practice.

H. Penalty for Violation. The failure of a User to comply with the terms of this Section will be considered a violation of this Rate Order and Regulations Regarding Water Lines and Connections. If such a violation occurs, or if the District determines the existence of a serious threat to the integrity of the District's water supply system, the District, in its sole option, may, in addition to all other legal remedies available to it, including those remedies set out in this Rate Order, immediately terminate service or, at the User's sole cost and expense, install the plumbing fixtures or assemblies necessary to correct the unacceptable plumbing practice. If the District terminates service in order to preserve the integrity of the District's water supply, service will be restored only when the source of the potential contamination no longer exists or until additional safeguards have been taken. Any and all expenses associated with the enforcement of this Section shall be billed to the User.

Section 6. Account Transfer Fee. A fee in the amount shown in Exhibit "A" shall be charged by the District to all Users opening an account to cover the expense to the District for the transfer of service from one User to the subsequent User.

Section 7. Water Rates.<sup>1</sup>

A. In-District Single Family Residential User.

After the meter is installed, each Single Family Residential User located within the District shall be charged monthly for water for each equivalent single family connection ("ESFC") (as determined by the District's engineer) in accordance with the following schedule:

Water

\$25.00 plus \$4.00 per 1,000 Gallons Usage over 2,000 Gallons per month

B. In-District Builders. After the meter is installed, each Builder building on lots within the District shall be charged monthly for water for each ESFC (as determined by the District's engineer) in accordance with the following schedule:

---

<sup>1</sup> The District does not charge any sewer rates because the property will be served by septic systems provided by property owners.



<u>Amount of Payment</u>	<u>Water Usage</u>
\$25.00	Flat Fee

C. In-District Public Space User. After a meter has been installed, water service will be provided to Public Spaces within the District and charged monthly in accordance with the following rate schedule:

<u>Amount of Payment</u>	<u>Water Usage</u>
\$25.00	0 to 2,000 Gallons
\$4.00	2,001 Gallons and above

In order to promote conservation of the District's water supply, however, Public Space Users shall pay an increased rate to be set by the District if the District determines the Public Space User's water usage is excessive, inefficient, and/or wasteful.

D. All Other In-District Users. After the meter is installed, each User located within the District that is not a single family residential user, builder, or public space user shall be charged monthly for water for each ESFC (as determined by the District's engineer) in accordance with the following schedule:

<u>Water</u>
\$25.00 plus \$4.00 per 1,000 Gallons Usage over 2,000 Gallons per month

E. Notice of Vacancies. Upon receipt of written notice from a User of a vacancy, the District will charge a flat fee of \$5.00 per month per vacant residence. There will be no charge for sewer.

Section 8. Garbage and Recycling Service. Each Single Family Residential User shall receive garbage and recycling service. No exceptions will be made. Fees for garbage services shall be determined from time to time by resolution of the board of directors based upon the cost of garbage service.

Section 9. Regulatory Assessment. Pursuant to the Texas Water Code, each user of the District's water system is hereby assessed a charge of one-half of one percent of the District's charge for water service. This assessment is included in the rate schedules listed above and will be forwarded to the TCEQ, as required by the Texas Water Code, and used to pay costs and expenses incurred in its regulation of water districts.

Section 10. Monthly Bills and Termination.

A. Charges for water and garbage service shall include fees for service, deposits, reinstallation and reconnection fees, penalties, and any other charges or fees associated with the provision of water and garbage service to a User. Charges shall be billed monthly. All bills and Backcharges shall be payable upon receipt and shall be past due on the 20th day after the date of the statement for said charges (the "Past Due Date"). Unless payment of the monthly bill or Backcharge is received on or before the Past Due Date of said statement, such account shall be considered delinquent and a one-time late charge equal to ten percent (10%) of the unpaid balance plus a charge of \$5.00 and a \$4 door hanger fee to cover the District's cost of sending the delinquency notice letters shall be charged. When any one month's bill or Backcharge has not been paid by the Past Due Date, all charges to the account that are then outstanding shall be accelerated and come due immediately. The District may, in its discretion, disconnect service for failure to pay all outstanding charges and Backcharges after the Past Due Date; provided, however, that prior to disconnecting services, the District shall send written notice by United States first class mail to the User or entity at the appropriate address and provide the User or entity with an opportunity to contest, explain or correct the charges, services, or disconnection, at a meeting of the Board of Directors of the District. The written notice shall inform the User or entity of the amount of the delinquent payment, the acceleration of all charges, the date service will be disconnected or additional service withheld if payment of all outstanding charges is not made, the date, time and place of the next scheduled meeting of the Board of Directors, and of the opportunity to contest, explain or correct the charges, services, or disconnection, by presenting in person or in writing such matter to the Board of Directors at the next scheduled meeting as shown in the notice. The notice shall be deposited, post-paid, in a post office or official depository under the care and custody of the United States Postal Service at least ten (10) days prior to the date of the scheduled meeting of the Board of Directors. A written statement by the District's Operator that the notice was so mailed shall be prima facie evidence of delivery of same. If the User or entity appears before the Board in person or in writing, the Board shall hear and consider the matter and inform the User or entity of the Board's determination by sending written notice by United States first class mail to the User or entity at the appropriate address. If service to a User or entity is disconnected for any cause, there shall be charged a reconnection fee as outlined in Exhibit "A" before service is again commenced to such User or entity.

B. Any person, corporation or other entity who violates any provision of this Rate Order and Regulations Regarding Water Lines and Connections, in addition to being subject to the penalties described in Section 24, shall be subject to having service terminated; provided, however, that prior to disconnecting service for such violations, the District shall give written notice by first class mail or otherwise, to such person, corporation or other entity, of the pending disconnection, and shall give such person,

corporation or other entity the opportunity to contest, explain or correct the violation of the Order at a meeting of the Board of Directors of the District. However, if the District determines the violation poses the existence of a serious threat to the integrity of the District's water supply system, the District, in its sole option, may immediately terminate service, followed by the notice herein described. Such disconnection shall be in addition to penalties that may be imposed by the District under Section 24. The District will charge a termination letter fee in accordance with Exhibit "A" to each entity receiving such written notice.

C. If service to a User is disconnected for nonpayment of charges or Backcharges or for any cause legally authorized, all outstanding charges for service, a reconnection fee in the amount shown on Exhibit "A" plus a security deposit in the amount shown on Exhibit "A" payable in accordance with this Rate Order and Regulations Regarding Water Lines and Connections shall be paid prior to service being restored. Payment of fees and charges under this Section must be in the form of cash, cashier's check or money order.

D. In the event that the District's operator removes a User's meter due to unauthorized reconnection of service subsequent to termination of services by the District, a re-installation fee shall be paid in the amount shown in Exhibit "A" prior to service being restored, which fee is in addition to any other fees imposed.

Section 11. Security Deposit. All new Single-Family Residential Users or any User whose service is terminated in accordance with this Rate Order and has not previously provided a security deposit will pay a one-time non-interest deposit of \$100.00 per equivalent single family residential connection. Prior to any subsequent reconnection following termination of service pursuant to Section 10, hereof, an additional deposit of \$25.00 per equivalent single family residential connection shall also be required until such user has a deposit equal to \$150.00 or an amount equal to three months usage for any User other than a Single Family Residential User. Once a User has a deposit equal to \$150.00 or an amount equal to three months usage for any User other than a Single Family Residential User, such User shall not be required to pay an additional deposit. A separate deposit shall be required from all Users for each account. When the User's account is final and not transferred to another location in the District, any funds remaining on deposit for such User, after payment of any amount owing on such account, shall be refunded to the User.

Section 12. Returned Check Fee. The District will charge a fee in the amount shown on Exhibit "A" to any customer for each check given to the District for payment that must be returned for any reason. Payments attempted to be made by a check which is returned shall be considered delinquent unless cash or certified funds are presented to the District for payment within the time period required by this Rate Order.

Section 13. Termination of Service upon Request of Consumer. Whenever a User of the District requests that water service be temporarily discontinued, such User shall notify the District's operator at least two (2) days prior to the time service is to be discontinued. A charge in the amount shown in Exhibit "A" shall be made for discontinuing service and a charge in the amount shown in Exhibit "A" for restoring service where such service is discontinued or restored at the request of the User. A User shall not be entitled to use this Section if payment is delinquent at the time of the request.

Section 14. Surcharge for Service. In fairness to all Users within the District, and to honor its contractual obligations and commitments, the District has the right to monitor the use of water to determine if Users are exceeding the amount of capacity committed to serve their land or buildings. As one method of enforcement, the District has determined to reserve the right to impose a surcharge on any User who uses water in excess of the amount reserved to such User or tract. Accordingly, in addition to the other charges specified herein, the District has the right to impose an additional charge of \$0.05 per gallon of water used in excess of one hundred ten percent (110%) of the amount of capacity reserved to the tract by any utility commitment letter.

Section 15. Utility Commitment Letters. Prior to any connection being made to the District's water system by a Non-Single Family Residential User (NSFRU), such User shall have complied with the requirements of this Article. Any NSFRU desiring water service or a commitment for water service shall present a written request to the Board of Directors stating the amount of capacity desired, identifying the tract for which service is desired including a scale plat thereof, describing the improvements to be constructed thereon, and shall also present schematic drawings of the proposed improvements. In addition, the party requesting the commitment shall pay the District's fees incurred by its attorney, engineer, operator and any other consultant in connection with the request. To secure payment of these fees, the requesting party shall deposit with the District the sum of \$1,500. Any deposit remaining after completion of service to the property shall be refunded, without interest. If the deposit is insufficient to pay all such fees, the District shall not allow service to the property until all such fees have been paid in full.

The Board may approve such request if it determines that allocation of the requested water capacity is in the best interests of the District, that the District has the amount of capacity requested and which is uncommitted and the allocation of such capacity will not adversely affect the District's ability to provide reasonable amounts of water capacity to other undeveloped land within the District. If the Board grants the request or a part thereof, the District's commitment shall be reflected in a letter executed by the President or Vice-President of the Board with standard provisions, including a provision that the commitment shall be valid for no longer than one (1) year unless the NSFRU actually commences construction of substantial improvements within said one (1) year period. The letter shall describe the improvements proposed to be constructed.

The Board shall not issue a letter unless it determines that (1) the property has been or will be platted in accordance with the subdivision ordinances of the City of Houston, and (2) all District ad valorem taxes on the tract have been paid in full.

If a party who has received a commitment letter which has expired desires to obtain a new commitment letter or an extension of time, said party must repeat the entire process described herein, including the payment of fees. If a party seeks an assignment, extension or amendment of a commitment letter, said party must complete the entire process described herein, including the payment of fees.

Any NSFRU who has received a commitment letter shall submit to the District's Engineer a certificate prepared by an engineer or architect describing the proposed improvements and the estimated water capacity required for such improvements. If the District's Engineer determines that the estimated usage is reasonable, he shall issue a written certificate to that effect. If he finds that the estimate is not reasonable, he shall so state in writing.

Prior to any water tap being made, the District's Operator shall require:

- A. a copy of the commitment letter issued by the Board which has not expired;
- B. a copy of the District Engineer's Certificate stating that the estimated usage is reasonable;
- C. that the estimated usage approved by the District's Engineer does not exceed the amount specified in the commitment letter;
- D. a certificate from the District's Tax Assessor/Collector that all District taxes on the property have been paid; and
- E. a copy of the duly approved and recorded subdivision plat.

The District's Operator shall be responsible for administering the issuance of commitment letters as approved by the Board.

Section 16. Swimming Pool Inspections and Fee. Every User who plans to construct or install a swimming pool within the District shall notify the District's operator in writing prior to commencing construction of the pool. Upon notification by the User of the intention to construct or install a swimming pool, the User shall pay an inspection fee in the amount shown on Exhibit "A." After the notification is received, the District's operator shall ensure that all filter backwash lines and drains from the swimming pool are connected in a manner as required by applicable law. After the drains have been installed, the User shall notify the District's operator, who shall make

an inspection of all swimming pool drains to verify that the proper connection is made, before service is authorized for said swimming pool.

Section 17. Maintenance and Repair. It shall be the responsibility of each User to maintain the water lines from the point of connection to the District's water system to the building served.

Section 18. No Free Service. No free service shall be provided by the District to any person, organization or institution, including charitable or eleemosynary institutions, political subdivisions, or municipal corporations.

Section 19. Required Service. No service shall be given from the District's water system unless such users agree to take water services, except in those instances where the Board in its sole discretion determines that all such services are not necessary for the preservation of the sanitary condition of water within the District.

Section 20. Sale or Use of Water. It shall be an unauthorized use of District services or facilities for any person, firm or entity to sell or use water from the District's water system without having a direct connection to the District's water system, unless such sale or use of water is to or by Users having common ownership or tenancy of the land being served by the District's water system.

Section 21. Obstruction. After any District facility has been set, the customer shall at all times keep the area in, around and upon the facility and District easements and property under customer's control free from rubbish or obstructions of any kind. Failure to keep the facility and District easements and property under customer's control free from rubbish or obstructions shall result in disconnection of water services and/or the assessment of charges necessary to remove said obstructions.

Section 22. Temporary Water Service.

A. The District's operator shall be authorized to make a temporary connection to any fire hydrant or flushing valve upon receipt of a written request for temporary water service. Such temporary service shall be supplied only through a District meter installed by the District's operator.

B. The person applying for temporary water service shall be required to deposit \$900.00 with the District to secure the payment for water supplied by the District and the safe return of the District's meter. Upon receipt of full payment for temporary water used and return of the meter in good condition, the deposit will be returned; provided, however, any damage to the meter or unpaid balances will be paid from the deposit.

C. The fee for temporary water service shall be \$50.00 for cost of installation plus a per gallon rate calculated according to the rates set forth in this Order. There

shall also be a \$2.00 per day rental charge for the use of the meter added to the fees for temporary water service.

Section 23. Pressure of Water. The District agrees to use all reasonable efforts to supply to any User adequate pressure of water. The District does not and will not guarantee to any User a specific quantity or pressure of water for any purpose whatsoever. The District is required only to furnish a connection to its water system and in no case shall the District be liable for the failure or refusal to furnish water or any particular amount or pressure of water; however, the District shall use reasonable efforts to supply water to all Users at an acceptable minimum pressure.

Section 24. Penalties for Violation. Any person, corporation or other entity who:

A. violates any Section of this Rate Order and Regulations Regarding Water Lines and Connections; or

B. makes unauthorized use of District services or facilities; or

C. causes damage to District facilities by using such facilities in a manner or for a purpose contrary to the purpose for which such facilities were designed; or

D. constructs facilities or buildings which are not included in the approved plans for development under Section 3 of this Order; or

E. reconnects to the District's system after termination of service by the District without having paid all outstanding charges due to the District; or

F. violates the District's Order Adopting a Drought Contingency Plan, as such plan may exist from time to time;

shall be subject to a penalty of up to \$5,000.00 for each breach of each one of the foregoing provisions. Each day that a breach of any provision hereof continues shall be considered a separate breach.

This penalty shall be in addition to the other penalties, fees and charges provided by this Order and the laws of the State of Texas and to any other legal rights and remedies of the District as may be allowed by law.

Section 25. Future Adjustments. The District reserves the right to increase rates and fees from time to time when, in the opinion of the Board of Directors, such increases are required to cover the costs of administration, efficient operation and adequate maintenance of the District's water system.

Section 26. Application of this Rate Order and Regulations Regarding Water Lines and Connections. This Rate Order and Regulations Regarding Water Lines and Connections and all of the provisions herein apply only to utility service to land within the District. The Board of Directors shall determine whether to provide any utility service to areas outside of the District and the terms and conditions for such service.

[EXECUTION PAGE FOLLOWS]

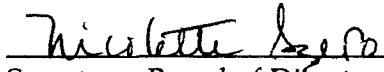


ADOPTED on the 18<sup>th</sup> day of August, 2011.



\_\_\_\_\_  
President, Board of Directors

ATTEST:



\_\_\_\_\_  
Secretary, Board of Directors



LIST OF EXHIBITS

- Exhibit A - Fees
- Exhibit B - Customer Service Inspection Certification
- Exhibit C - Service Agreement
- Exhibit D - Backflow Prevention Assembly Test and Maintenance Report

## EXHIBIT A

### FEES

#### 1. TAP FEES - IN DISTRICT CUSTOMERS

##### A. Single Family Residential Users

In the case of a 5/8 or 3/4 inch water meter, the tap fee shall be \$500.00, plus the cost to the District of repairing or restoring any yards, landscaping, property, sidewalks, streets, or other improvements affected by the installation, if any, as determined by the District's operator (the "Restoration Costs").

In the case of a 1 inch water meter (up to 40 feet boring), the tap fee shall be \$750.00, plus the Restoration Costs.

In the case of a water meter larger than 1 inch or over 40 feet of road boring, a tap fee equal to three (3) times the District's actual cost of installing the tap, meter, and necessary service lines shall be paid to the District, plus the Restoration Costs.

##### B. Non-Single Family Residential User

User shall pay a tap fee equal to three (3) times the District's actual cost of installing the tap, meter, and necessary service lines, plus the Restoration Costs. The District's operator will produce an estimate for the Restoration Costs, which will be sent to the User. The User shall pay the Restoration Costs, plus 20%, prior to the installation of the tap. If the actual Restoration Costs are greater than the estimated Restoration Costs paid by the User, the difference must be paid by the User before the District will provide service to the User. If the actual Restoration Costs are less than the estimated Restoration Costs paid by the User, a refund for the difference shall be issued to the User.

##### C. Irrigation User

In the case of a 1-1/2 inch water meter, the tap fee shall be: \$1,500

In the case of a 2 inch water meter, the tap fee shall be: \$2,040

In the case of a 2 inch water meter located on a boulevard, in addition to the tap fee shown above, for any linear feet of pipe needed to make the tap in excess of 25 feet, there shall be an additional per foot linear charge of: \$7.50

##### D. Non-Taxable Users.

- (1) Other than political subdivisions, Non-Taxable Users shall pay a tap fee equal to the District's actual cost of installing the tap, meter and any necessary service lines and the cost of repairing or restoring any yards, sidewalks, streets, landscape, property or other improvements affected by the installation (as determined by the District's operator) plus the User's pro rata share of the District's actual cost of the facilities necessary to provide District services to the non-taxable User that are financed or to be fully or partially financed by the District's tax bonds (as determined by the District's consultants

and approved by the Board of Directors) (the "Installation Costs").

- (2) The District's operator will produce an estimate of the Installation Costs, which will then be approved by the Board of Directors and be sent to the User. The User shall pay the estimated Installation Costs, plus 85%, prior to installation of the tap. If the actual Installation Costs are greater than the estimated Installation Costs paid by the User, the difference must be paid by the User before the District will provide service to the User. If the actual Installation Costs are less than the estimated Installation Costs paid by the User, a refund for the difference shall be issued to the User.
- (3) Political Subdivisions will pay a tap fee equal to \$5,000 per equivalent single-family connection (to be determined by the District's engineer), plus the actual cost of installing the tap, meter and any necessary service lines and the cost of repairing or restoring any yards, sidewalks, streets, landscape, property or other improvements affected by the installation (as determined by the District's operator), so long as the total of such tap does not exceed three (3) times the District's actual cost of service and tap costs.

E. Public Space User

Public Space Users shall pay a tap fee equal to the District's actual cost.

2. POST FACILITY INSPECTION FEE

Reinspection fee	\$53.50
------------------	---------

3. PRE-FACILITY INSPECTION FEE

\$53.50

4. GREASE TRAP INSPECTION FEE

Monthly Rate	\$53.50
--------------	---------

Reinspection Rate	\$53.50
-------------------	---------

5. FEE FOR NOTICE OF DELINQUENCY TO USER

A. Fee to Mail Notice	\$5.00
-----------------------	--------

B. Fee for Door Hanger Termination Notice	\$4.00
---	--------

6. RECONNECTION FEE

\$50.00

7. SECURITY DEPOSIT (RESIDENTIAL)

\$100.00

8. ADDITIONAL DEPOSIT REQUIREMENT

Residential	\$25.00 each disconnect up to \$150.00
-------------	--

Commercial	3X average monthly usage
------------	--------------------------

8. REINSTALLATION FEE DUE TO METER REMOVAL

\$35.00

9.	<u>FEE FOR RETURNED CHECK</u>	\$25.00
10.	<u>TRANSFER FEE</u>	\$16.50
11.	<u>SWIMMING POOL INSPECTION FEE</u>	\$35.00
12.	<u>FEE FOR ADMINISTRATION OF CUSTOMER SERVICE AGREEMENT</u>	\$10.00
13.	<u>BACKFLOW PREVENTION ANNUAL ADMINISTRATION FEE</u>	\$53.50
14.	<u>FEE FOR TERMINATING OR RE-INITIATING SERVICE AT CUSTOMER'S REQUEST</u>	\$15.00
15.	<u>RESIDENTIAL CUSTOMER SERVICE INSPECTION</u>	\$53.50
16.	<u>COMMERCIAL CUSTOMER SERVICE INSPECTION</u>	COST PLUS 25%

EXHIBIT "B"

Customer Service Inspection Certification

Name of PWS \_\_\_\_\_

PWS I.D. # \_\_\_\_\_

Location of Service \_\_\_\_\_

I, \_\_\_\_\_, upon inspection of the private plumbing facilities connected to the aforementioned public water supply do hereby certify that, to the best of my knowledge:

	Compliance	Non-Compliance
(1) No direct connection between the public water supply and a potential source of contamination exists. Potential sources of contamination are isolated from the public 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 are in compliance with state plumbing codes.	<input type="checkbox"/>	<input type="checkbox"/>
(2) No cross-connection between the public drinking water supply and a private water system exists. Where an actual air gap is not maintained between the public water supply and a private water supply, an approved reduced pressure zone backflow prevention assembly is properly installed and a service agreement exists for annual inspection and testing by a certified backflow prevention device tester.	<input type="checkbox"/>	<input type="checkbox"/>
(3) No connection exists which would allow the return of water used for condensing, cooling or industrial processes back to the public water supply.	<input type="checkbox"/>	<input type="checkbox"/>
(4) No pipe or pipe fitting which contains more than 8.0% lead exists in private plumbing facilities installed on or after July 1, 1988.	<input type="checkbox"/>	<input type="checkbox"/>
(5) No solder or flux which contains more than 0.2% lead exists in private plumbing facilities installed on or after July 1, 1988.	<input type="checkbox"/>	<input type="checkbox"/>
(6) No plumbing fixture is installed which is not in compliance with a state approved plumbing code.	<input type="checkbox"/>	<input type="checkbox"/>

Water service shall not be provided or restored to the private plumbing facilities until the above conditions are determined to be in compliance.

I further certify that the following materials were used in the installation of the plumbing facilities:

Service Lines:	Lead <input type="checkbox"/>	Copper <input type="checkbox"/>	PVC <input type="checkbox"/>	Other <input type="checkbox"/>
Solder:	Lead <input type="checkbox"/>	Lead Free <input type="checkbox"/>	Solvent Weld <input type="checkbox"/>	Other <input type="checkbox"/>

I recognize that this document shall become a permanent record of the aforementioned Public Water System and that I am legally responsible for the validity of the information I have provided.

Signature of Inspector \_\_\_\_\_

Registration Number \_\_\_\_\_

Title \_\_\_\_\_

Type of Registration \_\_\_\_\_

## EXHIBIT "C"

### SERVICE AGREEMENT

- I. **PURPOSE.** The Kickapoo Fresh Water Supply District of Waller County ("District") is responsible for protecting the drinking water supply from contamination or pollution which could result from improper plumbing practices. The purpose of this service agreement is to notify each customer of the plumbing restrictions which are in place to provide this protection. The District enforces these restrictions to ensure the public health and welfare. Each customer must sign this agreement before the District will begin service. In addition, when service to an existing connection has been suspended or terminated, the District will not re-establish service unless it has a signed copy of this agreement.
- II. **PLUMBING RESTRICTIONS.** The following unacceptable plumbing practices are prohibited by State regulations.
  - A. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by an air-gap or an appropriate backflow prevention device.
  - B. No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the installation of an air-gap or a reduced pressure-zone backflow prevention device.
  - C. No connection which allows water to be returned to the public drinking water supply is permitted.
  - D. No pipe or pipe fitting which contains more than 8.0% lead may be used for the installation or repair of plumbing at any connection which provides water for human use.
  - E. No solder or flux which contains more than 0.2 percent lead can be used for the installation or repair of plumbing at any connection which provides water for human use.
- III. **SERVICE AGREEMENT.** The following are the terms of the service agreement between the Kickapoo Fresh Water Supply District of Waller County (the "District") and [NAME OF CUSTOMER] (the "Customer").
  - A. The District will maintain a copy of this agreement as long as Customer and/or the premises is connected to the District's water system.
  - B. Customer shall allow his/her property to be inspected for possible cross-connections and other unacceptable plumbing practices. These inspections shall be conducted by the District or its designated agent prior to initiating new water service; when there is reason to believe that cross-connections or other unacceptable plumbing practices exist; or after any major changes to the private plumbing facilities. The inspections shall be conducted during the District's normal business hours.
  - C. The District shall notify Customer in writing of any cross-connection or other unacceptable plumbing practice which has been identified during the initial inspection or the periodic reinspection.
  - D. Customer shall immediately correct any unacceptable plumbing practice on his/her premises.

- E. Customer shall, at his/her expense, properly install, test, and maintain any backflow prevention device required by the District. Copies of all testing and maintenance records shall be provided to the District.
  - F. Customer understands and agrees that the District does not guarantee any specific quantity or pressure of water for any purpose whatsoever and that the District is not liable to customer for failure or refusal to furnish any particular amount or pressure of water to Customer at any time.
- IV. **ENFORCEMENT.** If Customer fails to comply with the terms of the Service Agreement, the District shall, at its option, either terminate service or properly install, test, and maintain an appropriate backflow prevention device at the service connection. Any expenses associated with the enforcement of this Service Agreement shall be billed to Customer.

CUSTOMER'S SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_

ADDRESS: \_\_\_\_\_



## EXHIBIT "D"

### Backflow Prevention Assembly Test and Maintenance Report

The following form must be completed for each assembly tested. A signed and dated original must be submitted to the public water supplier for recordkeeping purposes.

#### BACKFLOW PREVENTION ASSEMBLY TEST AND MAINTENANCE REPORT

NAME OF PWS: \_\_\_\_\_

PWS I.D. #: \_\_\_\_\_

LOCATION OF SERVICE: \_\_\_\_\_

The backflow prevention assembly detailed below has been tested and maintained as required by TCEQ regulations and is certified to be operating within acceptable parameters.

☐ Not needed at this address

#### TYPE OF ASSEMBLY

☐ Reduced Pressure Principle  
☐ Double Check Valve

☐ Pressure Vacuum Breaker  
☐ Atmosphere Vacuum Breaker

Manufacturer: \_\_\_\_\_ Size: \_\_\_\_\_

Model Number: \_\_\_\_\_ Located At: \_\_\_\_\_

Serial Number: \_\_\_\_\_

	Reduced Pressure Principle Assembly			Pressure Vacuum Breaker	
	Double Check Valve Assembly		Relief Valve	Air Inlet	Check Valve
	1st Check	2nd Check		Opened at _____ psid Did Not Open <input type="checkbox"/>	_____ psid Leaked <input type="checkbox"/>
Initial Test	DC - Closed Tight <input type="checkbox"/> RF _____ psid Leaked <input type="checkbox"/>	Closed Tight <input type="checkbox"/> Leaked <input type="checkbox"/>	Opened at _____ psid		
Repairs and Materials Used					
Test After Repair	DC - Closed Tight <input type="checkbox"/> RF _____ psid Leaked <input type="checkbox"/>	Closed Tight <input type="checkbox"/>	Opened at _____ psid	Opened at _____ psid	_____ psid

The above is certified to be true.

Firm name: \_\_\_\_\_

Certified Tester: \_\_\_\_\_

Firm Address: \_\_\_\_\_

Cert. Tester No.: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

License Expiration Date: \_\_\_\_\_

**Attachment “L” – Question 17**

**G&W WSC’s Experience and Qualifications**

**Question 17: Describe the transferee's experience and qualifications in providing continuous and adequate service. This should include but is not limited to: other CCN numbers, water and wastewater systems details, and any corresponding compliance history for all operations.**

G&W WSC holds Water CCN No. 12391 and has been in operation since 1987. G&W WSC currently provides retail water service to 5,409 customers (1,805 active connections) in Grimes and Waller counties, located northwest of Houston, Texas. G&W WSC has one recent compliance violation before the TCEQ for some wells in Grimes County, but is working closely with TCEQ to resolve the issue (G& WSC and TCEQ Enforcement Correspondence attached as Attachment M). G&W WSC is operated by a staff consisting of a General Manager, an Office Manager, a Customer Service Representative, two (2) Administrative Assistants, four (4) Licensed Operators, and a Field Assistant, and engages the firm of J F Fontaine & Associates for engineering services.

**Attachment “M” – Question 18**

**TCEQ and G&W WSC Enforcement Correspondence**