

requirements, and regulations concerning on-site service and plumbing facilities.

- 1) All water 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, Texas Health & Safety Code Chapter 366)
- 2) The use of pipe and pipe fittings that contain more than 0.25% 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; RUS-TX Bulletin 1780-9 (Rev. 05/17))
- 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 water tight 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:
 - (1) grease or waste containing grease in amounts that will impede or stop the flow in the public sewers;
 - (2) oil, flammable wastes;
 - (3) 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:
 - (1) Provide equipment and facilities of a type and capacity approved by the approving authority;
 - (2) locate the trap in a manner that provides ready and easy accessibility for cleaning and inspection; and
 - (3) maintain the trap in effective operating condition.
- (c) Approving Authority Review and Approval (By the Board of Directors or Agency):
 - (1) If pretreatment or control is required, the approving authority shall review and approve design and installation of equipment and processes.
 - (2) The design and installation of equipment and processes must conform to all applicable statutes, codes, ordinances and other laws.
 - (3) 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 and sewer equipment shall end at the meter or other service equipment as installed. 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 within two feet of the meter 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.)
- f. The member is required to notify the system 48 hours prior to digging or excavation activities along or near water/sewer lines and appurtenances.

21. 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.

22. Meter Tampering and Damage to Property.

- 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 or sewer tap,
 - 3) attaching objects to the meter or sewer tap to divert service or to by-pass,
 - 4) inserting objects into the meter or sewer tap,
 - 5) other electrical and mechanical means of tampering with, by-passing, or diverting service,
 - 6) connection or reconnection of service without Corporation authorization;
 - 7) connection into the service line of adjacent customers of the Corporation; and
 - 8) preventing the supply or wastewater discharge from being correctly registered by a metering device or sewer tap 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 Sections 28.03 and 12.21 and 12.22.

- b. If the Corporation determines under subsection (a) that Tampering has occurred, the Corporation shall disconnect service without notice as set forth in Subsection E. 11. b. and charge the person who committed the Tampering the total actual loss to the Corporation, including the cost of repairs, replacement of damaged facilities, and lost water revenues.
- c. A person who otherwise destroys, defaces, damages or interferes with Corporation property will be charged the total actual loss to the Corporation including but not limited to the cost of

repairs, replacement of damaged facilities, and lost water revenues. The Corporation also will prosecute the offending party to the extent allowed under law pursuant to Texas Water Code Section 49.228 and other applicable laws.

- d. 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 Base Rate.

Note: For purposes of this section, “offending party” means the person who committed the Tampering or damaged the property.

23. Ownership of equipment. All water meters and equipment and materials required to provide water or wastewater service to the point of customer connection; water meter or service tap, is the property of the Corporation upon installation, and shall be maintained by the water system only.

24. Prohibition of Multiple Connections To A Single Tap.

- a. No more than one (1) residential, commercial, or industrial service connection is allowed per meter or sewer tap. 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 or sewer tap (See Subsection E. 17. And Paragraph E. 11. b.) 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 for a first violation and for subsequent violations, service will be disconnected without notice in accordance with Paragraph E. 18. b. (See Sample Application Packet RUS-TX Bulletin 1780-9 (Rev. 05/17))
- b. For purposes of this section, the following definitions shall apply:
 - 1) A “multiple connection” is the connection to any portion of a member’s water or sewer system that is connected to a primary delivery point already servicing one residence, one commercial or industrial facility of a water or sewer line serving another residence or commercial or industrial facility. Water or sewer lines to outbuildings, barns or other accessory structures shall not be consider a multiple connection if: (i) those structures are located on the same tract as the primary delivery point and (ii) such structures are not used as a residence or as a commercial or industrial facility.
 - 2) A “primary delivery point” shall mean the physical location of a meter or sewer tap that is installed in accordance with this Tariff and applicable law and which provides water or sewer service to the residence or commercial or industrial facility of a member.
 - 3) A “residence” shall mean any structure which is being used for human habitation, which may include kitchen or bathroom facilities or other evidence of habitation as defined by the Corporation.
 - 4) “Commercial” facility shall mean any structure or combination of structures at which any business, trade, occupation, profession, or other commercial activity is conducted. A business conducted within a member’s residence or property that does not require water in addition to that provided to the member’s residence shall not be considered a separate commercial facility.
- c. The corporation agrees to allow members in good standing to share water usage with a visitor on their property with a recreation vehicle (RV) or travel trailer for a period of no longer than three months. If the recreation vehicle/travel trailer is being used for a permanent residence, this Tariff requires that an additional membership be secured and a separate meter installed. If the member routinely has more than one visitor at a time with recreation vehicles or travel trailers or has multiple visitors throughout the year, the corporation may require that a second or additional meter(s) be purchased. The member must submit a written request to the

corporation's business office at least five (5) business days prior to sharing corporation water with a visitor. The corporation has the right to refuse or deny the shared usage for any reason. The corporation also has the right to inspect the premises for any potential cross-contamination issues as outlined in the Customer Service Inspection requirements and to ensure that the meter is properly sized for the additional usage at the time of total peak water demand. These requirements pertain to visitors ONLY. No commercial usage where fees for water are charged is allowed. If a member is found to violate these conditions, the member will be sent a letter of notice stating that water service will be cut off in ten days if the situation is not corrected.

- 25. 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 Section 49.234).
- 26. 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. (16 TAC 24.85(a))
- 27. 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 a specific property designated to receive 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. 2. 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.
- 28. 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; however, even if the spouse or other person sharing an ownership interest does not sign the Service Application and Agreement Form, they are still responsible for all terms set forth therein, and for any debt obligation related to the

account. (See Sample Application RUS-TX Bulletin 1780-9 (Rev. 05/17))

- 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. 05/17), 30 TAC 290.47 Appendix B.) **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 title to the real estate designated to receive service. (Texas Water Code Sections 67.016 (d), and 13.002 (11) *See also* Uniform Partition of Heirs Property Act, Property Code Chapter 23A).
- 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 is 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 G. 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. (16 TAC 24.81(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 the easement(s) 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 or easements for the Corporation's system-wide service. (See Miscellaneous Transaction Forms.)
- c) The Corporation shall provide to each service applicant or transferee a copy of the Confidentiality of Personal Information Request Form. *See* Section J, Miscellaneous Transaction Forms *See also*, Texas Utilities Code Section 182.052(c).

(THIS PAGE INTENTIONALLY LEFT BLANK)

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. ***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.

2. ***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 1.5 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.

3. ***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 Non-Standard Service Application (See Section I this Tariff). The Applicant shall specify any Special Service Needs, such as large meter size, size of subdivision or multi-use facility.
 - b. A final plat (see Section C) 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 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 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 (CCN), 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 CCN; and
 - 3). The Corporation's CCN 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 CCN, 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 administrative, legal, surveying and engineering fees incurred by Corporation in securing the amendment).

4. 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 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 engineer's fees shall be paid out of the Non-Standard Service Investigation Fee under Section F 3.
- c. The 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 the 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.
- e. The Corporation's engineer will determine the fire flow design for any non-standard service request, including new subdivisions, based on density, type of structure, and other factors.

5. Non-Standard Service Contract. Applicants requesting or requiring Non-Standard Service **may** be required to execute a written contract, drawn up by the Corporation's Attorney (see example Section I Sample Forms), in addition to submitting the Corporation's Non-Standard Service Application. 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. 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.
 - d. Equity Buy-in Fee (Front-end Capital Contributions) required by the Corporation in addition to the other costs required under this Section.
 - e. Terms by which the Applicant shall be reimbursed or compensated for fees duplicated in assessments for monthly rates and Equity Buy-In Fees.
 - f. Terms by which the Corporation shall administer the Applicant's project with respect to:
 - Design of the Applicant's service facilities;
 - Securing and qualifying bids;
 - Execution of the Service Contract;
 - Selection of a qualified bidder for construction;
 - Dispensing advanced funds for construction of facilities required for the Applicant's service;
 - Inspecting construction of facilities; and
 - Testing facilities and closing the project.
 - g. Terms by which the Applicant shall indemnify the Corporation from all third-party claims or lawsuits in connection with the project.
 - h. 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.
 - i. Terms by which the Applicant shall grant title or easement for right-of-ways, constructed facilities, and facility site and/or terms by which the Applicant shall provide for the securing of required right-of-ways and sites.
 - j. Terms by which the Board of Directors shall review and approve the Service Contract pursuant to current rules, regulations, and bylaws.
6. ***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.

7. *Dedication of Water System Extension to WSC.*

- a. Upon proper completion of construction of all on-site and off-site service facilities (the “Facilities”) to meet the level and manner of service requested by the Applicant, 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 twelve (12) months following the date of the transfer.

8. *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:

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 (Rev. 6-06))

- 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 (Rev. 6-06))
- 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 road bores and TxDOT approvals shall be paid by the Applicant. Alternatively, Applicant shall pay all costs, including administrative, 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 easement 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 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 execute the Service Contract evidencing 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

This section contains additional requirements for applicants that are developers as defined in Section C Definitions.

- 1. *Sufficient Information.*** - Applicants 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, including completing the *Non-Standard Service Application*.
 - 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 the timeframe within which the requested service can be provided and the costs for which the applicant will be responsible, 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 (Texas Water Code Section 13.2502). 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 against the Applicant under Texas law, including but not limited to Texas Water Code Section 13.257, and the Texas Business and Commerce Code Chapter 17, Subchapter E Deceptive Trade Practices & Consumer Protection Act.

a.) The Applicant must provide the following in addition to all other information otherwise required by this Section:

1. Map and legal description of the area to be served using map criteria in 16 TAC 24.105(a)(2)(A-G)).
2. Time frame for:
 - a. Initiation of service
 - b. Service to each additional or projected phase following the initial service
3. Detailed description of the nature and scope of the project/development for:
 - a. Initial needs
 - b. Phased and final needs, including a map showing each phase, and the projected land uses that support the requested level of service for each phase
4. Flow and pressure for anticipated level of fire protection requested, including line size and capacity
5. Specific infrastructure needs for anticipated level of fire protection requested, including line size and capacity
6. Any additional information requested by the Corporation necessary to determine the capacity and the costs for providing the requested service.
7. Copies of all required approvals, reports and studies done by or for the Applicant to support the viability of the proposed development.

Applicant must provide reasonably sufficient information, in writing, to allow the Corporation to determine whether the level and manner of service specified by the Applicant can be provided within the time frame specified by the Applicant 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 proposes development in phases, the Applicant 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 must depict the currently estimated location of each phase on the maps required under 16 TAC Section 24.105(a)(2)(A-G). It is important that the Applicant's written request be complete. A complete service application by the Applicant should include:

- The proposed improvements to be constructed by the Applicant;
- A map or plat signed and sealed by a licensed surveyor or registered professional engineer;
- The intended land use of the development, including detailed information concerning the types of land uses proposed;
- 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;
- 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 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 must advise the Corporation that he/she may request expedited decertification from the PUC.

Upon payment of the required fees, the Corporation shall review Applicant's service request. If no additional information is required from Applicant, the Corporation will prepare a written report on Applicant'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, and the costs for which the Applicant 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's service shows that additional information is needed, the Corporation will notify Applicant 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 payment of the required fees. Applicant shall respond to the Corporation's request for additional information within 15 days of receipt of the Corporation's written request. 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 may extend the time for review beyond the 90 days provided for expedited petitions to the PUC.

3. ***Final approval.*** – Upon final approval by the Corporation and acceptance of proposal for service by the Applicant, 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.

(THIS PAGE INTENTIONALLY LEFT BLANK)

SECTION G. RATES AND SERVICE FEES

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

1. ***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.
2. ***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. (See Article XVIII of USDA Model Bylaws, Section 1 Rev. 12-2011)
3. ***Customer History Report Fee.*** A fee of (See attached Rate Schedule) shall be charged to provide a copy of the Members record of past account information in response to a Member’s request for such a record.
4. ***Customer Service Inspection Fee.*** A fee of (See attached Rate Schedule) will be assessed each Applicant before permanent continuous service is provided to new construction or any major remodeling that includes plumbing.
5. ***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 Sections E.28. and F.8. b.)
6. ***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 and tenant if an Alternate Billing Agreement is in place. 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.
7. ***Equity Buy-In Fee.*** In addition to the Membership Fee, each Applicant for new service that requires a new service tap shall be required to achieve parity with the contributions to the construction or acquisition of the Corporation’s assets related to capacity that have been made previously by existing Members. This fee shall be assessed immediately prior to providing service on a per service unit basis for each service requested 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 (See attached Rate Schedule)

8. **Fire Suppression Meter.** A member may request the installation of a water meter for the sole purpose of supplying water to a Fire Suppression system. The Fire Suppression meter shall have a monthly minimum equivalent to that of a standard 5/8" x 3/4" residential meter and shall receive the same number of gallons as a standard 5/8" x 3/4" residential meter with that monthly minimum. In the event that the meter is used beyond the monthly minimum the member shall pay the same rate for the water used as any standard residential meter. The Membership Equity Fee shall be charged for the installation of a Fire Suppression meter as follows (Fire Meter Equivalents x Current Membership Equity Fee, See attached Rate Schedule):

Meter Size	Fire Meter Equivalents	Membership Equity Fee
1"	1.0	\$ 2,620.15
2"	2.0	\$ 5,240.30
3"	3.0	\$ 7,860.45
4"	4.0	\$10,480.60
6"	6.0	\$15,720.90
8"	8.0	\$20,961.20
10"	10.0	\$26,201.50

9. **Franchise Fee Assessment.** A percentage of the amount billed for water service will be assessed each customer whose meter is located inside the corporate limits of the City of Forney, Texas, or the City of Mesquite, Texas, as required by the City's ordinance requiring a franchise fee.
10. **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 Government Code Section 552.261 et. seq.
11. **Installation Fee.** The Corporation shall charge an installation fee for service as follows:
- Standard Service** shall include all:
 - Tap fee – all current labor and materials necessary to provide individual metered water or wastewater service
 - Engineering fee
 - Legal fee
 - Customer service inspection fee
 - Administrative costs
 - Any additional site-specific equipment or appurtenances necessary to provide water or waste water service.

Standard service fees 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:

- Facility Improvement Costs: including but not limited to tanks, piping, main

- lines, hydrants, and other labor materials necessary to provide service at the level required by water code and as requested by the Applicant;
2. Line and Facility Inspection fees;
 3. Administrative costs: including but not limited to contract administration costs; processing invoices, and disbursement of checks to contractors;
 4. Legal Fees: including but not limited to contract development, easements, water rights, permits, and CCN amendments for the area;
 5. Any additional site-specific equipment or appurtenances necessary to provide water or waste water service;
 6. As determined by the Corporation under the terms of Section F. of this Tariff (includes tap fees).

Standard and Non-Standard Service Installations shall include all costs of any pipeline relocations as per Section E. 3. e. of this Tariff.

12. **Late Payment Fee.** Once per billing period, a penalty of (See attached Rate Schedule), 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: The Corporation cannot charge political subdivisions and state agencies the late payment fee. (Texas Government Code Chapter 2251.021 and Sec. E. 13.)

13. **Leak Adjustments.** A Member that suspects and locates a leak on their side of the meter must contact the Markout WSC office. An employee of the Corporation will verify the leak and upon repair of the leak an employee of the Corporation will verify that those repairs have been made. The Member must submit their request for a leak adjustment in writing to the office. The following calculation will be used to determine the amount of the adjustment:

- The Member's previous three-month average bill will be calculated.
- The Member will be charged for the average usage for the billing period according to the current water rates listed in the Approved Rate Schedule within the tariff.
- The excess usage above the average usage will be charged at the lowest water rate listed in the Approved Rate Schedule within the tariff.

The Manager of the Corporation will consider leak adjustments only once each twelve-month period. The Corporation will consider leak adjustments involving a Member's sprinkler or irrigation system only once each five (5) year period. The adjustment will be calculated just as a non-sprinkler/irrigation system leak by using the three months prior bills, obtaining an average usage, and charging at the lowest water rate.

Negligent practices such as leaving a water hose pressurized or leaving faucets running will not be considered as a leak and will not be eligible for an adjustment.

14. **Line Extension Reimbursement Fee.** An approved Applicant may have to pay on a prorated basis a line reimbursement fee to the Corporation for the purpose of reimbursing a member or other party that made the initial capital outlay to extend service to that area.
15. **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. The membership fee cannot be more than 12 times the minimum monthly base rate (see chart in Subsection 17 below).
16. **Meter Tampering and Damage to Property 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 Base Rate.

17. Monthly Charges.

a. Service Availability Charge / Base Rate

- (1) Water Service - The monthly charge for standard metered water service is for a 5/8" by 3/4" meter which may or may not include allowable gallonage. 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 based on American Water Works Association maximum continuous flow specifications:

METER SIZE	5/8" X 3/4" METER EQUIVALENTS	MONTHLY RATE
5/8" X 3/4"	1.0	\$ 45.20
3/4"	1.5	\$ 67.80
1" (standard)	1.5	\$ 67.80
1" (non-standard)	2.5	\$ 113.00
1 1/2" (non-standard)	5.0	\$ 226.00
2" (non-standard)	8.0	\$ 361.60
3" DISP.	9.0	\$ 406.80
3" CMPD.	16.0	\$ 723.20
3" TURB.	17.5	\$ 791.00
4" CMPD.	25.0	\$1,130.00
4" TURB.	30.0	\$1,356.00
6" CMPD.	50.0	\$2,260.00
6" TURB.	62.5	\$2,825.00
8" CMPD.	80.0	\$3,616.00

- (2) Sewer Service - The monthly charge for standard sewer service on a per tap basis is as follows:
To be determined at time sewer service is available.

b. Gallonage Charge - In addition to the Base Rate, a gallonage charge shall be added at the following rates for usage during any one (1) billing period.

- (1) Water – See attached Rate Schedule
(2) Sewer – See attached Rate Schedule
(3) The Corporation shall, as required by Texas Water Code Section 5.701, 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. 17. Monthly Charges of this Tariff. (16 TAC 291.76(d))

c. 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, and date of Board authorization.

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 (See attached Rate Schedule) shall be imposed on the affected account in addition to two trip fees (one to remove and one to replace the meter).

19. Non-Disclosure Fee. A fee of \$0.00 shall be assessed any Member or tenant requesting in writing that personal information under the terms of this tariff not be disclosed to the public.

20. 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.

21. **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 (See attached Rate Schedule) per notification. (See Miscellaneous Transaction Forms.)
22. **Reconnect Fee.** The Corporation shall charge a fee of (See attached Rate Schedule) for reconnecting service after the Corporation has previously disconnected the service for any reason provided for in this Tariff. (See Section E. 1. B. Re-Service)
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. **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 (See attached Rate Schedule). (See Miscellaneous Transaction Forms)
25. **Seasonal Reconnect Fee** – Base Rate multiplied by the number of months during which service is suspended, not to exceed nine (9) months during any twelve (12) consecutive months.
26. **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.)
27. **Service Trip Fee.** The Corporation shall charge a trip fee of (See attached Rate Schedule) 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 the 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 (See attached Rate Schedule) per employee per hour for each additional hour required.
28. **Transfer Fee.** An Applicant for service who is a Transferee shall complete all required application forms, etc., and pay a Transfer Fee of (See attached Rate Schedule).
29. **Usage Graphs.** Customers may request one water usage graph, free of charge, every five years, to be used at their discretion. Additional graphs will be billed at \$50.00 each.

(THIS PAGE INTENTIONALLY LEFT BLANK)

**SECTION G – RATE SCHEDULE
MARKOUT WATER SUPPLY CORPORATION
Effective 09/14/2020**

Office Hours: Monday – Thursday 8:00 a.m. – 5:30 p.m.
Mailing Address: PO Box 907, Forney, TX 75126
Office Address: 10371 Walnut Lane, Forney (do not use this address for mail)
Phone: (972) 564-1250
Fax: (972) 552-2777
Web: www.markoutwsc.com

WATER RATES*

Minimum/Base Rate*:

Standard 5/8x3/4" Meter \$45.20 per month with 3,000 gallons
Standard 1" Meter 67.80 per month with 3,000 gallons
Non-Standard 1" Meter 113.00 per month with -0- gallons
Non-Standard 1½" Meter 226.00 per month with -0- gallons

*does not include TCEQ Regulatory Fee of .005%

ADDITIONAL USAGE (per 1,000 gal)*:

3,001 – 20,000 gallons: \$7.25
20,001 – 40,000 gallons: \$8.25
40,001 – and up: \$9.25

CAREFLITE AMBULANCE SERVICE

A fee of \$1.00 is added each billing period for the CareFlite Ambulance Service. Any member who wishes to opt out of this service must come to the office during regular business hours and sign a form to discontinue this service.

MEMBERSHIP TRANSFER - \$50.00 - Sale of property requires a membership transfer along with a copy of the deed to the property. To transfer service, the account must be paid in full, the transfer fee paid, and the seller and buyer must execute a transfer form to transfer the membership. It is the responsibility of the seller and buyer to contact the office to transfer service to prevent an interruption in service. If seller does not comply, the Corporation has the right to discontinue services to the property, disconnect service and liquidate the membership fee.

FEES FOR SERVICE:

Administrative Fee.....\$50.00 (includes disconnect/reconnect fee)
After Hours/Extended Hours Fee.....\$50.00/employee/hour
Alternate Billing Fee.....\$50.00
Copies (per page) (Members)\$1.00 Governmental Officials – no charge
Customer History Report Fee\$5.00
Customer Service Inspection\$60.00
Equity Buy-in Fee\$2,620.15
Faxes (per page).....\$1.00
Graph/Data Log Fee..... 1 free per 60 months/\$60.00 each additional
Late Fee\$20.00
Membership Fee\$250.00
Membership Transfer Fee.....\$50.00
Meter Replacement Fee\$250.00 minimum (depends on meter size)
Meter Set Fee – Non-Standard (includes tap fee).....\$850.00
Meter Set Fee – Standard (for existing tap)\$300.00
Meter Tampering Fee\$100.00 plus damages
Meter Test Fee\$120.00
Reserve Monthly Service Fee (for each undeveloped lot) ...\$10.00
Returned Payment Fee.....\$45.00
Road Bore and/or Road Crossing (estimated minimum)\$1,800.00
Service Investigation Fee Less than 3 = \$1,500.00 More than 3 connections = \$2,500.00
Service Trip Fee.....\$60.00
Temporary Service Fee Deposit.....\$100.00
Temporary Service Reconnect & Disconnect Fee\$50.00
(Continued on next page)

**SECTION G – RATE SCHEDULE (Continued)
MARKOUT WATER SUPPLY CORPORATION**

BILLING PROCEDURES

The meters are read on or around the 15th day of each month. The bills are mailed on or around the 26th day of each month for the previous period usage. The bills are due upon receipt and are past due at the close of business on the 15th day of the following month. Payment must be received by Markout or postmarked by the US Postal Service by the close of business on the 15th. Payments received or postmarked after the 15th day of the month will be assessed a late charge. If payment is not received by the 16th day of the month, a Disconnect Notice will be sent. IF PAYMENT IS NOT RECEIVED BY THE DUE DATE ON THE DISCONNECT NOTICE, SERVICE WILL BE DISCONNECTED. US POSTAL POSTMARK DOES NOT APPLY TO RECEIPT OF PAYMENT FOR DISCONNECTS. An Administrative Fee will be assessed to any account that is not paid in full by 5:30pm the business day prior to disconnect day. To reconnect water service, the account balance including all fees must be paid in full. No service will be reconnected after business hours.

RESIDENTS LIVING WITHIN THE FORNEY CITY LIMITS HAVE THESE ADDITIONAL PASS-THROUGH FEES:

The City of Forney has entered into an agreement with Markout WSC to collect for wastewater services and solid waste disposal. Any questions about these services should be addressed to the City of Forney Utility Billing Department.*

<u>City of Forney Sewer & Sanitation Rates</u>	Effective 10/01/2020*	
Sewer Connection Fee (monthly)	\$16.00	
Sewer Usage	\$31.94**	
Sanitation (trash collection including recycle)	\$12.75	Sr. Citizen \$11.53
Sanitation Sales Tax	8.25%	

*See City of Forney website at www.cityofforney.org for more information or call (972) 564-7304.

**After one winter, the minimum sewer rate will be \$24.83 (\$20.04 for Senior Citizens). The minimum rate applies to water usage of zero to 2,000 gallons. Otherwise, the volume charge will be \$7.67 per 1,000 gallons plus a base rate of \$10.54 (\$7.03 per 1,000 gallons plus a base rate of \$9.75 for Senior Citizens). These volume rates are based on the individual customer's average monthly water used during the preceding winter months of December, January and February (no minimum gallons included). Spring billing will show the adjusted sewer rate and this rate will be effective until the next Spring billing when sewer rate is re-calculated on the previous winter months' water usage unless otherwise directed by Forney.

TO REPORT A LEAK, CALL THE OFFICE AT 972-564-1250

Service Interruption updates can be found on our website: www.markoutwsc.com

SECTION H-1 - WATER CONSERVATION PLAN

Adopted October 10, 2013

(THIS PAGE INTENTIONALLY LEFT BLANK)

Markout WSC

Water Conservation Plan

TABLE OF CONTENTS

1.	INTRODUCTION AND OBJECTIVES.....	1-1
2.	TEXAS COMMISSION ON ENVIRONMENTAL QUALITY RULES.....	2-1
3.	WATER UTILITY PROFILE.....	3-1
4.	SPECIFICATION OF WATER CONSERVATION GOALS	4-1
5.	METERING, WATER USE RECORDS, CONTROL OF UNACCOUNTED WATER, AND LEAK DETECTION AND REPAIR.....	5-1
5.1	Accurate Metering of Treated Water Deliveries from Forney.....	5-1
5.2	Metering of Customer and Public Uses and Meter Testing, Repair, and Replacement.....	5-1
5.3	Record Management System	5-1
5.4	Determination and Control of Unaccounted Water	5-1
5.5	Leak Detection and Repair.....	5-2
5.6	Monitoring of Effectiveness and Efficiency - Annual Water Conservation Report.....	5-2
6.	CONTINUING PUBLIC EDUCATION AND INFORMATION CAMPAIGN	6-1
7.	WATER RATE STRUCTURE.....	7-1
8.	OTHER WATER CONSERVATION MEASURES	8-1
8.1	NTMWD Reservoir System Operation Plan.....	8-1
8.2	Reuse and Recycling of Wastewater.....	8-1
8.3	Ordinances, Plumbing Codes, or Rules on Water-Conserving Fixtures.....	8-1
8.4	Requirement for Water Conservation Plans by Wholesale Customers.....	8-1
8.5	Coordination with Regional Water Planning Group and NTMWD	8-2
9.	IMPLEMENTATION AND ENFORCEMENT OF THE WATER CONSERVATION PLAN.....	9-1

APPENDICES

APPENDIX A	List of References
APPENDIX B	Texas Commission on Environmental Quality Rules on Municipal Water Conservation Plans <ul style="list-style-type: none">• Texas Administrative Code Title 30, Part 1, Chapter 288, Subchapter A, Rule §288.1 – Definitions (Page B-1)• Texas Administrative Code Title 30, Part 1, Chapter 288, Subchapter A, Rule §288.2 – Water Conservation Plans for Municipal Uses by Public Water Suppliers (Page B-4)
APPENDIX C	Sample Water Conservation Report
APPENDIX D	Adoption of Water Conservation Plan

Water Conservation Plan for

Markout WSC

October 2013

1. INTRODUCTION AND OBJECTIVES

Water supply has always been a key issue in the development of Texas. In recent years, the growing population and economic development of North Central Texas have led to increasing demands for water supplies. At the same time, local and less expensive sources of water supply are largely developed. Additional supplies to meet higher demands will be expensive and difficult to develop. It is therefore important that we make efficient use of our existing supplies and make them last as long as possible. This will delay the need for new supplies, minimize the environmental impacts associated with developing new supplies, and delay the high cost of additional water supply development.

Recognizing the need for efficient use of existing water supplies, the Texas Commission on Environmental Quality (TCEQ) has developed guidelines and requirements governing the development of water conservation plans for public water suppliers¹. TCEQ guidelines and requirements are included in Appendix B. The North Texas Municipal Water District (NTMWD) has also developed this model water conservation plan for its member cities and customers following TCEQ guidelines and requirements.

The objectives of this water conservation plan are as follows:

- To reduce water consumption from the levels that would prevail without conservation efforts.
- To reduce the loss and waste of water.
- To improve efficiency in the use of water.
- To document the level of recycling and reuse in the water supply.
- To extend the life of current water supplies by reducing the rate of growth in demand.

In order to adopt this plan, the City of Forney requires Markout WSC to do the following:

- Complete the water utility profile.
- Set five- and ten-year goals for per capita water use.
- Adopt regulation(s) approving the model plan.

¹ Superscripted numbers match references listed in Appendix A.

The water utility profile, goals, and regulations should be provided to the City of Forney in draft form for review and comments. Final adopted versions should also be provided to the City of Forney.

This model plan includes all of the elements required by TCEQ. Some elements of this model plan go beyond TCEQ requirements, and member cities and customers can be flexible in their implementation. The following elements are recommended for inclusion in the water conservation plan but are not required:

- landscape water management plan and
- 12% goal for unaccounted water. (The goal for unaccounted water might be higher for rural systems.)

2. TEXAS COMMISSION ON ENVIRONMENTAL QUALITY RULES

The TCEQ rules governing development of water conservation plans for public water suppliers are contained in Title 30, Part 1, Chapter 288, Subchapter A, Rule 288.2 of the Texas Administrative Code, which is included in Appendix B. For the purpose of these rules, a water conservation plan is defined as “A strategy or combination of strategies for reducing the volume of water withdrawn from a water supply source, for reducing the loss or waste of water, for maintaining or improving the efficiency in the use of water, for increasing the recycling and reuse of water, and for preventing the pollution of water ¹.” The elements in the TCEQ water conservation rules covered in this conservation plan are listed below.

Minimum Conservation Plan Requirements

The minimum requirements in the Texas Administrative Code for Water Conservation Plans for Public Water Suppliers are covered in this report as follows:

- 288.2(a)(1)(A) – Utility Profile – Section 3
- 288.2(a)(1)(B) – Specification of Goals – Section 4
- 288.2(a)(1)(C) – Accurate Metering – Sections 5.1 and 5.2
- 288.2(a)(1)(D) – Universal Metering – Section 5.2
- 288.2(a)(1)(E) – Determination and Control of Unaccounted Water – Section 5.4
- 288.2(a)(1)(F) – Public Education and Information Program – Section 6
- 288.2(a)(1)(G) – Non-Promotional Water Rate Structure – Section 7
- 288.2(a)(1)(H) – Reservoir System Operation Plan – Section 8.1
- 288.2(a)(1)(I) – Means of Implementation and Enforcement – Section 9
- 288.2(a)(1)(J) – Coordination with Regional Water Planning Group – Section 8.6

Conservation Additional Requirements (Population over 5,000)

The Texas Administrative Code includes additional requirements for water conservation plans for cities with a population over 5,000:

- 288.2(a)(2)(A) – Leak Detection, Repair, and Water Loss Accounting – Sections 5.4, 5.5, and 5.6
- 288.2(a)(2)(B) – Record Management System – Section 5.3
- 288.2(a)(2)(C) – Requirement for Water Conservation Plans by Wholesale Customers – Section 8.5

Additional Conservation Strategies

TCEQ rules also list additional optional but not required conservation strategies, which may be adopted by suppliers. The following optional strategies are included in this plan:

- 288.2(a)(3)(A) – Conservation Oriented Water Rates – Section 7
- 288.2(a)(3)(B) – Ordinances, Plumbing Codes or Rules on Water-Conserving Fixtures – Section 8.3
- 288.2(a)(3)(D) – Reuse and Recycling of Wastewater – Section 8.2
- 288.2(a)(3)(G) – Monitoring Method – Section 5.6

3. WATER UTILITY PROFILE

In adopting this model water conservation plan, Markout WSC will provide a draft water utility profile to the City of Forney for review and comment. A final water utility profile will be provided to the City of Forney.

4. SPECIFICATION OF WATER CONSERVATION GOALS

Current TCEQ rules require the adoption of specific water conservation goals for a water conservation plan. As part of plan adoption, each member city and customer will develop 5-year and 10-year goals for per capita municipal use, following TCEQ procedures described in the water utility profile. These goals should be submitted to the City of Forney in draft form for review. The goals for this water conservation plan include the following:

- Keep the per capita municipal water use below the specified amount in gallons per capita per day in a dry year, to be shown on the completed Table C-1 (5-year and 10-year goals).
- Keep the level of unaccounted water in the system below 18% annually in 2013 and subsequent years, as discussed in Section 5.4. (The 12% goal for unaccounted water is recommended but is not required. Systems with long distances between customers may adopt a higher unaccounted water goal.)
- Implement and maintain a program of universal metering and meter replacement and repair, as discussed in Section 5.2.
- Raise public awareness of water conservation and encourage responsible public behavior by a public education and information program, as discussed in Section 6.
- Develop a system specific strategy to conserve water during peak demands, thereby reducing the peak use.

5. METERING, WATER USE RECORDS, CONTROL OF UNACCOUNTED WATER, AND ~~LEAK~~ DETECTION AND REPAIR

One of the key elements in water conservation is careful tracking of water use and control of losses through illegal diversions and leaks. Careful metering of water deliveries and water use, detection and repair of leaks in the distribution system and regular monitoring of unaccounted water are important in controlling losses.

5.1 Accurate Metering of Treated Water Deliveries from the City of Forney

The City of Forney supplies all of the water used by Markout WSC. Water deliveries are metered by the City of Forney using meters with accuracy of $\pm 2\%$. These meters are calibrated on an annual basis by Markout WSC to maintain the required accuracy.

5.2 Metering of Customer and Public Uses and Meter Testing, Repair, and Replacement

All customers of member cities and customers, including public and governmental users, should be metered. In many cases, member cities and customers already meter all of their water users. For those member cities and customers who do not currently meter all of their water uses, these entities will implement a program to meter all water uses within the next three years.

Most member cities and customers test and replace their customer meters on a regular basis. All customer meters should be replaced on a 15-year cycle. Those who do not currently have a meter testing and replacement program will implement such a program over the next three years.

5.3 Record Management System

As required by TAC Title 30, Part 1, Chapter 288, Subchapter A, Rule 288.2(a)(2)(B), the record management system allows for the separation of water sales and uses into residential, commercial, public/institutional, and industrial categories. This information will be included in an annual water conservation report, as described in Section 5.6 below.

For those entities whose record management systems do not currently allow for the separation of water sales as described above, they will move to implement such a system within the next five years.

5.4 Determination and Control of Unaccounted Water

Unaccounted water is the difference between water delivered to Markout WSC from the City of Forney and metered deliveries to customers plus authorized but unmetered uses. (Authorized but unmetered uses would include use for fire fighting, releases for flushing of lines, and uses associated with new construction) Unaccounted water can include several categories:

- Inaccuracies in customer meters. (Customer meters tend to run more slowly as they age and under-report actual use.)
- Accounts which are being used but have not yet been added to the billing system.
- Losses due to water main breaks and leaks in the water distribution system.
- Other.

Measures to control unaccounted water are part of the routine operations of member cities and customers. Maintenance crews and personnel are asked to look for and report evidence of leaks in the water distribution system. The leak detection and repair program is described in Section 5.5 below. Meter readers are asked to watch for and report signs of illegal connections, so they can be addressed quickly.

Unaccounted water is to be calculated. With the measures described in this plan, member cities and customers intend to maintain the unaccounted water below 18% in 2013 and subsequent years. If unaccounted water exceeds this goal, the member city or customer will implement a more intensive audit to determine the source(s) of and reduce the unaccounted water. The annual conservation report described below is the primary tool used to monitor unaccounted water.

5.5 Leak Detection and Repair

As described above, staff and personnel are asked to look for and report evidence of leaks in the water distribution system. Areas of the water distribution system in which numerous leaks and line breaks occur are targeted for replacement as funds are available.

5.6 Monitoring of Effectiveness and Efficiency - Annual Water Conservation Report

Appendix C is a form that will be used in the development of an annual water conservation report for member cities and customers. This form will be completed by March 31 of the following year and will be used to monitor the effectiveness and efficiency of the water conservation program and to plan conservation-related activities for the next year. The form records the water use by category, per capita municipal use, and unaccounted water for the current year and compares them to historical values. The annual water conservation report will also be sent to the City of Forney, which will monitor regional water conservation trends.

6. CONTINUING PUBLIC EDUCATION AND INFORMATION CAMPAIGN

The continuing public education and information campaign on water conservation includes the following elements:

- Insert water conservation information with water bills or other mailings. Inserts will include material developed by staff and material obtained from the TWDB, the TCEQ, and other sources.
- When possible, have classes available to members regarding water conservation and harvesting.
- Make water conservation brochures, and other water conservation materials available to the public at our office.
- Make information on water conservation available on its website and include links to the *Texas Smartscape* website and to information on water conservation on the TWDB and TCEQ web sites.

As a regional water supplier, the NTMWD has made the "Learning to Be Water Wise" educational materials for 5th grade students available to local school districts. This program contains individual kits and activities to educate students on the importance of water and water conservation activities in the community and in their homes.

7. WATER RATE STRUCTURE

Member cities and customers will adopt, if they have not already done so, an increasing block rate water structure that is intended to encourage water conservation and discourage excessive use and waste of water upon completion of the next rate study or within five years. An example water rate structure is as follows:

Residential Rates

1. Monthly minimum charge. This can (but does not have to) include up to 2,000 gallons water use with no additional charge.
2. Base charge per 1,000 gallons up to the approximate average residential use.
3. 2nd tier (from the average to 2 times the approximate average) at 1.25 to 2.0 times the base charge.
4. 3rd tier (above 2 times the approximate average) at 1.25 to 2.0 times the 2nd tier.
5. The residential rate can also include a lower tier for basic household use up to 4,000 gallons per month or so.

Commercial/Industrial Rates

Commercial/industrial rates should include at least 2 tiers, with rates for the 2nd tier at 1.25 to 2.0 times the first tier. Higher water rates for commercial irrigation use are encouraged, but not required.

Note: Markout establishes water rates in a separate plan.

8. OTHER WATER CONSERVATION MEASURES

8.1 NTMWD Reservoir System Operation Plan

Member cities and customers of NTMWD purchase treated water from NTMWD and do not have surface water supplies for which to implement a reservoir system operation plan. NTMWD's permits do allow some coordinated operation of its reservoirs, and NTMWD is seeking additional water rights for coordinated operation to optimize its available water supplies.

8.2 Reuse and Recycling of Wastewater

Most member cities and customers do not own and operate their own wastewater treatment plants. Their wastewater is treated by NTMWD. NTMWD currently has the largest wastewater reuse program in the state. NTMWD has water rights allowing reuse of up to 35,941 acre-feet per year of treated wastewater for municipal purposes, which provides about 13 percent of NTMWD's total water supply. NTMWD is currently seeking a permit that would double its permitted reuse and is also considering additional reuse projects to increase this supply further. NTMWD also makes treated wastewater from its plants available for direct reuse for landscape irrigation and industrial use.

For those member cities and customers who do own and operate their own wastewater treatment plants, they will move toward reusing treated effluent for irrigation purposes around their plants over the next three years. These entities will also seek other alternatives for reuse of recycled wastewater.

8.3 Ordinances, Plumbing Codes, or Rules on Water-Conserving Fixtures

The State of Texas has required water-conserving fixtures in new construction and renovations since 1992. The state standards call for flows of no more than 2.5 gallons per minute (gpm) for faucets, 3.0 gpm for showerheads, and 1.6 gallons per flush for toilets. Similar standards are now required nationally under federal law. These state and federal standards assure that all new construction and renovations will use water-conserving fixtures.

8.4 Requirement for Water Conservation Plans by Wholesale Customers

Every contract for the wholesale sale of water by the City of Forney that is entered into, renewed, or extended after the adoption of this water conservation and drought contingency plan will include a requirement that the wholesale customer and any wholesale customers of that wholesale customer develop and implement a water conservation plan meeting the requirements of Title 30, Part 1, Chapter 288, Subchapter A, Rule 288.2 of the Texas Administrative Code. The requirement will also extend to each successive wholesale customer in the resale of the water.

8.5 Coordination with Regional Water Planning Group and NTMWD

The City of Forney will send a copy of their draft ordinance(s) or regulation(s) implementing the plan and their water utility profile to NTMWD for review and comment. The adopted ordinance(s) or regulation(s) and the adopted water utility profile will also be sent to NTMWD.

9. IMPLEMENTATION AND ENFORCEMENT OF THE WATER
CONSERVATION PLAN

Appendix D contains a copy of a resolution adopted by the Board of Directors regarding this water conservation plan. The resolution designates responsible officials to implement and enforce the water conservation plan.

Appendix A List of References

- (1) Title 30 of the Texas Administrative Code, Part 1, Chapter 288, Subchapter A, Rules 288.1 and 288.2, downloaded from [http://info.sos.state.tx.us/pls/pub/readtac\\$ext.ViewTAC?tac_view=4&ti=30&pt=1&ch=288](http://info.sos.state.tx.us/pls/pub/readtac$ext.ViewTAC?tac_view=4&ti=30&pt=1&ch=288), July 2007.
- (2) Water Conservation Implementation Task Force: "Texas Water Development Board Report 362, Water Conservation Best Management Practices Guide," prepared for the Texas Water Development Board, Austin, November 2004
- (3) Freese and Nichols, Inc.: *North Texas Municipal Water District Water Conservation and Drought Contingency/Water Emergency Response Plan*, prepared for the North Texas Municipal Water District, Fort Worth, March 2008.

The following conservation and drought contingency plans and related documents were reviewed in the development of this plan. References marked with a * were used heavily in the development of this plan.

- (4) Edward Motley, Marisa Vergara, Tom Gooch, and Stephanie Griffin: Memorandum to File on "Region C Municipal Water Use Projections Adopted on August 18, 2003," Fort Worth, August 21, 2003.
- (5) City of Austin Water Conservation Division: "City of Austin Water Drought Contingency Plan, Developed to Meet Senate Bill 1 Regulatory Requirements," Austin, August 1999.
- (6) City of Austin Water Conservation Division: "City of Austin Water Conservation Plan, Developed to Meet Senate Bill 1 Regulatory Requirements," Austin, August 1999.
- (7) Upper Trinity Regional Water District: "Water Conservation Plan and Emergency Water Demand Management Plan," adopted by the Board of Directors, Lewisville, August 5, 1999.
- (8) Upper Trinity Regional Water District: "Water Conservation Plan and Emergency Water Demand Management Plan (2002 Amended)," adopted by the Board of Directors, Lewisville, February 2002.
- (9) *City of Dallas Water Utilities Department: "City of Dallas Water Management Plan," adopted by the City Council, Dallas, September 1999.
- (10) Updates to City of Dallas Water Management Plan found at <http://www.dallascityhall.com> in September 2003.
- (11) *City of Dallas Water Utilities Department: "City of Dallas Water Conservation Plan," adopted by the City Council, Dallas, September 1999.
- (12) *City of Fort Worth: "Water Conservation plan for the City of Fort Worth," Fort Worth, August 1999.

- (13) Updates to the ~~City of~~ Fort Worth water conservation plan found at <http://ci.fort-worth.tx.us> in ~~September~~ 2003.
- (14) *City of Fort Worth: "Emergency Water Management Plan for the City of Fort Worth," Fort Worth, August 19, 2003.
- (15) HDR Engineering, Inc.: "Water Conservation and Emergency Demand Management Plan," prepared for the Tarrant Regional Water District, Austin, February 2000.
- (16) Freese and Nichols, Inc.: "Water Conservation and Drought Contingency Plan," prepared for Brown County Water Improvement District No. 1, Fort Worth, August 1999.
- (17) Freese and Nichols, Inc.: "Water Conservation and Drought Contingency Plan," prepared for the Sabine River Authority of Texas, Fort Worth, September 1994.
- (18) HDR Engineering, Inc.: "Water Conservation and Emergency Demand Management Plan," prepared for the Tarrant Regional Water District, Austin, June 1998.
- (19) HDR Engineering, Inc.: "Water Conservation Plan for the City of Corpus Christi," adopted by the City of Corpus Christi City Council, August 24, 1999.
- (20) City of Houston's water conservation plan downloaded September 2003 from <http://www.cityofhouston.gov>
- (21) City of Houston: "Ordinance N. 2001-753, Amending Chapter 47 of the Code of Ordinances Relating to Water Emergencies," Houston, August 2001.
- (22) City of Houston: "Ordinance No. 98-764, Relating to Water Conservation," Houston, September 1998.
- (23) City of Houston: "Water Conservation Plan," 1998.
- (24) City of Houston: "Water Emergency Response Plan," Houston, July 15, 1998.
- (25) City of Lubbock: "Water Conservation Plan," ordinance number 10177 adopted by the City Council in August 1999.
- (26) City of El Paso Water Conservation Ordinance downloaded August 14, 2003 from <http://www.epwu.org/ordinance.html>
- (27) San Antonio Water System: "Water Conservation and Reuse Plan," San Antonio, November 1998 with June 2002 updates.
- (28) North Texas Municipal Water District: "District Policy No. 24 Water Conservation Plan Containing Drought Contingency Plan," adopted August 1999.
- (29) GDS Associates, Inc.: "Water Conservation Study," prepared for the Texas Water Development Board, Fort Worth, 2002.
- (30) A & N Technical Services, Inc.: "BMP Costs & Savings Study: A Guide to Data and Methods for Cost-Effectiveness Analysis of Urban Water Conservation Best Management Practices," prepared for The California Urban Water Conservation Council, Santa Monica, California, July 2000.

- (31) *City of Dallas: "City of Dallas Ordinances, Chapter 49, Section 21.1," Dallas, October 1, 2001.

APPENDIX B
Texas Commission on Environmental Quality Rules
on Municipal Water Conservation Plans

	Texas Administrative Code
<u>TITLE 30</u>	ENVIRONMENTAL QUALITY
<u>PART 1</u>	TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
<u>CHAPTER 288</u>	WATER CONSERVATION PLANS, DROUGHT CONTINGENCY PLANS, GUIDELINES AND REQUIREMENTS
<u>SUBCHAPTER A</u>	WATER CONSERVATION PLANS
<u>RULE §288.1</u>	Definitions

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise.

- (1) Agricultural or Agriculture--Any of the following activities:
- (A) cultivating the soil to produce crops for human food, animal feed, or planting seed or for the production of fibers;
 - (B) the practice of floriculture, viticulture, silviculture, and horticulture, including the cultivation of plants in containers or non-soil media by a nursery grower;
 - (C) raising, feeding, or keeping animals for breeding purposes or for the production of food or fiber, leather, pelts, or other tangible products having a commercial value;
 - (D) raising or keeping equine animals;
 - (E) wildlife management; and
 - (F) planting cover crops, including cover crops cultivated for transplantation, or leaving land idle for the purpose of participating in any governmental program or normal crop or livestock rotation procedure.
- (2) Agricultural use--Any use or activity involving agriculture, including irrigation.
- (3) Conservation--Those practices, techniques, and technologies that reduce the consumption of water, reduce the loss or waste of water, improve the efficiency in the use of water, or increase the recycling and reuse of water so that a water supply is made available for future or alternative uses.
- (4) Drought contingency plan--A strategy or combination of strategies for temporary supply and demand management responses to temporary and potentially recurring water supply shortages and other water supply emergencies. A drought contingency plan may be a separate document identified as such or may be contained within another water management document(s).
- (5) Industrial use--The use of water in processes designed to convert materials of a lower

order of value ~~into flows having~~ greater usability and commercial value, commercial fish production, and the development of power by means other than hydroelectric, but does not include agricultural use.

- (6) Irrigation--The agricultural use of water for the irrigation of crops, trees, and pastureland, including, but not limited to, golf courses and parks which do not receive water through a municipal distribution system.
- (7) Irrigation water use efficiency--The percentage of that amount of irrigation water which is beneficially used by agriculture crops or other vegetation relative to the amount of water diverted from the source(s) of supply. Beneficial uses of water for irrigation purposes include, but are not limited to, evapotranspiration needs for vegetative maintenance and growth, salinity management, and leaching requirements associated with irrigation.
- (8) Mining use--The use of water for mining processes including hydraulic use, drilling, washing sand and gravel, and oil field repressuring.
- (9) Municipal per capita water use--The sum total of water diverted into a water supply system for residential, commercial, and public and institutional uses divided by actual population served.
- (10) Municipal use--The use of potable water within or outside a municipality and its environs whether supplied by a person, privately owned utility, political subdivision, or other entity as well as the use of sewage effluent for certain purposes, including the use of treated water for domestic purposes, fighting fires, sprinkling streets, flushing sewers and drains, watering parks and parkways, and recreational purposes, including public and private swimming pools, the use of potable water in industrial and commercial enterprises supplied by a municipal distribution system without special construction to meet its demands, and for the watering of lawns and family gardens.
- (11) Municipal use in gallons per capita per day--The total average daily amount of water diverted or pumped for treatment for potable use by a public water supply system. The calculation is made by dividing the water diverted or pumped for treatment for potable use by population served. Indirect reuse volumes shall be credited against total diversion volumes for the purpose of calculating gallons per capita per day for targets and goals
- (12) Nursery grower--A person engaged in the practice of floriculture, viticulture, silviculture, and horticulture, including the cultivation of plants in containers or nonsoil media, who grows more than 50% of the products that the person either sells or leases, regardless of the variety sold, leased, or grown. For the purpose of this definition, grow means the actual cultivation or propagation of the product beyond the mere holding or maintaining of the item prior to sale or lease, and typically includes activities associated with the production or multiplying of stock such as the development of new plants from cuttings, grafts, plugs, or seedlings.
- (13) Pollution--The alteration of the physical, thermal, chemical, or biological quality of, or the contamination of, any water in the state that renders the water harmful, detrimental, or injurious to humans, animal life, vegetation, or property, or to the

public health, ~~safety, or welfare~~; or impairs the usefulness or the public enjoyment of the water for ~~any lawful or reasonable~~ purpose.

- (14) Public water supplier--An individual or entity that supplies water to the public for human consumption.
- (15) Regional water planning group--A group established by the Texas Water Development Board to prepare a regional water plan under Texas Water Code, §16.053.
- (16) Retail public water supplier--An individual or entity that for compensation supplies water to the public for human consumption. The term does not include an individual or entity that supplies water to itself or its employees or tenants when that water is not resold to or used by others.
- (17) Reuse--The authorized use for one or more beneficial purposes of use of water that remains unconsumed after the water is used for the original purpose of use and before that water is either disposed of or discharged or otherwise allowed to flow into a watercourse, lake, or other body of state-owned water.
- (18) Water conservation plan--A strategy or combination of strategies for reducing the volume of water withdrawn from a water supply source, for reducing the loss or waste of water, for maintaining or improving the efficiency in the use of water, for increasing the recycling and reuse of water, and for preventing the pollution of water. A water conservation plan may be a separate document identified as such or may be contained within another water management document(s).
- (19) Wholesale public water supplier--An individual or entity that for compensation supplies water to another for resale to the public for human consumption. The term does not include an individual or entity that supplies water to itself or its employees or tenants as an incident of that employee service or tenancy when that water is not resold to or used by others, or an individual or entity that conveys water to another individual or entity, but does not own the right to the water which is conveyed, whether or not for a delivery fee.

Source Note: The provisions of this §288.1 adopted to be effective May 3, 1993, 18 TexReg 2558; amended to be effective February 21, 1999, 24 TexReg 949; amended to be effective April 27, 2000, 25 TexReg 3544; amended to be effective August 15, 2002, 27 TexReg 7146, amended to be effective October 7, 2004, 29 TexReg 9384.

	Texas Administrative Code
<u>TITLE 30</u>	ENVIRONMENTAL QUALITY
<u>PART 1</u>	TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
<u>CHAPTER 288</u>	WATER CONSERVATION PLANS, DROUGHT CONTINGENCY PLANS, GUIDELINES AND REQUIREMENTS
<u>SUBCHAPTER A</u>	WATER CONSERVATION PLANS
<u>RULE §288.2</u>	Water Conservation Plans for Municipal Uses by Public Water Suppliers

-
- (a) A water conservation plan for municipal water use by public water suppliers shall provide information in response to the following. If the plan does not provide information for each requirement, the public water supplier shall include in the plan an explanation of why the requirement is not applicable.
- (1) Minimum requirements. All water conservation plans for municipal uses by public drinking water suppliers must include the following elements:
- (A) a utility profile including, but not limited to, information regarding population and customer data, water use data, water supply system data, and wastewater system data;
 - (B) until May 1, 2005, specification of conservation goals including, but not limited to, municipal per capita water use goals, the basis for the development of such goals, and a time frame for achieving the specified goals;
 - (C) beginning May 1, 2005, specific, quantified five-year and ten-year targets for water savings to include goals for water loss programs and goals for municipal use, in gallons per capita per day. The goals established by a public water supplier under this subparagraph are not enforceable;
 - (D) metering device(s), within an accuracy of plus or minus 5.0% in order to measure and account for the amount of water diverted from the source of supply;
 - (E) a program for universal metering of both customer and public uses of water, for meter testing and repair, and for periodic meter replacement;
 - (F) measures to determine and control unaccounted-for uses of water (for example, periodic visual inspections along distribution lines; annual or monthly audit of the water system to determine illegal connections; abandoned services; etc.);
 - (G) a program of continuing public education and information regarding water conservation;
 - (H) a water rate structure which is not "promotional," i.e., a rate structure which is cost-based and which does not encourage the excessive use of water;
 - (I) a reservoir systems operations plan, if applicable, providing for the

coordinated operation of reservoirs owned by the applicant within a common watershed or river basin in order to optimize available water supplies; and

(J) a means of implementation and enforcement which shall be evidenced by:

(i) a copy of the ordinance, resolution, or tariff, indicating official adoption of the water conservation plan by the water supplier; and

(ii) a description of the authority by which the water supplier will implement and enforce the conservation plan; and

(K) documentation of coordination with the regional water planning groups for the service area of the public water supplier in order to ensure consistency with the appropriate approved regional water plans.

(2) Additional content requirements. Water conservation plans for municipal uses by public drinking water suppliers serving a current population of 5,000 or more and/or a projected population of 5,000 or more within the next ten years subsequent to the effective date of the plan must include the following elements:

(A) a program of leak detection, repair, and water loss accounting for the water transmission, delivery, and distribution system in order to control unaccounted-for uses of water;

(B) a record management system to record water pumped, water deliveries, water sales, and water losses which allows for the desegregation of water sales and uses into the following user classes:

(i) residential;

(ii) commercial;

(iii) public and institutional; and

(iv) industrial;

(C) a requirement in every wholesale water supply contract entered into or renewed after official adoption of the plan (by either ordinance, resolution, or tariff), and including any contract extension, that each successive wholesale customer develop and implement a water conservation plan or water conservation measures using the applicable elements in this chapter. If the customer intends to resell the water, then the contract between the initial supplier and customer must provide that the contract for the resale of the water must have water conservation requirements so that each successive customer in the resale of the water will be required to implement water conservation measures in accordance with the provisions of this chapter.

(3) Additional conservation strategies. Any combination of the following strategies shall be selected by the water supplier, in addition to the minimum requirements in paragraphs (1) and (2) of this subsection, if they are necessary to achieve the stated water conservation goals of the plan. The commission may require that any of the following strategies be implemented by the water supplier if the commission determines that the strategy is necessary to achieve the goals of the

water conservation plan: . . .

- (A) conservation-oriented water rates and water rate structures such as uniform or increasing block rate schedules, and/or seasonal rates, but not flat rate or decreasing block rates;
 - (B) adoption of ordinances, plumbing codes, and/or rules requiring water-conserving plumbing fixtures to be installed in new structures and existing structures undergoing substantial modification or addition;
 - (C) a program for the replacement or retrofit of water-conserving plumbing fixtures in existing structures;
 - (D) reuse and/or recycling of wastewater and/or graywater;
 - (E) a program for pressure control and/or reduction in the distribution system and/or for customer connections;
 - (F) a program and/or ordinance(s) for landscape water management;
 - (G) a method for monitoring the effectiveness and efficiency of the water conservation plan; and
 - (H) any other water conservation practice, method, or technique which the water supplier shows to be appropriate for achieving the stated goal or goals of the water conservation plan.
- (b) A water conservation plan prepared in accordance with 31 TAC §363.15 (relating to Required Water Conservation Plan) of the Texas Water Development Board and substantially meeting the requirements of this section and other applicable commission rules may be submitted to meet application requirements in accordance with a memorandum of understanding between the commission and the Texas Water Development Board
- (c) Beginning May 1, 2005, a public water supplier for municipal use shall review and update its water conservation plan, as appropriate, based on an assessment of previous five-year and ten-year targets and any other new or updated information. The public water supplier for municipal use shall review and update the next revision of its water conservation plan not later than May 1, 2009, and every five years after that date to coincide with the regional water planning group.

Source Note: The provisions of this §288.2 adopted to be effective May 3, 1993, 18 TexReg 2558; amended to be effective February 21, 1999, 24 TexReg 949; amended to be effective April 27, 2000, 25 TexReg 3544; amended to be effective October 7, 2004, 29 TexReg 9384.

Water Conservation Plan Annual Report

Retail Water Supplier

CONTACT INFORMATION

Name of Entity: _____

Public Water Supply Identification Number (PWS ID): _____

CCN Number: _____

Water Rights ID Number: _____

Wastewater ID Number: _____

Check all that apply:

☐

Retail Water Supplier

☐

Wholesale Water Supplier

☐

Wastewater Treatment Utility

Address: _____ City: _____ Zip Code: _____

E-mail: _____ Telephone Number: _____

Regional Water Planning Group: _____ [Map](#)

Groundwater Conservation District: _____ [Map](#)

Form Completed By: _____ Title: _____

Date: _____

Reporting Period (check only one):

☐

Fiscal

Period Begin(mm/yyyy) ...

Period End(mm/yyyy) ...

☐

Calendar

Period Begin(mm/yyyy) ... Period End (mm/yyyy) ...

Check all of the following that apply to your entity:

☐

Receive financial assistance of \$500,000 or more from TWDB

☐

Have 3,300 or more retail connections

☐

Have a water right with TCEQ

SYSTEM DATA

1. For this reporting period, provide the total volume of retail water metered in your system:

2. For this reporting period, does your billing/accounting system have the capability to classify customers into Retail Customer Categories?

☐ Yes
☐ No

Retail Customer Categories*

- > Residential Single Family
- > Residential Multi-family
- > Industrial
- > Commercial
- > Institutional
- > Agricultural

**Recommended Customer Categories for classifying your customer water use. For definitions, refer to Guidance and Methodology on Water Conservation and Water Use.*

3. For this reporting period, select the category(s) used to classify customer water use:

- | | |
|--|--|
| <input type="checkbox"/> Residential Single Family | <input type="checkbox"/> Commercial |
| <input type="checkbox"/> Residential Multi-family | <input type="checkbox"/> Institutional |
| <input type="checkbox"/> Industrial | <input type="checkbox"/> Agricultural |

4. For this reporting period, enter the gallons of metered retail water used by each customer category. Enter zero if the Customer Category does not apply.

Retail Customer Category	Number of Connections	Gallons Metered
Residential Single Family		
Residential Multi-family		
Industrial		
Commercial		
Institutional		
Agricultural		
Total Retail Water Metered¹	0	0

1. Residential + Industrial + Commercial + Institutional + Agricultural = Total Retail Water Metered

Water Use Accounting

[View tutorial here on how to use data from your water loss audit](#)

	Total Gallons During the Reporting Period
Water Produced: Water from permitted sources such as rivers, lakes, streams, and wells.	
Wholesale Water Imported: Purchased wholesale water transferred into the system.	
Wholesale Water Exported: Wholesale water sold or transferred out of the system.	
System Input: Total water supplied to system and available for retail use.	0 $\text{Produced} + \text{Imported} - \text{Exported} = \text{System Input}$
Total Retail Water Metered	0
Other Authorized Consumption: Water that is authorized for other uses such as the following: (This water may be metered or unmetered.) <ul style="list-style-type: none"> - back flushing - line flushing - storage tank cleaning - municipal golf courses/parks - fire department use - municipal government offices 	
Total Authorized Use: All water that has been authorized for use.	0 $\text{Total Retail Water} + \text{Other Authorized Consumption} = \text{Total Authorized Use}$
Apparent Losses: Water that has been consumed but not properly measured or billed. <i>Includes losses due to customer meter accuracy, systematic data discrepancy, unauthorized consumption such as theft)</i>	
Real Losses: Physical losses from the distribution system prior to reaching the customer destination. <i>includes physical losses from system or mains, reported breaks and leaks, or storage overflow)</i>	
Unidentified Water Losses: Unreported losses not known or quantified.	0 $\text{System Input} - \text{Total Authorized Use} - \text{Apparent Loss} - \text{Real Loss} = \text{Unidentified Water Loss}$
Total Water Loss	0 $\text{Apparent Loss} + \text{Real Loss} + \text{Unidentified Loss} = \text{Total Water Loss}$

Targets and Goals

Provide the specific and quantified five and ten-year targets as listed in your current Water Conservation Plan. Target dates and numbers should match your Water Conservation Plan.

Helpful Hints: View Tutorial on Targets and Goals [Here](#)

Achieve Date	Target for Total GPCD	Target for Water Loss (expressed in GPCD)	Target for Water Loss Percentage (expressed in percentage)
Five-year target date: _____			____%
Ten-year target date: _____			____%

Gallons Per Capita per Day (GPCD) and Water Loss

Provide current GPCD and water loss totals. To see if you are making progress towards your stated goals, compare these totals to the above targets and goals.

Helpful Hints: View Tutorial on GPCD and Water Loss [Here](#)

Provide the population and residential water use of your service area.

Total System Input in Gallons	Permanent Population ¹	Total GPCD
0 Water Produced + Wholesale Imported - Wholesale Exported		(System Input ÷ Permanent Population) ÷ 365

1. Permanent Population is the total permanent population of the service area, including single family, multi-family, and group quarter populations

Residential Use in Gallons (Single Family + Multi-family)	Residential Population ¹	Residential GPCD
0		(Residential Use ÷ Residential Population) ÷ 365

1. Residential Population is the total residential population of the service area, including only single family and multi-family populations

Total Water Loss	Permanent Population	Water Loss	
		GPCD ¹	Percent ²
0 Apparent + Real + Unidentified = Total Water Loss	0		0%

1. (Total Water Loss ÷ Permanent Population) ÷ 365 = Water Loss GPCD

2. (Total Water Loss ÷ Total System Input) × 100 = Water Loss Percentage

Water Conservation Programs and Activities

As you complete this section, review your utility's water conservation plan to see if you are making progress towards meeting your stated goals.

1. What year did your entity adopt or revise the most recent Water Conservation Plan? _____
2. Does The Plan incorporate Best Management Practices? ☐ Yes ☐ No
3. Using the table below select the types of Best Management Practices or water conservation strategies actively administered during this reporting period and estimate the savings incurred in implementing water conservation activities and programs. Leave fields blank if unknown.

Helpful Hints: Methods and techniques for determining gallons saved are unique to each utility as they conduct internal effective cost analyses and long-term financial planning. The 2004 Texas Best Management Practices Guide and the Alliance for Water Efficiency Water Conservation Tracking Tool may offer guidance on determining and calculating savings for individual BMPs.

Program/Activity	Estimated Gallons Saved
Conservation Analysis and Planning	
Conservation Coordinator	
Water Survey for Single Family and Multi-family Customers	
Financial	
Wholesale Agency Assistance Programs	
Water Conservation Pricing/ Rate Structures	
System Operations	
Water Loss Audits	
Leak Detection	
Universal Metering and Metering Repair	
Landscape	
Landscape Irrigation Conservation and Incentives	
Athletic Fields Conservation	
Golf Course Conservation	
Park Conservation	
Education and Public Awareness	
School Education	
Public Information	
Upgrade, Retrofit, and Incentive Programs	
Conservation Programs for ICI Accounts	
Residential Clothes Washer Incentive Program	
Water Wise Landscape Design and Conversion Programs	
Showerhead, Aerator, and Toilet Flapper Retrofit	
Residential Toilet Replacement Programs	
Rainwater Harvesting Incentive Program	
ICI Incentive Programs	

Conservation Technology	
Rainwater Harvesting and Condensate Reuse Programs	
Regulatory and Enforcement	
Prohibition on Wasting Water	
Other, please describe:	
TOTAL	0

4. For this reporting period, provide the estimated gallons of direct or indirect reuse activities.

Reuse Activity	Estimated Volume (in gallons)
On-site irrigation	
Plant wash down	
Chlorination/de-chlorination	
Industrial	
Landscape irrigation (parks, golf courses)	
Agricultural	
Other, please describe:	
Estimated Volume of Reuse	0

5. For this reporting period, estimate the savings from water conservation activities and programs.

Estimated Gallons Saved/Conserved	Estimated Gallons Recycled/Reused	Total Volume of Water Saved ¹	Dollar Value of Water Saved ²
0	0	0	

¹ Estimated Gallons Saved/Conserved + Estimated Gallons Recycled/Reused = Total Volume Saved

² Estimate this value by taking into account water savings, the cost of treatment or purchase of water, and deferred capital costs due to conservation.

6. During this reporting period, did your rates or rate structure change? ☐ Yes ☐ No

Select the type of rate pricing structures used. Check all that apply.

<input type="checkbox"/>	Uniform Rates	<input type="checkbox"/>	Water Budget Based Rates	<input type="checkbox"/>	Surcharge - seasonal
<input type="checkbox"/>	Flat Rates	<input type="checkbox"/>	Excess Use Rates	<input type="checkbox"/>	Surcharge - drought
<input type="checkbox"/>	Inclining/Inverted Block Rates	<input type="checkbox"/>	Drought Demand Rates	Other, please describe:	
<input type="checkbox"/>	Declining Block Rates	<input type="checkbox"/>	Tailored Rates		
<input type="checkbox"/>	Seasonal Rates	<input type="checkbox"/>	Surcharge - usage demand		

7. For this reporting period, select the public awareness or educational activities used.

	Implemented	Number/Unit
<i>Example: Brochures Distributed</i>	√	<i>10,000/year</i>
<i>Example: Educational School Programs</i>	√	<i>50 students/month</i>
Brochures Distributed	<input type="checkbox"/>	_____
Messages Provided on Utility Bills	<input type="checkbox"/>	_____
Press Releases	<input type="checkbox"/>	_____
TV Public Service Announcements	<input type="checkbox"/>	_____
Radio Public Service Announcements	<input type="checkbox"/>	_____
Educational School Programs	<input type="checkbox"/>	_____
Displays, Exhibits, and Presentations	<input type="checkbox"/>	_____
Community Events	<input type="checkbox"/>	_____
Social Media Campaigns	<input type="checkbox"/>	_____
Facility Tours	<input type="checkbox"/>	_____
Other :	<input type="checkbox"/>	_____

Leak Detection and Water Loss

1. During this reporting period, how many leaks were repaired in the system or at service connections? _____

Select the main cause(s) of water loss in your system.

- ☐ Leaks and breaks
☐ Un-metered utility or city uses
☐ Master meter problems
☐ Customer meter problems
☐ Record and data problems
☐ Other: _____
☐ Other: _____

2. For this reporting period, provide the following information regarding meter repair:

	Total Number	Total Tested	Total Repaired	Total Replaced
Production Meters				
Meters larger than 1 1/2"				
Meters 1 1/2" or smaller				

3. Does your system have automated meter reading? ☐ Yes ☐ No

Program Effectiveness and Drought

In your opinion, how would you rank the effectiveness of your conservation activities?

	Less Than Effective	Somewhat Effective	Highly Effective	Does Not Apply
Residential Customers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Industrial Customers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Institutional Customers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Commercial Customers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Agricultural Customers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

2. During the reporting period, did you implement your Drought Contingency Plan?

☐ Yes

☐ No

If yes, how many days were water use restrictions in effect? _____

If yes, check the reason(s) for implementing your Drought Contingency Plan.

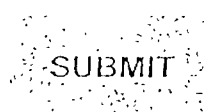
- ☐ Water Supply Shortage
☐ High Seasonal Demand
☐ Capacity Issues

- ☐ Equipment Failure
☐ Impaired Infrastructure
☐ Other:

3. Select the areas for which you would like to receive more technical assistance:

- ☐ Best Management Practices
☐ Drought Contingency Plans
☐ Landscape Irrigation
☐ Leak Detection and Equipment
☐ Rainwater Harvesting
☐ Rate Structures

- ☐ Educational Resources
☐ Water Conservation Annual Reports
☐ Water Conservation Plans
☐ Water IQ: Know Your Water
☐ Water Loss Audits
☐ Recycling and Reuse



~~A RESOLUTION OF THE~~ A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
MARKOUT WATER SUPPLY CORPORATION ADOPTING A
WATER CONSERVATION PLAN

A RESOLUTION ADOPTING A WATER CONSERVATION PLAN FOR THE
MARKOUT WATER SUPPLY CORPORATION TO PROMOTE THE RESPONSIBLE
USE OF WATER AND TO PROVIDE FOR PENALTIES AND/OR THE
DISCONNECTION OF WATER SERVICE FOR NONCOMPLIANCE WITH THE
PROVISIONS OF THE WATER CONSERVATION PLAN.

WHEREAS, the Markout Water Supply Corporation (the "WSC"), recognizes that the amount of
water available to its water customers is limited; and

WHEREAS, the WSC recognizes that due to natural limitations, drought conditions, system
failures and other acts of God which may occur, the WSC cannot guarantee an uninterrupted
water supply for all purposes at all times; and

WHEREAS, the Water Code and the regulations of the Texas Commission on Environmental
Quality (the "Commission") require that the WSC adopt a Water Conservation Plan; and

WHEREAS, the WSC has determined an urgent need in the best interest of the public to adopt a
Water Conservation Plan; and

WHEREAS, pursuant to Chapter 67 of the Water Code, the WSC is authorized to adopt such
policies necessary to preserve and conserve its water resources; and

WHEREAS, the Board of Directors of the WSC desires to adopt the North Texas Municipal
Water District (the "NTMWD") Model Water Conservation Plan with certain changes that have
been made therein as official WSC policy for the conservation of water.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE
MARKOUT WATER SUPPLY CORPORATION THAT:

Section 1. The Board of Directors hereby approves and adopts the NTMWD Model Water
Conservation Plan (the "Plan") with certain changes that have been made therein, attached hereto
as Addendum A, as if recited verbatim herein. The WSC commits to implement the requirements
and procedures set forth in the adopted Plan.

Section 2. Any customer, defined pursuant to 30 Texas Administrative Code Chapter 291, failing
to comply with the provisions of the Plan shall be subject to a monetary fine as allowed by law,
and/or discontinuance of water service by the WSC. Proof of a culpable mental state is not
required for a conviction of an offense under this section. Each day a customer fails to comply
with the Plan is a separate violation. The WSC's authority to seek injunctive or other civil relief
available under the law is not limited by this section.

Section 3. The Board of Directors does hereby find and declare that sufficient written notice of
the date, hour, place and subject of the meeting adopting this Resolution was posted at a

Adoption of Water Conservation Plan

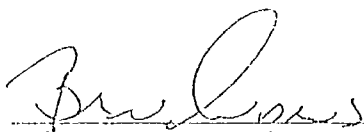
designated place convenient to the public for the time required by law preceding the meeting, that such place of posting was ~~readily accessible at~~ all times to the general public, and that all of the foregoing was done as required by law at all times during which this Resolution and the subject matter thereof has been discussed, considered and formally acted upon. The Board of Directors further ratifies, approves and confirms such written notice and the posting thereof.

Section 4. The General Manager or his designee is hereby directed to file a copy of the Plan and this Resolution with the Commission in accordance with Title 30, Chapter 288 of the Texas Administrative Code. Further, the Board of Directors hereby authorizes the General Manager or his designee to file an amendment to the WSC's tariff, if necessary, to incorporate the Plan therein.

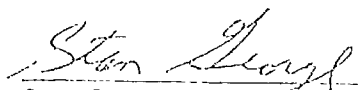
Section 5. The General Manger or his designee is hereby directed to implement and enforce the Plan.

Section 6. Should any paragraph, sentence, clause, phrase or word of this Resolution be declared unconstitutional or invalid for any reason, the remainder of this Resolution not be affected.

DULY ADOPTED BY THE BOARD OF DIRECTORS OF THE MARKOUT WATER
SUPPLY CORPORATION, ON THIS 10TH DAY OF OCTOBER 2013.


Brian Andrews, President

ATTESTED TO:


Stan George, Secretary-Treasurer

SECTION H-2 - DROUGHT CONTINGENCY PLAN

MARKOUT WATER SUPPLY CORPORATION

October 8, 2018

SECTION I: Declaration of Policy, Purpose, and Intent

In order to conserve the available water supply and protect the integrity of water supply facilities, with particular regard for domestic water use, sanitation, and augment fire protection supplies, and to protect and preserve public health, welfare, and safety and minimize the adverse impacts of water supply shortage or other water supply emergency conditions, the Markout Water Supply Corporation (MARKOUT WSC) hereby adopts the following regulations and restrictions on the delivery and consumption of water.

Water uses regulated or prohibited under this Drought Contingency Plan (the Plan) are considered to be non-essential and continuation of such uses during times of water shortage or other emergency water supply conditions are deemed to constitute a waste of water which subjects the offender(s) to penalties as defined in Section X of this Plan.

SECTION II: Public Involvement

MARKOUT WSC by means of posting an agenda for an open meeting notified customers that a public hearing would be held on October 8, 2018 to provide an opportunity for input into the plan.

SECTION III: Public Education

MARKOUT WSC will periodically provide the public with information about the Plan, including information about the conditions under which each stage of the Plan is to be initiated or terminated and the drought response measures to be implemented in each stage. This information will be provided by means of any combination of press releases, newsletters, internet, email, and signs that will be placed throughout the water system and in public places.

SECTION IV: Coordination with Regional Water Planning Groups

The service area of the MARKOUT WSC is located within the Region C Water Planning Group and MARKOUT WSC will provide a copy of this Plan to the Region C Water Planning Group when required.

SECTION V: Authorization

The Board President or his/her designee is hereby authorized and directed to implement the applicable provisions of this Plan upon determination that such implementation is necessary to protect public health, safety, and welfare. The Board President or his/her designee shall have the authority to initiate or terminate drought or other water supply emergency response measures as described in this Plan.

SECTION VI: Application

The provisions of this Plan shall apply to all persons, customers, and property utilizing water provided by MARKOUT WSC. The terms "person" and "customer" as used in the Plan include individuals, corporations, partnerships, associations, and all other legal entities.

SECTION VII: Definitions

For the purposes of this Plan, the following definitions shall apply:

Aesthetic water use: water use for ornamental or decorative purposes such as fountains, reflecting pools, and water gardens.

City of Forney: Water supplier for MARKOUT WSC.

Commercial and institutional water use: water use which is integral to the operations of commercial and non-profit establishments and governmental entities such as retail establishments, hotels and motels, restaurants, and office buildings.

Conservation: those practices, techniques, and technologies that reduce the consumption of water, reduce the loss or waste of water, improve the efficiency in the use of water or increase the recycling and reuse of water so that a supply is conserved and made available for future or alternative uses.

Customer: any person, company, or organization using water supplied by MARKOUT WSC

Domestic water use: water use for personal needs or for household or sanitary purposes such as drinking, bathing, heating, cooking, sanitation, or for cleaning a residence, business, industry, or institution.

Even number address: street addresses, if not available then box numbers, or rural postal route numbers, ending in 0, 2, 4, 6, or 8 and locations without addresses.

Industrial water use: the use of water in processes designed to convert materials of lower value into forms having greater usability and value.

Landscaping irrigation use: water used for the irrigation and maintenance of landscaped areas, whether publicly or privately owned, including residential and commercial lawns, gardens, golf courses, parks, and rights-of-way and medians.

Non-essential water use: water uses that are not essential or required for the protection of public, health, safety, and welfare, including:

- irrigation of landscaped areas, including parks, athletic fields, and golf courses, except otherwise provided under this Plan;
- use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle;
- use of water to wash down any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
- use of water to wash down buildings or structures for purposes other than immediate fire protection;
- flushing gutters or permitting water to run or accumulate in any gutter or street;
- use of water to fill, refill, or add to any indoor or outdoor swimming pools or Jacuzzi-type pools;
- use of water in a fountain or pond for aesthetic or scenic purposes except where necessary to support aquatic life;
- failure to repair a controllable leak(s) within a reasonable period after having been given notice of such leak(s); and
- use of water from hydrants for construction purposes or any other purposes other than fire fighting.

Odd numbered address: street addresses, if not available then box numbers, or rural postal route numbers, ending in 1, 3, 5, 7, or 9.

SECTION VIII: Criteria for Initiation and Termination of Drought Response Stages

When conditions defined by the Drought Contingency Plan are present, the Board President or his/her designee may authorize Drought Condition Operations in the service area or for a limited area affected by equipment failure or limited capacity. The water supply and/or demand conditions will be monitored on a daily basis and shall determine when conditions warrant initiation or termination of each stage of the Plan, that is, when the specified “triggers” are reached. The triggering criteria described below are based on known system capacity limits, equipment failure and/or supply capacity of Markout WSC. Public notification of the initiation or termination of drought response stages shall be by means of any combination of press releases, newsletters, internet, email, and signs that will be placed throughout the water system and in public places.

SECTION IX: Drought Response Stages

The Board President, or his/her designee, shall monitor water supply and/or demand conditions on a daily basis and, in accordance with the triggering criteria set forth in Section VIII of this Plan, shall determine that a mild, moderate, severe, critical emergency, or water shortage condition exists and shall implement the following notification procedures:

To the Public - The Board President or his/ here designee shall notify the public by means any combination of press releases, newsletters, internet, email, and signs that will be placed throughout the water system and in public places.

Additional Notification - The Board President or his/her designee shall notify directly, or cause to be notified directly, the Board of Directors, TCEQ, and the Kaufman County Emergency Coordinator.

SECTION X: Enforcement

- No person shall knowingly or intentionally allow the use of water from MARKOUT WSC for residential, commercial, industrial, agricultural, governmental, or any other purpose in a manner contrary to any provision of this Plan, or in an amount in excess of that permitted by the drought response stage in effect at the time pursuant to action taken by the Board President, or his/her designee, in accordance with provisions of this Plan. A mandatory surcharge will be added according to the appropriate drought response stage.
- **First Violation** - A written notice of violation may be given to the Member. Written notice may be hand delivered, placed on the front door of the dwelling, emailed, or by US Postal mail delivery.
- **Second Violation** - The Corporation may terminate service at the meter for a period of up to twenty-four (24) hours. The normal Disconnect/Reconnect fee shall apply for restoration of service.
- Any person, including a person classified as a water customer of MARKOUT WSC in apparent control of the property where a violation occurs or originates shall be presumed to be the violator, and proof that the violation occurred on the person’s property shall constitute a rebuttal presumption that the person in apparent control of the property committed the violation, but any such person shall have the right to show that he/she did not commit the violation. Parents shall be presumed to be responsible for violations of their minor children.
- Any employee of MARKOUT WSC is authorized to give written notice or to initiate enforcement after consultation with the Board President.

SECTION XI: Variances

The Board President, or his/her designee, 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, sanitation, or fire protection for the public or the person requesting such variance and if one or

more of the following conditions are met:

- 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.
- 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 MARKOUT WSC office within 5 days after the Plan or a particular drought response stage has been invoked AND must attend a special board meeting on the 5th day after the Plan is implemented, to be considered. All petitions for variances shall be reviewed by the Board President, or his/her designee, 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 Ordinance.
 - 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. Variances granted by MARKOUT WSC shall be subject to the following conditions, unless waived or modified by MARKOUT WSC or his/her designee:
 - Variances granted shall include a timetable for compliance.
 - Variances granted shall expire when the Plan is no longer in effect, unless the petitioner has failed to meet specified requirements.

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

VARIANCES SHALL ONLY BE CONSIDERED DURING STAGE I AND STAGE II RATIONING!

STAGE 1

Requirements for initiation - Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses for Stage 1 of this Plan when notification is received from The City of Forney that mild drought conditions exist and requests that MARKOUT WSC initiate the appropriate stage of their Drought Contingency Plan and/or when the total daily water demand equals or exceeds 90% of the supply capacity per day for three (3) consecutive days or 100% on a single day.

Drought Response

Goal: Achieve a 2 percent reduction in daily water demand.

Limitation Responses:

Potential Water Use Restrictions -

- Voluntary reductions in water use by the public.
- Increase public education efforts on ways to reduce water use.
- Intensify efforts on leak detection and repair.
- Reduce non-essential city government water use. (Examples include street cleaning, vehicle washing, operation of ornamental fountains, etc.)
- Notify major water users and work with them to achieve voluntary water use reductions.
- Reduce city government water use for landscape irrigation.

Overage surcharge - No overage surcharge.

Requirements for termination - Stage 1 of the Plan may terminate when the City of Forney terminates its Stage 1 condition or when the circumstances that caused the initiation of Stage 1 no longer prevail.

STAGE 2

Requirements for initiation - Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses for Stage 1 of this Plan when notification is received from The City of Forney that strong drought conditions exist and requests that MARKOUT WSC initiate the appropriate stage of their Drought Contingency Plan and/or when the total daily water demand equals or exceeds 95% of the supply capacity per day for three (3) consecutive days or 100% on a single day.

Drought Response

Goal: Achieve a 5 percent reduction in daily water demand.

Limitation Responses:

Potential Water Use Restrictions -

- Continue or initiate any actions available under Stage 1.
- Initiate engineering studies to evaluate alternatives should conditions worsen.
- Further accelerate public education efforts on ways to reduce water use.
- Halt non-essential city government water use. (Examples include street cleaning, vehicle washing, operation of ornamental fountains, etc.)
- Encourage the public to wait until the current drought or emergency situation has passed before establishing new landscaping.
- MARKOUT WSC may prohibit watering from 5AM to 9 AM and from 4PM to 7 PM in order to allow ground and elevated storage to be replenished.
- Limit landscape watering with sprinkler or irrigation systems to no more than two days per week. An exemption is allowed for landscape associated with new construction that may be watered as necessary for 30 days from the date of occupancy.
- Prohibit planting of cool season grasses (such as rye grass or other similar grasses) that intensify cool season water requirements.
- Irrigation of landscaped areas shall be prohibited between the hours of 10 AM and 6 PM beginning April 1 through October 31 of each year.
- All MARKOUT WSC water users to comply with the following two-day per week water use schedule based on the *Table* below for automatic and hose-end sprinkler systems.

Last Digit of Address	Primary Watering Day	Additional Watering Day
0,2,4,6,8 and no address	Monday	Thursday
1,3,5,7,9	Tuesday	Friday
Schools, Parks, Athletic Facilities, Places of Worship, Medians, ROW's & Designated Open Spaces	Wednesday	Saturday or Sundays

Overage surcharge - No overage surcharge.

Requirements for termination - Stage 2 may terminate when the City of Forney terminates its Stage 2 condition or when the circumstances that caused the initiation of Stage 2 no longer prevail.

STAGE 3

Requirements for initiation - Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses for Stage 3 of this Plan when notification is received from The City of Forney that severe drought conditions exist and requests that MARKOUT WSC initiate the appropriate stage of their Drought Contingency Plan and/or when the total daily water demand equals or exceeds 98% of the supply capacity per day for three (3) consecutive days.

Drought Response

Goal: Achieve a 10 percent reduction in daily water demand.

Limitation Responses:

Potential Water Use Restrictions -

- Continue or initiate any actions available under Stages 1 and 2.
- Implement viable alternative water supply strategies.
- Initiate mandatory water use restrictions as follows:
 - Prohibit hosing of paved areas, buildings, or windows. (Pressure washing of impervious surfaces is allowed.)
 - Prohibit operation of all ornamental fountains or other amenity impoundments to the extent they use treated water.
 - Prohibit washing or rinsing of vehicles by hose except with a hose end cutoff nozzle.
 - Prohibit using water in such a manner as to allow runoff or other waste.
- Limit landscape watering with sprinklers or irrigation systems at each service address to once every seven days. Exceptions are as follows:
 - Foundations, new landscaping, new plantings (first year) of shrubs, and trees may be watered for up to 2 hours on any day by a hand-held hose, a soaker hose, or a dedicated zone using a drip irrigation system.
 - Public athletic fields used for competition may be watered twice per week.
 - Locations using other sources of water supply for irrigation may irrigate without restrictions.
 - Registered and properly functioning ET/Smart irrigation systems and drip irrigation systems may irrigate without restrictions.
 - Exception for the establishment of new sodded grasses. The exemption for new sodded grass areas shall not exceed 30 consecutive days.
- Requires all MARKOUT Water Supply water users to comply with the following one day per week water use schedule based on the **Table** below for automatic and hose-end sprinkler systems.

Last Digit of Address	Primary Watering Day
0,2,4,6,8 and no address	Monday
1,3,5,7,9	Tuesday
Schools, Parks, Athletic Facilities, Places of Worship, Medians, ROW's, & Designated Open Spaces	Wednesday

- Limit landscape watering with sprinklers or irrigation systems between November 1 and March 31 to once every two weeks. An exception is allowed for landscape associated with new construction that may be watered as necessary for 30 days from the date of the occupancy, temporary certificate of occupancy, or certificate of completion.
- Prohibit hydroseeding, hydromulching, and sprigging.
- Existing swimming pools may not be drained and refilled (except to replace normal water loss).
- Initiate a rate surcharge as requested by North Texas Municipal Water District (NTMWD).
- Initiate a rate surcharge for all water use over a certain level as determined by the Board of Directors.
- If the City of Forney has imposed a reduction in water available to MARKOUT WSC, impose the same percent reduction on MARKOUT WSC customers.
- Prohibit watering of golf courses using treated water, except as needed to keep greens and tee boxes alive.

Overage surcharge - A 25% surcharge will be added for usage in excess of 40,000 gallons per month.

Requirements for termination – Stage 3 may terminate when the City of Forney terminates its Stage 3 condition or when the circumstances that caused the initiation of Stage 3 no longer prevail.

STAGE 4

Requirements for initiation - Critical Emergency Conditions may be triggered by any number of situations including natural disasters, major water line breaks, pump or system failures, which cause unprecedented loss of capability to provide water service, natural, or man-made contamination of the water supply source(s), massive power outages, massive equipment or facility failures, public water supply contamination or if notification is received from The City of Forney that critical emergency conditions exist in their system.

Drought Response:

Goal – The goal for water use reduction under Stage 4 is a reduction of whatever amount is necessary in the amount of water obtained from the City of Forney.

Limitation Responses:

Potential Water Use Restrictions -

- Continue or initiate any actions available under Stages 1, 2, and 3.
- Implement viable alternative water supply strategies.
- Prohibit the irrigation of new landscaping using treated water.
- Prohibit washing of vehicles except as necessary for health, sanitation, or safety reasons.
- Prohibit commercial and residential landscape watering, except that foundations and trees may be watered for 2 hours on any day with a hand-held hose, a soaker hose, or a dedicated zone using a drip irrigation system. ET/Smart irrigation systems are not exempt from this requirement.
- Prohibit the permitting of private pools. Pools already permitted may be completed and filled with water. Existing private and public pools may add water to maintain pool levels but may not be drained and refilled.
- If the City of Forney has imposed a reduction in water available to MARKOUT WSC, impose the same percent reduction on MARKOUT WSC customers.
- Initiate a rate surcharge for all water use over an amount specified by the Board of Directors for all water use.

Overage surcharge - A 25% surcharge will be added for usage in excess of 25,000 gallons per month.

Requirements for termination - Stage 4 may terminate when the City of Forney terminates its Stage 4 condition or when the circumstances that caused the initiation of Stage 4 no longer prevail.

(THIS PAGE INTENTIONALLY LEFT BLANK)

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
MARKOUT WATER SUPPLY CORPORATION ADOPTING A
DROUGHT CONTINGENCY PLAN**

WHEREAS, the Board recognizes that the amount of water available to Markout Water Supply Corporation (Markout WSC) and its water utility customers is limited and subject to depletion during periods of extended drought;

WHEREAS, MARKOUT WSC recognizes that natural limitations due to drought conditions and other acts of God cannot guarantee an uninterrupted water supply for all purposes;

WHEREAS, Section 12.1172 of the Texas Water Code and applicable rules of the Texas Commission of Environmental Quality (TCEQ) require all public water supply systems in Texas to prepare a drought contingency plan; and

WHEREAS, as authorized under law, and in the best interests of the customers of MARKOUT WSC, the Board deems it expedient and necessary to establish certain rules and policies for the orderly and efficient management of limited water supplies during drought and other water supply emergencies;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF MARKOUT WATER SUPPLY CORPORATION:

Section 1. That the Drought Contingency Plan attached hereto as Exhibit "A" and made part hereof for all purposes be, and the same is hereby, adopted as the official policy of MARKOUT WSC.

Section 2. That the Board of Directors is hereby directed to implement, administer, and enforce the Drought Contingency Plan.

Section 3. That this resolution shall take effect immediately upon its passage.

DULY ADOPTED BY THE BOARD OF DIRECTORS OF THE MARKOUT WATER SUPPLY CORPORATION, ON THIS 8TH DAY OF OCTOBER 2018.

Brian Andrews, President

ATTESTED TO:

Florence Benedict, Secretary

(THIS PAGE INTENTIONALLY LEFT BLANK)

SECTION H-3 - BACKFLOW PREVENTION PLAN

MARKOUT WATER SUPPLY CORPORATION

Effective 10/8/2018

DEFINITIONS

The following words and terms, when used in this section, have the following meanings, unless the context clearly indicates otherwise.

Air Gap – a complete physical separation between the free-flowing discharge end of a potable water supply pipeline and an open or non-pressure receiving vessel.

Atmospheric Vacuum Breaker – An assembly containing an air inlet valve, a check seat, and an air inlet port. The flow of water into the body causes the air inlet valve to close the air inlet port. When the flow of water stops the air inlet valve falls and forms a check against back-siphonage. At the same time, it opens the air inlet port allowing air to enter and satisfy the vacuum. Also known as an Atmospheric Vacuum Breaker Back-siphonage Prevention Assembly.

Backflow prevention – The mechanical prevention of reverse flow, or back siphonage, of non-potable water from an irrigation system into the potable water source.

Backflow prevention assembly – Any assembly used to prevent backflow into a potable water system. The type of assembly used is based on the existing or potential degree of health hazard and backflow condition.

Completion of irrigation system installation – When the landscape irrigation system has been installed, all minimum standards met, all tests performed, and the irrigator is satisfied that the system is operating correctly.

Consulting – The act of providing advice, guidance, review or recommendations related to landscape irrigation systems.

Cross-connection – An actual or potential connection between a potable water source and an irrigation system that may contain contaminants or pollutants or any source of water that has been treated to a lesser degree in the treatment process.

Design - The act of determining the various elements of a landscape irrigation system that will include, but not limited to, elements such as collecting site specific information, defining the scope of the project, defining plant watering needs, selecting and laying out emission devices, locating system components, conducting hydraulics calculations, identifying any local regulatory requirements, or scheduling irrigation work at a site. Completion of the various components will result in an irrigation plan.

Design pressure – The pressure that is required for an emission device to operate properly. Design pressure is calculated by adding the operating pressure necessary at an emission device to the total of all pressure losses accumulated from an emission device to the water source.

Double check valve – An assembly that is composed of two independently acting approved check valves, including tightly closed resilient seated shutoff valves attached at each end of the assembly and fitted with properly located resilient seated test cocks. Also known as a Double Check Valve Backflow Prevention Assembly.

Emission device – Any device that is contained within an irrigation system and that is used to apply water. Common emission devices in an irrigation system include, but are not limited to, spray and rotary sprinkler heads, and drip irrigation emitters.

Employed – Engaged or hired to provide consulting services or perform any activity relating to the sale, design, installation, maintenance, alteration, repair, or service to irrigation systems. A person is employed if that person is in an employer-employee relationship as defined by Internal Revenue Code, 26 United States Code Service, ~3212(d) based on the behavioral control, financial control, and the type of relationship involved in performing employment related tasks.

Head-to-head spacing – The spacing of spray or rotary heads equal to the manufacturer's published radius of the head.

Health hazard – A cross-connection or potential cross-connection with an irrigation system that involves any substance that may, if introduced into the potable water supply, cause death or illness, spread disease, or have a high probability of causing such effects.

Hydraulics – The science of dynamic and static water; the mathematical computation of determining pressure losses and pressure requirements of an irrigation system.

Inspector – A licensed plumbing inspector, water district operator, other governmental entity, or irrigation inspector who inspects irrigation system and performs other enforcement duties for a municipality or water district as an employee or as a contractor.

Installer – A person who actually connects an irrigation system to a private or public raw or potable water supply system or any water supply, who is licensed according to Chapter 30 of this title (relating to Occupational Licenses and Registrations).

Irrigation Inspector – A person who inspects irrigation systems and performs other enforcement duties for a municipality or water district as an employee or as a contractor and is required to be licensed under chapter 30 of this title (relating to Occupational Licenses and Registrations).

Irrigation Plan – A scaled drawing of a landscape irrigation system which lists required information, the scope of the project, and represents the changes made in the installation of the irrigation system.

Irrigation Services – Selling, designing, installing, maintaining, altering, repairing, servicing, permitting, providing consulting services regarding, or connecting an irrigation system to a water supply.

Irrigation System – An assembly of component parts that is permanently installed for the controlled distribution and conservation of water to irrigate any type of landscape vegetation in any location, and/or to reduce dust or control erosion. This term does not include a system that is used on or by an agricultural operation as defended by Texas Agricultural Code, ~251.002.

Irrigation Technician – A person who works under the supervision of a licensed irrigator to install, maintain, alter, repair, service or supervise installation of an irrigation system, including the connection of such system in or to a private or public, raw or potable water supply system or any water supply, and who is required to be licensed under Chapter 30 of this title (relating to Occupational Licenses and Registrations).

Irrigation Zone – A subdivision of an irrigation system with a matched precipitation rate based on plant material type (such as turf, shrubs, or trees), microclimate factors (such as sun/shade ratio), topographic features (such as slope) and soil conditions (such as sand, loam, clay, or combination) or for hydrological control.

Irrigator – A person who sells, designs, offers consultations regarding, installs, maintains, alters, repairs, service or supervises the installation of an irrigation system, including the connection of such system to a private or public, raw or potable water supply system or any water supply, and who is required to be licensed under Chapter 30 of this title.

Irrigator-in-charge – The irrigator responsible for all irrigation work performed by an exempt business owner, including, but not limited to obtaining permits, developing design plans, supervising the work of other irrigators or irrigation technicians, and installing, selling, maintaining, altering, repairing, or servicing landscape irrigation systems.

Landscape irrigation – The science of applying the necessary amount of water to promote or sustain healthy growth of plant material or turf.

License – An occupation license that is issued by the commission under Chapter 30 of this title to an individual that authorizes the individual to engage in an activity that is covered by this chapter.

Mainline – A pipe within an irrigation system that deliver water from the water source to the individual zone valves.

Maintenance checklist – A document made available to the irrigation system's owner or owner's representative that contains information regarding the operation and maintenance of the irrigation system, including, but not limited to: checking and repairing the irrigation system, setting the automatic controller, checking the rain or moisture sensor, cleaning filters, pruning grass and plants away from irrigation emitters, using and operating the irrigation system, the precipitation rates of each irrigation zone within the system, any water conservation measures currently in effect from the water purveyor, the name of the water purveyor, a suggested seasonal or monthly watering schedule based on current evapotranspiration data for the geographic region, and the minimum water requirements for the plant material in each zone based on the soil type and plant material where the system is installed.

Major maintenance, alteration, repair, or service – Any activity that involves opening to the atmosphere the irrigation main line at any point prior to the discharge side of any irrigation zone control valve. This includes, but is not limited to, repairing or connecting into a main supply pipe, replacing a zone control valve, or repairing a zone control valve in a manner that opens the system to the atmosphere.

Master valve – A remote control valve located after the backflow prevention device that controls the flow of water to the irrigation system mainline.

Matched precipitation rate – The condition in which all sprinkler heads within an irrigation zone apply water at the same rate.

New installation – An irrigation system installed at a location where one did not previously exist.

Non-health hazard – A cross-connection or potential cross-connection from a landscape irrigation system that involves any substance that generally would not be a health hazard but would constitute a nuisance or be aesthetically objectionable if introduced into the potable water supply.

Non-potable water – Water that is not suitable for human consumption. Non-potable water sources include, but are not limited to, irrigation systems, lakes, ponds, streams, gray water that is discharged from washing machines, dishwashers or other appliances, water vapor condensate from cooling towers, reclaimed water, and harvested rainwater.

Pass-through contract – A written contract between a contractor or builder and a licensed irrigator or exempt business owner to perform part or all of the irrigation services relating to an irrigation system.

Potable water – Water that is suitable for human consumption.

Pressure vacuum breaker – An assembly containing an independently operating internally loaded check valve and an independently operating loaded air inlet valve located on the discharge side of the check valve. Also known as a Pressure Vacuum Breaker Back-siphonage Prevention Assembly.

Reclaimed water – Domestic or municipal wastewater which has been treated to a quality suitable for beneficial use, such as landscape irrigation.

Records of landscape irrigation activities – The irrigation plans, contracts, warranty information, invoices, copies of permits, and other documents that relate to the installation, maintenance, alteration, repair, or service of a landscape irrigation system.

Reduced pressure principle backflow prevention assembly – An assembly containing two independently acting approved check valves together with a hydraulically operating mechanically independent pressure differential relief valve located between the two check valves and below the first check valve.

Static water pressure – The pressure of water when it is not moving.

Supervision – The on-the-job oversight and direction by a licensed irrigator who is fulfilling his or her professional responsibility to the client and/or employer in compliance with local or state requirements. Also, a licensed installer working under the direction of a licensed irrigator or beginning January 1, 2009, an irrigation technician who is working under the direction of a licensed irrigator to install, maintain, alter, repair or service an irrigation system.

Water conservation – The design, installation, service, and operation of an irrigation system in a manner that prevents the waste of water, promotes the most efficient use of water, and applies the least amount of water that is required to maintain healthy individual plant material or turf, reduce dust, and control erosion.

Zone flow – A measurement, in gallons per minute or gallons per hour, of the actual flow of water through a zone valve, calculated by individually opening each zone valve and obtaining a valid reading after the pressure has stabilized. For design purposes, the zone flow is the total flow of all nozzles in the zone at a specific pressure.

Zone valve – An automatic valve that controls a single zone of a landscape irrigation system.

BACKFLOW PREVENTION

- A. Effective January 1, 2009, all backflow testers performing a backflow test on an approved backflow prevention assembly within Markout WSC CCN, MUST pre-register annually with the Markout Water Supply Corporation office. A registration fee of \$40.00 will apply at the time of registration. The following information will be required at the time of registration:
- 1) A valid copy of TCEQ Backflow Prevention and Assembly Testers license;
 - 2) A valid copy of current driver's license;
 - 3) A valid copy of current test gauge certification;
 - 4) And \$40.00 registration fee.
- B. To ensure adequate protection of the public water supply, Markout Water Supply Corporation requires that ALL double-check backflow prevention devices MUST be tested upon installation and, at least annually thereafter, regardless of health hazard. ALL reduced pressure principle backflow prevention assemblies must also be tested upon installation and at least annually thereafter, regardless of health hazard.
- C. All irrigation systems connected to a public or private potable water supply must be properly connected through one of the following backflow prevention methods:
- 1) Atmospheric vacuum breakers. Atmospheric vacuum breakers are designed to prevent only back siphonage. Therefore, atmospheric vacuum breakers must not be used in any irrigation systems where back-pressure may occur. There cannot be any shutoff valves downstream from an atmospheric vacuum breaker. Where atmospheric vacuum breakers may be used, they must be installed at least six inches above any downstream piping and the highest downstream opening. Where local topography effectively prohibits such installation, the executive director shall be consulted for alternative acceptable installation criteria. Such alternative criteria must provide equivalent protection to the potable water supply. In addition, continuous pressure on the supply side of an atmospheric vacuum breaker is prohibited. Where atmospheric vacuum breakers are used in an irrigation system, a separate atmospheric vacuum breaker must be installed on the discharge side of each water control valve, between the valve and all of the sprinkler heads which the valve controls.
 - 2) Pressure-type vacuum breakers. Pressure-type vacuum breakers are designed to prevent back siphonage and can operate under continuous pressure. Pressure vacuum breakers must be installed at least 12 inches above any downstream piping and the highest downstream opening. Where local topography effectively prohibits such installation, the executive director shall be consulted for alternative acceptable installation criteria. Such alternative criteria must provide equivalent protection to the potable water supply.
 - 3) Double check valve assembly backflow preventors. Double check valve assembly backflow preventors are designed to prevent back pressure and back siphonage of water not containing any toxic substance. They may be used where water supply pressure and back pressure on the backflow prevention device may continuously exist. If a double check valve assembly is installed below grade, there must remain adequate space for testing and repair of the device. Test cock plugs must be of non-ferrous material. Test cocks shall not be used as supply connections and must be plugged except when being tested.
 - 4) Reduced pressure principle backflow prevention assemblies. Reduced pressure principle assemblies are designed for water containing toxic or non-toxic substances and for back

- pressure and back siphonage. They must be installed 12 inches above grade in a location so as to ensure that the device will not be submerged. In addition, adequate provisions must be made for any water which may be discharged through the assembly relief valve.
- 5) Air Gap. An air gap, when used must be installed and maintained in accordance with the standards established in the American Waterworks Association M14 Manual on Cross Connection Control.

D. Specific Conditions and Backflow Prevention Devices.

- 1) An irrigation system that does not have associated with it any type of injection device and that is connected or capable of being connected only to a single source of water presents a low potential for contamination of the water supply and is, therefore, considered to be a “low hazard” installation. Such an irrigation system must be connected to the water supply through an industry-approved backflow prevention device, such as a double check valve assembly, air gap separation, reduced pressure principle assembly, pressure type vacuum breaker, or atmospheric vacuum breaker.
- 2) An irrigation system which adds any chemical is considered to be a “high health hazard”. Such an irrigation system must not be connected to any potable water supply except through a reduced pressure principle backflow prevention assembly. The backflow prevention assembly must be tested upon installation and, at least, biennially, thereafter, in accordance with TCEQ~290.44(h)(4) of this title (relating to Water Distribution).
- 3) An irrigation system may not have more than one water supply source. An irrigation system that is connected to the potable water supply must have an industry-approved testable backflow prevention device installed. The device must be tested upon installation and, at least, annually, thereafter, in accordance with TCEQ~290.44(h)(4) of this title.

To ensure that adequate protection of the public water supply, Markout Water Supply Corporation requires that all backflow prevention assemblies MUST be tested upon installation and, at least annually thereafter, regardless of the health hazard present.

(THIS PAGE INTENTIONALLY LEFT BLANK)

ENFORCEMENT

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
MARKOUT WATER SUPPLY CORPORATION ADOPTING A
BACKFLOW PREVENTION PLAN**

WHEREAS, as authorized under law, and in the best interests of the customers of the Markout Water Supply Corporation, the Board deems it expedient and necessary to establish certain rules and policies for the orderly and efficient management of backflow prevention for the protection of the water system;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF MARKOUT WATER SUPPLY CORPORATION:

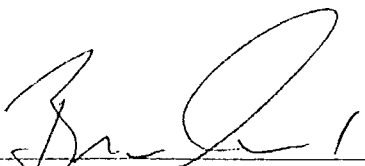
Section 1: That the Backflow Prevention Plan made part hereof for all purposes be, and the same is hereby, adopted as the official policy of the Markout Water Supply Corporation.

Section 2: That the General Manager or their designee is hereby directed to implement, administer, and enforce the Backflow Prevention Plan.

Section 3: Any customer failing to comply with the provisions of the Plan may be subject to discontinuance of water service for 24 hours by Markout WSC. All outstanding charges and any disconnect or reconnect charges must be paid in full before your service will be restored. Each day a customer fails to comply with the Plan is a separate violation.

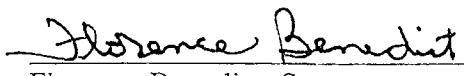
Section 4: That this resolution shall take effect immediately upon adoption.

DULY ADOPTED BY THE BOARD OF DIRECTORS OF THE MARKOUT WATER SUPPLY CORPORATION, ON THIS 8TH DAY OF OCTOBER 2018.



Brian Andrews, President

ATTESTED TO:



Florence Benedict, Secretary

(THIS PAGE INTENTIONALLY LEFT BLANK)

SECTION I: SAMPLE APPLICATION PACKET

Markout Water Supply Corporation Service Application and Agreement Form (USDA RUS-TX Bulletin 1780-9 (Rev. 5-17))

Right-of-Way Easement (By Instrument Number)

Right -of-Way Easement (By Platted Tract)

Non-Standard Service Application

Non-Standard Service Contract

(THIS PAGE INTENTIONALLY LEFT BLANK)

RUS-TX Bulletin 1780-9
(Rev. 5/17)

MARKOUT

WATER SUPPLY CORPORATION

SERVICE APPLICATION AND AGREEMENT

CORPORATION USE ONLY

Date Approved: _____
Service Classification: _____
Cost: _____
Work Order Number: _____
Eng. Update: _____
Account Number: _____
Service Inspection Date: _____

Please Print: DATE _____

APPLICANT'S NAME _____

CO APPLICANT'S NAME _____

CURRENT BILLING ADDRESS: _____

FUTURE BILLING ADDRESS: _____

SERVICE LOCATION ADDRESS (IF DIFFERENT FROM ABOVE): _____

PHONE NUMBER Home or Cell (_____) _____ - _____ Work (_____) _____ - _____

PROOF OF OWNERSHIP PROVIDED BY _____

DRIVER'S LICENSE NUMBER OF APPLICANT _____

LEGAL DESCRIPTION OF PROPERTY (Include name of road, subdivision with lot and block number) _____

PREVIOUS OWNER'S NAME AND ADDRESS (if transferring Membership) _____

PROPERTY SIZE/ACREAGE _____ SQUARE FOOTAGE OF STRUCTURE _____

NUMBER IN FAMILY _____ LIVESTOCK & NUMBER _____

SPECIAL SERVICE NEEDS OF APPLICANT _____

NOTE: FORM MUST BE COMPLETED BY APPLICANT ONLY. A MAP OF SERVICE LOCATION REQUEST MUST BE ATTACHED.

The following information is requested by the Federal Government in order to monitor compliance with Federal laws prohibiting discrimination against applicants seeking to participate in this program. You are not required to furnish this information, but are encouraged to do so. This information will not be used in evaluating your application or to discriminate against you in any way. However, if you choose not to furnish it, we are required to note the race/national origin of individual applicants on the basis of visual observation or surname.

Ethnicity: ☐ Hispanic or Latino

☐ Not of Hispanic or Latino

Race:

☐ White

☐ Black or African American

☐ American Indian/Alaska Native

☐ Asian

☐ Native Hawaiian or Other Pacific Islander

Gender: ☐ Male ☐ Female

AGREEMENT made this _____ day of _____, _____,
between Markout Water Supply Corporation, a corporation organized under the laws of the State of
Texas (hereinafter called the Corporation) and
_____ (hereinafter called the Applicant
and/or Member),

Witnesseth:

The Corporation shall sell and deliver water and/or wastewater service to the Applicant and the Applicant shall purchase, receive, and/or reserve service from the Corporation in accordance with the bylaws and tariff of the Corporation as amended from time to time by the Board of Directors of the Corporation. Upon compliance with said policies, including payment of a Membership Fee, the Applicant qualifies for Membership as a new applicant or continued Membership as a transferee and thereby may hereinafter be called a Member.

The Member shall pay the Corporation for service hereunder as determined by the Corporation's tariff and upon the terms and conditions set forth therein. The Applicant may request a copy of the Corporation's tariff. A copy of this agreement shall be executed before service may be provided to the Applicant.

The Board of Directors shall have the authority to discontinue service and cancel the Membership of any Member not complying with any policy or not paying any utility fees or charges as required by the Corporation's published rates, fees, and conditions of service. At any time service is discontinued, terminated, or suspended, the Corporation shall not re-establish service unless it has a current, signed copy of this agreement and the Member/Applicant has complied with all terms and conditions that caused the service discontinuance/termination.

If this agreement is completed for the purpose of assigning utility service as a part of a rural domestic water and/or wastewater system loan project contemplated with the Rural Development, an Applicant shall pay an Indication of Interest Fee in lieu of a Membership Fee for the purposes of determining:

- a. The number of taps to be considered in the design and
- b. The number of potential ratepayers considered in determining the financial feasibility of constructing
 - 1) a new water system or
 - 2) expanding the facilities of an existing water system.

The Applicant hereby agrees to obtain, utilize, and/or reserve service as soon as it is available. Applicant, upon qualification for service under the terms of the Corporation's policies, shall further qualify as a Member and the Indication of Interest Fee shall then be converted by the Corporation to a Membership Fee. Applicant further agrees to pay, upon becoming a Member, the monthly charges for such service as prescribed in the Corporation's tariff. Any breach of this agreement shall give cause for the Corporation to liquidate, as damages, the fees previously paid as an indication of interest. In addition to any Indication of Interest Fees forfeited, the Corporation may assess a lump sum of \$300.00 as liquidated damages to defray any losses incurred by the Corporation. If delivery of service to said location is deemed infeasible by the Corporation as a part of this project, the Applicant shall be denied Membership in the Corporation and the Indication of Interest Fee, less expenses, shall be refunded. The Applicant may re-apply for service at a later date under the terms and conditions of the Corporation's policies. For the purposes of this agreement, an Indication of Interest Fee shall be of an amount equal to the Corporation's Membership Fees.

All water shall be metered by meters to be furnished and installed by the Corporation. The meter and/or wastewater connection is for the sole use of the Member or customer and is to provide service to only one (1) dwelling or one (1) business. Extension of pipe(s) to transfer utility service from one property to another, to share, resell, or submeter water to any other persons, dwellings, businesses, or property, etc., is prohibited.

The Corporation shall have the right to locate a water service meter and the pipe necessary to connect the meter on the Member's property at a point to be chosen by the Corporation, and shall have access to its property and equipment located upon Member's premises at all reasonable and necessary times for any purpose connected with or in the furtherance of its business operations, and upon discontinuance of service, the Corporation shall have the right to remove any of its equipment from the Member's property. The Member shall install and maintain, at their own expense, any necessary service lines from the Corporation's facilities and equipment to the point of use, including any customer service isolation valves, backflow prevention devices, clean-outs, and other equipment as may be specified by the Corporation. The Corporation shall also have access to the Member's property for the purpose of inspecting for possible cross-connections, potential contamination hazards, illegal lead materials, and any other violations or possible violations of state and federal statutes and regulations relating to the federal Safe Drinking Water Act or Chapter 341 of the Texas Health & Safety Code or and the corporation's tariff and service policies.

The Corporation is responsible for protecting the drinking water supply from contamination or pollution which could result from improper practices. This service agreement serves as notice to each customer of the restrictions which are in place to provide this protection. The Corporation shall enforce these restrictions to ensure the public health and welfare. The following undesirable 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 airgap or an appropriate backflow prevention assembly in accordance with state regulations.

- 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 proper installation of an airgap or a reduced pressure-zone backflow prevention assembly and a service agreement must exist for annual inspection and testing by a certified backflow prevention device tester.
- c. No connection which allows condensing, cooling, or industrial process water to be returned to the public drinking water supply is permitted.
- d. No pipe or pipe fitting which contains more than 0.25 % lead may be used for the installation or repair of any public water supply.
- e. No solder or flux which contains more than 0.2 % lead may be used for the installation or to repair any plumbing in a residential or nonresidential facility providing water for human consumption and connected to a public drinking water supply system.

The Corporation shall maintain a copy of this agreement as long as the Member and/or premises is connected to the public water system. The Member shall allow their property to be inspected for possible cross-connections, potential contamination hazards, and illegal lead materials. These inspections shall be conducted by the Corporation or its designated agent prior to initiating service and periodically thereafter. The inspections shall be conducted during the Corporation's normal business hours.

The Corporation shall notify the Member in writing of any cross-connections or other undesirable practices which have been identified during the initial or subsequent inspection. The Member shall immediately correct any undesirable practice on their premises. The Member shall, at their expense, properly install, test, and maintain any backflow prevention device required by the Corporation. Copies of all testing and maintenance records shall be provided to the Corporation as required. Failure to comply with the terms of this service agreement shall cause the Corporation to either terminate service or properly install, test, and maintain an appropriate backflow prevention device at the service connection. Any expenses associated with the enforcement of this agreement shall be billed to the Member.

If this agreement is completed for the purpose of Temporary Service, Applicant shall follow all terms of the Corporation's Tariff regarding connection, payment of fees, and disconnection of service. The term of the temporary service is also stated in the Corporation's Tariff.

In the event the total water supply is insufficient to meet all of the Members, or in the event there is a shortage of water, the Corporation may initiate the Emergency Rationing Program as specified in the Corporation's Tariff. By execution of this agreement, the Applicant hereby shall comply with the terms of said program.

By execution hereof, the Applicant shall hold the Corporation harmless from any and all claims for damages caused by service interruptions due to waterline breaks by utility or like contractors, tampering by other Member/users of the Corporation, normal failures of the system, or other events beyond the Corporation's control.

The Applicant shall grant to the Corporation permanent recorded easement(s) dedicated to the Corporation for the purpose of providing reasonable rights of access and use to allow the Corporation to construct, maintain, replace, upgrade, parallel, inspect, test and operate any facilities necessary to serve that Applicant as well as the Corporation's purposes in providing system-wide service for existing or future members.

By execution hereof, the Applicant shall guarantee payment of all other rates, fees, and charges due on any account for which said Applicant owns a Membership Certificate. Said guarantee shall pledge any and all Membership Fees against any balance due the Corporation. Liquidation of said Membership Fees shall give rise to discontinuance of service under the terms and conditions of the Corporation's tariff.

By execution hereof, the Applicant agrees that non-compliance with the terms of this agreement by said Applicant shall constitute denial or discontinuance of service until such time as the violation is corrected to the satisfaction of the Corporation.

Any misrepresentation of the facts by the Applicant on any of the pages of this agreement shall result in discontinuance of service pursuant to the terms and conditions of the Corporation's tariff.

Witnesseth

Applicant Member

Approved and Accepted

Date Approved

(THIS PAGE INTENTIONALLY LEFT BLANK)

AFTER RECORDING RETURN TO:
 Markout Water Supply Corporation
 P.O. Box 907
 Forney, TX 75126

RE: _____ Rd, Forney, TX 75126
 LOCATION ID: _____

WATERLINE EASEMENT AND RIGHT-OF-WAY (by instrument)
(Including Temporary Easement for Construction)

STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
 COUNTY OF KAUFMAN §

That _____ and _____ (individually or collectively, "Grantor"), in consideration of one dollar (\$1.00) and other good and valuable consideration paid by MARKOUT WATER SUPPLY CORPORATION, (hereinafter called "Grantee"), the receipt and sufficiency of which is hereby acknowledged, does hereby grant, sell, transfer and convey unto the Grantee, its successors and assigns, a perpetual easement with the right to erect, construct, install and lay and thereafter access and use, operate, inspect, repair, maintain, replace, upgrade, parallel, remove and abandon-in-place public waterlines and appurtenances (the "Facilities") in, over, and across _____ acres of land situated in the _____ Survey, Abstract No. _____, Kaufman County, Texas, being more particularly described in Instrument No. _____ Real Property Records of Kaufman County, Texas (the "Property"), together with the right of ingress and egress over Grantor's adjacent lands only when necessary for Grantor to exercise the easement rights granted herein. There is expressly included in this grant the right of Grantee and its successors and assigns, at any time in the future, to install additional public waterlines and appurtenances within the Easement Property and the same shall become part of the Facilities.

Grantee is hereby authorized to designate the course of the perpetual easement herein conveyed, which shall be limited to a strip of land twenty (20') in width, the centerline thereof being the first waterline installed on the Property by Grantee (the "Easement Property").

Grantor also grants and conveys unto Grantee an additional strip of land ten feet (10') in width on each side of the Easement Property, being also a part of Grantor's Property, to accommodate construction equipment, materials and excavated earth during the initial installation of Facilities in the Easement Property. The foregoing temporary construction easement shall terminate upon completion of the installation of the initial Facilities by Grantee.

Grantee shall have such other rights and benefits as necessary or convenient for the full use and enjoyment of the easement rights granted herein including, without limitation: (1) the reasonable right of ingress, egress and regress over and across lands owned by Grantor that are contiguous to the Easement Property; and, (2) the right from time-to-time to remove any pavement, trees and undergrowth, structures, and other obstructions that may injure the Facilities or that may interfere with Grantee's use of the Easement Property for the easement purposes described herein; and, (3) the right to abandon-in-place the Facilities.

Upon completing any construction, maintenance, repairs or other subsequent work within the Easement Property, Grantee shall promptly repair any material damage to the Easement Property or Property caused by such work so as to restore the Property to substantially the same condition it was in prior to the commencement of such construction, maintenance, repairs or other work.

Grantor, as owner of the Property, reserves the right to continue to use and enjoy the surface of the Easement Property for all purposes that do not interfere with or interrupt the use or enjoyment of the Easement Property by Grantee for the easement purposes stated herein including pasturage and agricultural uses, and for construction and maintenance of private driveways and roads, fences, landscaping, sidewalks, and surface drainage. Grantor is prohibited from placing or constructing any building, structure or reservoir upon, over or across the Easement Property without Grantee's prior written consent.

In the event the county or state widens or relocates any public road so as to require the relocation of the Facilities as installed, Grantor further grants to Grantee an additional easement over and across the Property for the purpose of laterally relocating the Facilities as may be necessary to clear the road improvements, which easement hereby granted shall be limited to a strip of land twenty (20') in width, the center line thereof being the waterline as relocated.

The consideration recited herein shall constitute payment in full for the rights of Grantee to install the Facilities, now and in the future, within the Easement Property. The provisions of this grant shall constitute a covenant running with the land for the benefit of the Grantee. The easement rights of use granted herein are exclusive to Grantee and are assignable. Grantor covenants that Grantor owns the Property.

Grantor does hereby bind Grantor and Grantor's heirs, successors and assigns to WARRANT AND FOREVER DEFEND, all and singular, the perpetual easement herein granted to Grantee against every person whomsoever claiming, or to claim, the same or any part thereof.

Any reference to Grantee in this instrument includes Grantee and Grantee's successors and assigns.

When context requires, singular nouns and pronouns include the plural, and vice versa.

GRANTOR:

Full Name: _____

Full Name: _____

ACKNOWLEDGEMENT

STATE OF TEXAS §
 §
COUNTY OF KAUFMAN §

This instrument was acknowledged before me on the _____ day of _____,

By _____.

[SEAL]

Notary Public, State of Texas

Expiration Date: _____

STATE OF TEXAS §
 §
COUNTY OF KAUFMAN §

This instrument was acknowledged before me on the _____ day of _____,

By _____.

[SEAL]

Notary Public, State of Texas

Expiration Date: _____

AFTER RECORDING RETURN TO:
Markout WSC
P.O. Box 907
Forney, TX 75126

Re: _____, Forney, TX 75126
LOCATION ID: 01-_____

(THIS PAGE INTENTIONALLY LEFT BLANK)

WATERLINE EASEMENT AND RIGHT-OF-WAY (by platted tract)
(Including Temporary Easement for Construction)

STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
 COUNTY OF KAUFMAN §

That _____ and _____ (individually or collectively, "Grantor"), in consideration of one dollar (\$1.00) and other good and valuable consideration paid by MARKOUT WATER SUPPLY CORPORATION, (hereinafter called "Grantee"), the receipt and sufficiency of which is hereby acknowledged, does hereby grant, sell, transfer and convey unto the Grantee, its successors and assigns, a perpetual easement with the right to erect, construct, install and lay and thereafter access and use, operate, inspect, repair, maintain, replace, upgrade, parallel, remove and abandon-in-place public waterlines and appurtenances (the "Facilities") in, over, and across that certain lot or tract of land described as follows:

Lot _____ of _____, an addition to
 City of _____, Kaufman County, Texas, according to the plat
 thereof recorded in Cabinet __, Envelope __, of the Plat Records of
 Kaufman County, Texas (the "Property").

There is expressly included in this grant the right of Grantee and its successors and assigns, at any time in the future, to install additional public waterlines and appurtenances within the Easement Property and the same shall become part of the Facilities.

Grantee is hereby authorized to designate the course of the perpetual easement herein conveyed, which shall be limited to a strip of land twenty (20') in width, the centerline thereof being the first waterline installed on the Property by Grantee (the "Easement Property").

Grantor also grants and conveys unto Grantee an additional strip of land ten feet (10') in width on each side of the Easement Property, being also a part of Grantor's Property, to accommodate construction equipment, materials and excavated earth during the initial installation of Facilities in the Easement Property. The foregoing temporary construction easement shall terminate upon completion of the installation of the initial Facilities by Grantee.

Grantee shall have such other rights and benefits as necessary or convenient for the full use and enjoyment of the easement rights granted herein including, without limitation: (1) the reasonable right of ingress, egress and regress over and across lands owned by Grantor that are contiguous to the Easement Property; and, (2) the right from time-to-time to remove any pavement, trees and undergrowth, structures, and other obstructions that may injure the Facilities or that may interfere with Grantee's use of the Easement Property for the easement purposes described herein; (3) the right to abandon-in-place the Facilities, and (4) the right of ingress and

egress over Grantor's adjacent lands only when necessary for Grantor to exercise the easement rights granted herein.

Upon completing any construction, maintenance, repairs or other subsequent work within the Easement Property, Grantee shall promptly repair any material damage to the Easement Property or Property caused by such work so as to restore the Property to substantially the same condition it was in prior to the commencement of such construction, maintenance, repairs or other work.

Grantor, as owner of the Property, reserves the right to continue to use and enjoy the surface of the Easement Property for all purposes that do not interfere with or interrupt the use or enjoyment of the Easement Property by Grantee for the easement purposes stated herein including pasturage and agricultural uses, and for construction and maintenance of private driveways and roads, fences, landscaping, sidewalks, and surface drainage. Grantor is prohibited from placing or constructing any building, structure or reservoir upon, over or across the Easement Property without Grantee's prior written consent.

In the event the county or state widens or relocates any public road so as to require the relocation of the Facilities as installed, Grantor further grants to Grantee an additional easement over and across the Property for the purpose of laterally relocating the Facilities as may be necessary to clear the road improvements, which easement hereby granted shall be limited to a strip of land twenty (20') in width, the center line thereof being the waterline as relocated.

The consideration recited herein shall constitute payment in full for all damages sustained by Grantor by reason of the installation of the Facilities in the Easement Property. Grantee will maintain the Easement Property in a state of good repair. The provisions of this grant shall constitute a covenant running with the land for the exclusive benefit of the Grantee, its successors and assigns. Grantee may assign Grantee's rights in and to the Easement Property. Grantor covenants that Grantor owns the Property and the Property is free and clear of all encumbrances and liens.

Grantor does hereby bind Grantor and Grantor's heirs, successors and assigns to WARRANT AND FOREVER DEFEND, all and singular, the perpetual easement herein granted to Grantee against every person whomsoever claiming, or to claim, the same or any part thereof.

Any reference to Grantee in this instrument includes Grantee and Grantee's successors and assigns.

When context requires, singular nouns and pronouns include the plural, and vice versa.

GRANTOR:

Full Name: _____

Full Name: _____

ACKNOWLEDGEMENT

STATE OF TEXAS §
 §
COUNTY OF KAUFMAN §

This instrument was acknowledged before me on the _____ day of _____,

by _____.

[SEAL]

Notary Public, State of Texas
Expiration Date: _____

STATE OF TEXAS §
 §
COUNTY OF KAUFMAN §

This instrument was acknowledged before me on the _____ day of _____,

By _____.

[SEAL]

Notary Public, State of Texas
Expiration Date: _____

(THIS PAGE INTENTIONALLY LEFT BLANK)

MARKOUT WATER SUPPLY CORPORATION
NON-STANDARD SERVICE APPLICATION

Please Print or Type

Applicant's name/Company _____

Address/City/State/ZIP: _____

Phone number (____) _____ - _____ FAX (____) _____ - _____

E-mail _____

Please attach a legal description of the proposed development as listed in deed records as a filed plat or parcel of land where other types of non-standard water/sewer service are requested. Plat requirements include: name of subdivision, owner/developer's name, lot sizes and lot lines, lot numbers, right of way dimensions and dedicated utility easements, legal description, highway and county road numbers, total acreage, adjoining property owners, flood plain, and vicinity map. Instrument must show proof of ownership; preliminary plats are acceptable for discussion purposes but an "approved plat" must be provided before contract closing.

Check type of service application or development:

- ☐ Residential Subdivision ☐ Multi-family ☐ Mobile Home Park ☐ Trailer Park ☐ School
☐ Line Extension ☐ Commercial/Industrial Park ☐ Large Meter (>1")
☐ Multi-use Facility ☐ Other

Please list all water demand criteria for each meter or meter equivalent, or attach any engineering studies completed for the proposed service:

Maximum number of proposed lots: _____ Range of standard lot sizes: _____

Acreage _____

Please describe in detail the nature and scope of the project/development.

Initial needs _____

Phased and final needs, including a map showing each phase, and the projected land uses that support the requested level of service for each phase.

Please list any additional special service needs not listed above.

Please provide the flow, pressure and infrastructure needs for anticipated level of fire protection requested or required by ordinance, including line sizes and capacity.

Please provide the timeline for initiation of this service, and for service to each additional or projected phase following initial service, including a schedule of events leading up to the anticipated date of service. Specify this for all additional or projected phases.

Please describe how the utility may access the property during evaluation of application.

Please attach the following information, as applicable:

- A proposed calendar of events, including design, plat approval, construction phasing and initial occupancy.
- If applying for a single tap that requires a line extension, road bore, or upsizing of facilities, maps or plans detailing the location of the requested service installation and/or extension and details of demand requirements.

Required Fees

Applicant is required to pay a Non-Standard Service Investigation Fee the Corporation in accordance with Section G of the Corporation's tariff for purposes of paying initial administrative, legal, and engineering fees. The Corporation will 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 the Investigation Fee is not sufficient to pay all expenses incurred by the Corporation, the Applicant agrees to pay all additional expenses that have been or will be incurred by the Corporation and Corporation will have no obligation to complete processing of the Applications until all remaining expenses have been paid.

Corporation's response to service request

The Corporation will prepare a written response to Applicant's service request within 90 days from the date the application was submitted and the required fees were paid. The Corporation's response will state the timeframe within which the requested service can be provided, and the costs for which the Applicant will be responsible, which may include capital improvements, easements or land acquisition costs, and professional fees.

Applicant has received and reviewed Section F of the Corporation's tariff and agrees to comply with all the requirements contained therein.

Under penalties of perjury, I declare that I have reviewed the information presented in this Application, including accompanying documents, and to the best of my knowledge and belief, the information is true, correct and complete

Print Applicant/Name of Company

Signature of Authorized Representative

Date

2018 TRWA Recommend Updates

Markout WSC – Board Approved Changes through 9/14/2020

For Corporation Use Only

Date application received

Amount Fees Paid / Date Paid

Signature WSC staff member

NON-STANDARD SERVICE AGREEMENT

THE STATE OF TEXAS
COUNTY OF KAUFMAN

THIS AGREEMENT is made and entered into by and between _____, hereinafter referred to as “**Developer**”, and **Markout Water Supply Corporation**, hereinafter referred to as “**WSC**” or “**Corporation**”.

WHEREAS, Developer is engaged in developing that certain _____ acres of land in Kaufman County, Texas, more particularly known as the _____ subdivision, according to the plat thereof recorded at Cabinet _____. Envelope _____ of the Plat Records of Kaufman County, Texas and attached herewith as “**Exhibit A**”; said land being hereinafter referred to as “the Property”; and,

WHEREAS, WSC owns and operates a water system which supplies potable water for human consumption and other domestic uses to customers within its service area; and,

Whereas, Developer has requested the WSC to provide such water service to the Property through an extension of the WSC’s water system, such extension being hereinafter referred to as “the Water System Extension”; NOW THEREFORE:

KNOW ALL MEN BY THESE PRESENTS:

THAT for and in consideration for the mutual promises hereinafter expressed, and other good and valuable consideration, the sufficiency of which is hereby acknowledged by the parties, Developer and WSC agree and contract as follows:

1. Engineering and Design of the Water System Extension.

- a. The Water System Extension shall be engineered and approved by the WSC’s consulting engineer in accordance with the applicable specifications of the WSC and all governmental agencies having jurisdiction prior to the issuance of any request for bids for the construction of the Water System Extension and the commencement of any utility system construction on the property. After completion and approval of the plans and specifications, the plans and specifications shall become part of this Agreement by reference and shall more particularly define “the Water System Extension”.
- b. The Water System Extension must be sized to provide continuous and adequate water service to the Property based on plans for the development of the Property. If the property is to be developed in phases and the Developer desires the Water System Extension to be constructed in corresponding phases and such phased construction is deemed desirable and acceptable to the WSC at its sole discretion, Developer shall be required to execute a separate Non-Standard Service Agreement for each development and construction phase. The execution of one or more separate non-Standard Service Agreement(s) will not provide to or vest in the Developer any capacity reservations or service rights for any property not expressly covered by the executed agreement(s). The property to be covered and served under each agreement shall be clearly designated in a plat reviewed and approved by the WSC’s consulting engineer and the Board of Directors to be appended to the agreement and incorporated therein for all purposes.
- c. The WSC may require the Water System Extension to be oversized in anticipation of the needs of other customers of the WSC, subject to the obligation to reimburse the Developer for any such oversizing as provided below.

2. Required Sites, Easements or Rights-of-Way.

- a. Developer shall be responsible for dedicating or acquiring any easements across privately owned land or sites (including off-site) which are necessary for the construction or operation of the Water System Extension and for obtaining any Governmental approvals necessary to construct the Water System Extension in public right-of-way.
- b. Any easements acquired by the Developer shall be in a form approved by WSC (see “Exhibit B - Form of Easement” attached to this Agreement and made a part hereof) and shall be assigned to WSC upon proper completion of the construction of the Water System Extension.
- c. The validity of the legal instruments by which Developer acquires any such easements and by which Developer assigns such easements to WSC must be approved by WSC’s attorney.

3. Construction of the Water System Extension

- a. WSC’s consulting engineer, at Developer’s expense, shall advertise for bids for the construction of the Water System Extension in accordance with generally accepted bidding practices and shall award the contract for the construction of the Water System Extension subject to the approval of the WSC’s Board of Directors. WSC may reject any bid, contractor or subcontractor. No construction will commence until plans and specifications for the Water System Extension have been submitted to and approved by the Texas Commission for Environmental Quality and any other required regulatory agency, as may be required by law. WSC shall have no liability of any kind to Developer occasioned by delays or difficulties in obtaining any required governmental approvals, permits, licenses or certificates.
- b. The Water System Extension shall be constructed in accordance with the approved plans and specifications. WSC shall have the right to inspect all phases of the construction of the Water System Extension at Developer’s expense. Developer must give written notice to WSC of the date on which construction is scheduled to begin so that WSC may advise its consulting engineer. The WSC’s consulting engineer may charge reasonable inspection fees based on the actual costs of labor, travel and incidental expenses of the inspectors, plus 10% overhead.

4. Dedication of Water System Extension to WSC.

- a. Upon proper completion of construction of the Water System Extension and final inspection thereof by WSC, the Water System Extension shall be dedicated to the WSC by an appropriate legal instrument approved by WSC’s attorney. Any costs of remediation or rehabilitation necessary to bring the Water System Extension into compliance with all state, federal and WSC standards prior to acceptance by the WSC shall be borne by Developer. WSC shall have the sole decision of when the Water System Extension is acceptable. The Water System Extension shall thereafter be owned and maintained by WSC; however, Developer shall warrant the construction and suitability of the same for a period of one (1) calendar year and shall bear all costs of repairs and improvements during this warranty period.

5. Subdivision Restrictions.

- a. ~~Developer shall create and~~ enforce permanent and irrevocable subdivision deed, plat or other restrictions and/or covenants running with the land which shall prohibit the construction of private potable water systems or water wells within the subdivision. These prohibitions need not apply to non-potable water sources used for irrigation purposes only if they do not encroach on or in any way hazard the WSC's source of water. No interconnection between a private water supply and the WSC's water supply may be constructed or maintained except in strict conformance with applicable state or federal health, safety, environmental and utility regulations.

6. Cost of the Water System Extension.

- a. Developer shall pay all costs associated with the Water System Extension as a contribution in aid of construction, including, without limitation, the cost of the following:
- i. engineering and design;
 - ii. easement or right-of-way acquisition;
 - iii. construction;
 - iv. inspection;
 - v. attorney's fees;
 - vi. governmental or regulatory approvals required to lawfully provide service, including all costs of amending WSC's Certificate of Convenience and Necessity;
 - vii. WSC's prescribed capital improvement (impact) fee (by anticipated meter size) and/or capacity reservation charge for each lot and/or service connection for which the Water System Extension is designed to serve less credit for any production, treatment, storage, pressure and transmission facilities added to WSC's utility system at Developer's expense to serve the property in question; however, no credit shall be provided for distribution lines, valves, taps, services, flush vales, and appurtenances thereto (together the "distribution system infrastructure") constructed at Developer's expense and the total offset credit received shall never exceeded the total amount of WSC's prescribed impact or capital improvement fee (by anticipated meter size) and/or capacity reservation charge which would otherwise be collected.
- b. Developer shall indemnify WSC and hold WSC harmless from all of the foregoing costs.
- c. Payment of Contribution in Aid of Construction:
- i. A Non-Standard Service Investigation Fee in an amount set by the WSC's Board of Directors, in consultation with the WSC's consulting engineer and counsel, shall be paid by cashier's check payable to the WSC at the time of initial application for service.
 - ii. The WSC's Capital Improvement Fee, as defined by the WSC's approved rate schedule in effect at the time payment is made shall be paid by cashier's check payable to the WSC within ninety (90) days of the letter of approval of the consulting engineer's plans for the Service Extension by the WSC or the Texas Commission for Environmental Quality. Failure to deliver the funds to the WSC's offices within the ninety (90) day period shall void the application for non-standard service and the Developer shall have to reapply and replay all applicable Non-Standard Service Investigation Fees. Upon timely payment of