



## Filing Receipt

**Received - 2022-02-04 01:30:10 PM**

**Control Number - 53075**

**ItemNumber - 288**

AH



TRI-COUNTY S.U.D.  
P.O. BOX 976  
MARLIN, TEXAS 76661  
(817) 803-3553

March 11, 1997

CCN#10054

Texas Natural Resource Conservation Commission  
Post Office Box 13087  
Austin, Texas 78711-3087

M.C.  
153

To Whom It May Concern:

Gentlemen:

Enclosed is a copy of the revised Operations Policy (Tariff) for Tri-County Special Utility District. The revision is effective as of March 10, 1997. This copy is for your information and records.

For further information or questions, please contact our office.

Sincerely,

George Phillip, President

RECEIVED

MAR 20 1997

NATURAL RESOURCE CONS COMM  
UTILITY RATES AND SERVICES

OPERATIONS POLICY

REVISED MARCH 10, 1997

REVISION NO. 3

TRI-COUNTY SPECIAL UTILITY DISTRICT

P.O. BOX 976

MARLIN, TEXAS 76661

(817) 803-3553

Fax (817) 883-2771

**RECEIVED**

**MAR 20 1997**

12 NATURAL RESOURCE CONS COMM  
UTILITY RATES AND SERVICES

RESOLVED BY THE BOARD OF DIRECTORS OF TRI-COUNTY SPECIAL UTILITY DISTRICT THAT:

1. This Policy of Tri-County Special Utility District, serving parts of Falls, Limestone, McLennan, and Robertson Counties, consisting of Sections 1 thru 5 inclusive, is hereby adopted and enacted as the current regulations which shall supersede all policies passed by the Board of Directors of Tri-County Special Utility District before March 10, 1997, to the extent provided in Paragraph 2 hereof.

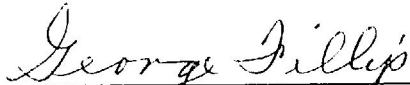
2. No prior agreement executed by the Board of Directors is repelled by any provision contained herein, save and except as provided in the terms of that agreement.

3. The adoption of the provisions of this Policy shall not affect any offense nor act committed nor done, nor any penalty of forfeiture incurred, nor any contract nor vested right established or accruing before the effective date of this Tariff.

4. An official copy of this Policy shall be available to the Consumers of this District during regular office hours of the District. Requests for copies of this policy shall be subject to reproduction charges. The Secretary of the District shall maintain the original copy as approved, and clearly exhibit all additions, deletions, and amendments separately.

5. This Policy shall take effect immediately upon its approval as provided by law, and according to its terms. Rules and regulations of state and federal agencies having applicable jurisdiction, promulgated under any applicable State or Federal Law, shall supersede any terms of this Policy. If any section, paragraph, sentence, clause, phrase, word, or words of this policy are declared unconstitutional or invalid for any purpose, the remainder of this policy shall not be affected thereby.

PASSED and APPROVED this 10th day of March, 1997.



\_\_\_\_\_  
President, TRI-COUNTY SPECIAL UTILITY DISTRICT

SEAL

ATTEST:



\_\_\_\_\_  
Secretary, TRI-COUNTY SPECIAL UTILITY DISTRICT



TABLE OF CONTENTS

	PAGE
SECTION 1.	
1.01 Definitions	3
thru	&
1.20	4
SECTION 2.	
Statements	
2.01 Organization	5
2.02 Non-Discrimination Policy	5
2.03 Rules Application	5
2.04 Fire Protection Responsibility	5
2.05 Damage Liability	5
2.06 Information Disclosure	5
2.07 Customer Notice Provisions	5
2.08 Grievance Procedures	5&6
SECTION 3.	
3.01 Geographic Area Served	6
SECTION 4.	
Water Deposits, Rates, and Fees Schedule	
4.01 Non-Refundable	7
4.02 Rate Schedule	7
4.03 Fee Schedule	7
4.04 Consumer Deposit	7
4.05 Deferred Payment Plan	7
SECTION 5.	
Service Rules and Regulations	
5.01 Service	8
5.02 New Connections and Service	8&9
5.03 Due Dates	9
5.04 Disputed Bills	10
5.05 Cancellation of Service	10
5.06 Discontinuance of Service	10&11
5.07 Prohibition of Multiple Connections	11
5.08 Property Owners / Consumers Responsibility	11&12
5.09 Meter Readings	12
5.10 Meter Tests	12
5.11 Bill Adjustments	12
5.12 Meter Tampering and Diversion	13
5.13 Extension Policy	13
5.14 Sub-Divisions Service Policy	13&14

5.15	Meter Relocation's	14
5.16	Service Trips	14
5.17	Equipment Damage	14&15
5.18	Deferred Payment Agreement	15

DEFINITIONS

- 1.01 ACTIVE SERVICE - The status of any consumer receiving authorized water service under the provisions of this policy.
- 1.02 IMPACT FEE - A fee assessed new Applicants for water service for the purpose of acquiring capital to defray the costs of expanding the system facilities in order to meet the customer growth needs of the District. This fee is charged for each meter or lot (tap) for which service has been requested.
- 1.03 APPLICANT - Any person, partnership, cooperative corporation, corporation, agency, public or private organization of any character applying for service with the Tri-County Special Utility District.
- 1.04 BOARD OF DIRECTORS - The Board Of Directors elected by the Consumers or potential consumers of the Tri-County SUD in accordance with Statue and Regulations.
- 1.05 CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) - The authorization granted under Chapter 13 of the Texas Water Code for the Tri-County SUD to provide water utility service within a defined area. Tri-County SUD has been issued Certificate Number 10054. Territory defined in the CCN shall be the Certified Service Area.
- 1.06 CONSUMER, USER, OR CUSTOMER - A Consumer who purchases water service.
- 1.07 CONSUMER DEPOSIT - A deposit that is required upon application of service.
- 1.08 TRI-COUNTY S.U.D. - The Tri-County Special Utility District.
- 1.09 DISCONNECTION OF SERVICE - The locking or removal of a water meter to prevent the use of water by a consumer.
- 1.10 EASEMENT - A private perpetual dedicated right-of-way for the installation of water and /or sewer pipelines and necessary facilities which allows access to property for future operation, maintenance, facility replacement, facility upgrades, and/or installation of additional pipelines (if applicable). This may also include restrictions on the adjacent area to limit the installation of sewer lines or other facilities that would restrict the use of any area of the easement.
- 1.11 HAZARDOUS CONDITIONS - Any condition which jeopardizes the health and welfare of the Consumers of the District as determined by the District or other regulatory agency.
- 1.12 MINIMUM MONTHLY CHARGE - The term Minimum Monthly Charge is used to define the monthly charge assessed each Consumer of the District utilizing service or each Consumer who has the opportunity to utilize service via a metering device installed by the District. In the text of this Policy, the term may be used generically to describe Minimum Monthly Charge or Reserved Service Charge, the two monthly charges assessed each Consumer entitled to service. See Definition of Reserved Service Charge.

1.13 OTHER REGULATORY AGENCY - The Texas Natural Resource Conservation Commission, The United States Environmental Protection Agency and any other Protection Agency and any other such agencies as may exercise now or in the future exercise regulatory authority in the operation of the District.

1.14 RENTER - A person or other entity who rents or leases property from a landowner and may otherwise be termed tenant.

1.15 RESERVED SERVICE CHARGE - A minimum monthly charged assessed each consumer who has applied for service with the District but has delayed the installation of the meter(s) on the lot or property for which service has been requested. The purpose of this fee is to reserve service capacity at a desired location pending a decision on the part of the consumer on where to locate the meter. This fee is paid in lieu of the Minimum Monthly Charge until such time as a lot may be sold and a metered connection provided as requested. The Reserved Service Charge shall be cost-based to defray actual costs of service to the property for which service has been requested.

1.16 RURAL UTILITIES SERVICE (RUS) - An agency of the United States Department of Agriculture Rural Development Mission Area, previously called Farmers Home Administration Mission Area (FmHA), that provides loan and grant funds for development of rural water and sewer systems serving communities with a population of less than ten thousand (10,000) people, includes successor agencies.

1.17 SERVICE - The actual delivery of water to the customer. It includes any and all acts done, rendered or performed in the delivery of water by Tri-County SUD.

1.18 SERVICE APPLICATION AND AGREEMENT - A written agreement between the owner/applicant and the District defining the specific type of service requirements requested on the current service application and agreement form, and the responsibilities of each party required before service is furnished.

1.19 TNRCC - The Texas Natural Resources Conservation Commission

1.20 SUD - Special Utility District

## GENERAL OPERATING STATEMENTS

2.01 ORGANIZATION - The District is a special utility district organized and operating under the terms and conditions of Texas law. It exists for the purpose of furnishing a potable water utility service to the customers within its boundaries and to certain out-of-district customers. The management of the district is controlled by the Board of Directors, the members of which are elected by the resident qualified voters of the District residing within the District's boundaries.

2.02 NON-DISCRIMINATION POLICY - Service of water is provided to all applicants who comply with the provisions of the Policy regardless of race, creed, color, national origin, sex, age, or marital status.

2.03 RULES APPLICATION - The rules and regulations specified herein apply to the water service furnished by Tri-County SUD. Failure on the part of the consumer to observe these rules and regulations of the district, after due notice of such failure, automatically gives the district the authority to deny or discontinue the furnishing of service as provided herein.

2.04 FIRE PROTECTION RESPONSIBILITY - Fire hydrants installed within the District's distribution system are provided at the convenience of the District and do not imply any responsibility on the part of the District to meet the fire flow requirements of any local, county, state, or federal governmental agencies. Fire hydrants paid for by individuals or groups of individuals and donated to the District for county volunteer department use shall remain in place as "refill only" of fire trucks. The District reserves the right to remove any fire hydrant, due to improper use or detriment to the system as determined by the District, at any time without notice, refund or compensation to the contributors.

2.05 DAMAGE LIABILITY- The Tri-County SUD is not liable for damages caused by service interruptions, events beyond its control, and for normal system failures. The limit of liability of Tri-County SUD is the extent of the cost of service provided. By acceptance of water service, Consumer consents to waiver of such liability.

2.06 INFORMATION DISCLOSURE - The records of the District shall be kept in the District office in Marlin, Texas. These records may, upon request, be examined by any Consumer. The records may not be removed from the District's office and the District staff reserves the right to require reasonable notice of requests for information and the opportunity to consult its governing body and/or legal counsel prior to disclosure as provided by the Texas Open Records Act. A reasonable charge may be assessed anyone requesting copies of records.

2.07 CUSTOMER NOTICE PROVISIONS - The District shall give written notice of monthly water rate changes by mail or hand delivery to all affected members at least 30 days prior to the effective date of the new rate.

2.08 GRIEVANCE PROCEDURES - Any Consumer or individual demonstrating interest under the policies of the policy shall have an opportunity to voice concerns or grievances to the District by the following means and procedures:

A. By Presentation of concerns to the Districts General Manager or authorized staff member for discussion and resolution. If not resolved to the satisfaction of the aggrieved party then,

B. By presenting a letter of request for a hearing before the Board of Directors. The letter shall state the individual's desired business before the Board and the desired result.

C. The President of the Board of Directors shall review the regrets and determine the best means by which the complaint shall be resolved.

D. The President shall further determine a reasonable time and place of all hearings, but not beyond 45 days of the date of the receipt of the letter of complaint.

E. The Board of Directors, committees thereof, and/or legal counsel shall hear the complaint as directed by the Board.

F. Any hearings by committees or staff delegated to hear complaints shall report its recommendation to the full Board for a decision by the Board.

G. The Board of Directors shall act upon the information available and direct the President or other representative to respond to the complaint by communicating the Board's decision in writing.

H. Any charges or fees contested as a part of the complaint in review by the District under this policy shall be suspended until a satisfactory review and final decision has been made by the Board of Directors. The Board's decision shall be final.

#### GEOGRAPHIC AREA SERVED

##### 3.01 Listing of Counties and Communities Served.

A. Eastern Falls County, Texas, including the rural areas immediately surrounding the city of Marlin, Texas, the communities of Highbank, Alto Springs, Blue Ridge, Stranger, McClanahan, Otto, and Sunset, and the town of Reagan, Texas.

B. Southeastern McLennan County, Texas, consisting of the rural areas southwest of Riesel, Texas, and south and southwest of Mart, Texas.

C. Western Limestone County, Texas, including the rural areas west of Groesbeck, Texas, along State Hwy 164, and the communities of Victoria, Kirk, Midway, Lavender, Ben Hur, Odds and Coit.

D. Northern Robertson County, Texas, consisting of the rural areas immediately surrounding the town of Bremond, Texas.

E. The Perry WSC, Falls County, Texas, and the town of Kosse, in Limestone County, Texas, are supplied with Treated water as needed under Water Purchase Contracts approved by the Board of Directors of Perry WSC, the City Council of Kosse, the Board of Directors of Tri-County Sud and the RUS.

F. The City of Bremond, Texas, Robertson County, is supplied with Raw water, as needed, under Water Purchase Contracts approved by the Board of Directors of Bremond and The Board of Directors of Tri-County SUD.

WATER DEPOSITS, RATES AND FEES SCHEDULE

4.01 Non-Refundable. -- Unless specifically provided for in these Rules, ALL fees, rates, Deposits , and charges as herein stated shall be Non-Refundable.

4.02 RATE SCHEDULE

Residential	2,000 gallon min. All over 2,000 gals.	\$ 25.00 2.50/1,000 gals.
Commercial	2,000 gallon min. All over 2,000 gals.	\$ 25.00 2.50/1,000 gals.
Kosse	Minimum charge All gals	\$534.00 2.00/1,000 gals.
Perry	Minimum charge All over 2,000 gals.	\$ 50.00 2.00/1,000 gals.
Bremond	Raw water - All gals.	\$ 2.00/1,000 gals.

4.03 FEE SCHEDULE

Consumer Deposit	\$ 100.00
Impact Fee	\$ 600.00
Installation	\$ 180.00
Reinstallation	\$ 50.00
Reconnection	\$ 40.00
Service Trip	\$ 27.50
Returned Check Service Charge	\$ 25.00
Charge For NOT Submitting Meter Reading	\$ 2.00
Late Payment Penalty	\$ 2.00
Administrative Fee	\$50.00

4.04 Consumer Deposit --This shall be applied to the Final Water Service Bill and any remaining Deposit shall be refunded to the Consumer, no interest shall accrue or be paid on any deposit.

4.05 Deferred Payment Plan -- A written deferred payment plan may be intered into by the District and the consumer for the impact and installation fees plus an administrative fee for a period not to exceed six months.

## SERVICE RULES AND REGULATIONS

## 5.01 SERVICE

A. Eligibility for service shall not guarantee service to the Applicant or Transferee; however, qualification for service is a prerequisite to Service eligibility for new Applicants or continued Service for Consumer Transferees.

B. Upon qualification for service, and payment of the required fees, The Board of Directors shall approve the service application. The service approval shall entitle the applicant/consumer to one ( 1 ) connection to the district's water main. Each Service Connection shall be assigned to the specified parcel of land originally designated to receive service at the time of application.

C. To keep a Active Service in good standing, a minimum charge must be paid monthly to the District, whether or not water is used. The Consumer shall also complete a Service Discontinuance Request Form prior to termination of service. However, a Consumer is not relieved of any obligations incurred prior to termination of service. Rights to future service at this tap shall be extended on an as-available basis and subject to the terms of the New Connections and Services Sub-Section 5.02.A of this Policy.

## 5.02 NEW CONNECTIONS AND SERVICES

## A. DISTRICT WATER MAIN IN PLACE ON USER PROPERTY

After proper application and Deposit made by the Consumer and receipt by the District of applicable Non-Refundable Deposit connection fees, and impact fees, the District shall effect the installation of a standard meter box and 5/8" X 3/4" meter at a mutually agreeable point not more than five (5) feet in distance from the existing water main. In the event the District water main does not have sufficient capacity to serve the new applicant with water service without reducing service to existing users below regulatory standards, the Applicant shall cause to be installed additional facilities to provide the service and any facilities so provided shall be the property of the District.

## B. DISTRICT WATER MAIN NOT ON USER PROPERTY

In the event an Applicant desires water service on a property which currently does not have District water mains in place, the Applicant, in addition to paying the appropriate fees, shall pay for additional facilities as may be required to provide the service and any facilities so provided shall be the property of the District. In those instances where the water mains have been located in the Public Right-of-Way adjacent to the Applicants property due to the Applicants previous refusal to grant easement to the District for the purpose of installing the water main and appurtenances, the Applicant, prior to receiving the requested service, shall grant easement to the District and pay to the District, in addition to the standard fees, such sums as are necessary for removal of the water main from the Public Right-of-Way to the Applicants property.

## C. APPLICATION REQUIRING PROFESSIONAL SERVICES OF ENGINEER

If the services of a registered professional engineer are required as a result of an application for service received by the District ( the Engineer being Approved by the District), the Applicant shall bear all expenses incurred from these services.

## D. RE-SERVICE

The same terms which apply under the New Connections and Services, Sub-Section 5.02.A, shall be applied to Re-Service requests.

## E. REQUESTS FOR NON-STANDARD SERVICE

If an Applicant requires other than the standard service and meter provided by the District, such applicant will be required to pay all expenses incurred by the District in excess of the expense that would be incurred in providing the standard service and meter.

## F. REFUSAL OF SERVICE

## (1) Non-Compliance by Applicant

The District may decline to serve an applicant until such applicant has complied with the state and municipal regulations and approved rules and regulations of the District on file with the TNRCC governing the service applied for or for one of the following reasons:

(a) If the Applicant's installation or equipment is known to be hazardous or of such character that satisfactory service cannot be given.

(b) If the Applicant is indebted to the District or to any other utility for the same kind of service applied for. Service may be provided upon payment in full of amounts due the District and of all other applicable fees.

## (2) Applicant's Recourse

In the event that the District shall refuse to serve an applicant under the provisions of these rules, the District must inform the Applicant they may file a complaint with the TNRCC.

## (3) Insufficient Grounds for Refusal to Serve

The following shall not constitute sufficient cause for refusal of service to a present Customer or Applicant:

(a) Delinquency in payment for service by a previous occupant of the premises to be served;

(b) Failure to pay a bill to correct previous underbilling due to misapplication of rates more than six (6) month prior to the date of application;

(c) Violation of the District's rules pertaining to operation of non-standardized equipment or unauthorized attachments which interfere with the service of others unless the Consumer has first been notified and afforded reasonable opportunity to comply with said rules;

(d) Failure to pay the bill of another Consumer as guarantor thereof, unless the guarantee was made in writing to the District as a condition precedent to service; or

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

## 5.03 DUE DATES

A. The District shall mail all bills as nearly as possible to the 25th day of the month. All Bills shall be due by the date indicated on the bill ( allowing about 15 days to pay) after which time a penalty shall be applied. A bill is considered delinquent if not received in the office by five o'clock PM( 5:00pm) on the due date. Payments made by mail shall be considered late if received in the office after five o'clock PM ( 5:00pm ) on the due date, regardless of the postmark on the envelope. Payments dropped in the night drop box after five o'clock PM ( 5:00pm ) on the due date are considered delinquent. Final notices shall be mailed on the day following the due date allowing ten ( 10 ) additional days for payment prior to disconnection ( normally on the 20th of the month). If the due date for the final or regular billing is on a weekend or holiday, the next due date for payment purposes shall be the next day the District is open for business after said holiday or weekend. For all disputed payment deadlines, the date shown on each bill will determine the due date and the date of disconnection.

B. A renter shall be responsible for the bill for water service except when a renter/owner agreement is ineffect as provided by TNRCC Parg. 291.84(e).



## 5.04 DISPUTED BILLS

In the event of dispute between the customer and the utility regarding any bill, the District shall forthwith make such investigation as shall be required by the particular case and report the results thereof in writing to the customer. Such investigation shall be concluded within a period of thirty ( 30 ) days from the date written complaint is received in the district's office. If a satisfactory agreement is not reached by this means, the Consumer may appear in person before the Board and request relief. The Board will at this time resolve the dispute in a manner equitable to all consumers of the District. The decision of the Board is final.

## 5.05 CANCELLATION OF SERVICE

A. When the amount of the delinquent minimum monthly charges, gallonage charges, penalties and service fees owed by the consumer equals the deposit fee, the deposit shall be credited against outstanding balance owed the district. The District shall attempt to collect any remaining balances through appropriate means.

B. The District may cancel service anytime a consumer fails to comply with policies of the District.

## 5.06 DISCONTINUANCE OF SERVICE

## A. Service may be discontinued

( 1 ) Upon violation of the District's rules pertaining to the use of service in a manner which interferes with the service of others or the operation of non-standard equipment, a reasonable attempt having been made to notify the Consumer and he is given a reasonable time in which to remedy the situation;

( 2 ) Without notice where a known dangerous condition exists for as long as the conditions exist.

( 3 ) For tampering with the District's meter or equipment or bypassing the same. This includes the connection to the meter of a second dwelling where proper application and payment of fees to the District has not been made;

( 4 ) In the event a check, draft, or any other similar instrument is given by a person, firm, corporation, or partnership to the District for payment of services provided by this policy, and the instrument is returned by the bank or other similar institution as insufficient or non-negotiable for any reason. The District shall mail, via the U. S. Postal Service, a notice requiring redemption of the returned instrument within five ( 5 ) business days of the date of the notice to the customer, redemption to be made in the District's office. Redemption shall be made by cash, money order, or certified check, and the returned check fee shall be added. If a consumer has three ( 3 ) returned instruments in a calender year then the consumer is required to pay with cash, money order or cashiers check for the remainder of that calender year.

( 5 ) For failure of Consumer to meet requirements of the regulatory authority for the construction or maintenance of on-site sewage facilities as authorized by the Texas Sanitation and Health Protection Law, TCS, Article 4477-1.

## B. Service may not be Disconnected

( 1 ) For failure of the consumer to pay for merchandise provided by the District, unless an agreement exists between the Applicant and the District whereby the Consumer guarantees payment of non-utility service as a condition of service;

( 2 ) Failure of the Consumer to pay charges arising from an under billing due to misapplication of rates occurring more than six ( 6 ) months prior to the current billing; or

( 3 ) In response to a request for disconnection by a Property owner of rental property where the renter is billed directly by the District as authorized by the owner and the renters account is not scheduled for disconnection under the rules for disconnection in this Policy. The Property owner must put his own lock on his own cut-off.

C. Unless a dangerous condition exists, or unless the Consumer requests disconnection, service shall not be disconnected on a day immediately preceding a day when personnel of the District are not available for the purpose of making collections and reconnecting service.

D. The District may not abandon a customer or a certified service area without written notice to it's Customers therein and all similar neighboring utilities nor without approval from the TNRCC.

E. The District may not discontinue service to a delinquent residential consumer permanently residing in an individually metered dwelling unit when that consumer establishes that discontinuance of service will result in some person at that residence becoming seriously ill or more seriously ill if service is discontinued. Each time a consumer seeks to avoid termination of service under this Sub-Section, the consumer must have the attending physician call or contact the District within sixteen (16) days of issuance of the bill. A written statement must be received by the District from the physician within twenty six (26) days of the issuance of the utility bill. The prohibition against service termination shall last sixty three (63) days from the issuance of the utility bill or such lesser period as may be agreed upon by the District and Consumer's physician. The consumer shall enter into a Deferred Payment Agreement..

#### 5.07 PROHIBITION OF MULTIPLE CONNECTIONS TO A SINGLE TAP

In order that the District may maintain adequate records of the actual number of users on its system to assure a compliance with TNRCC Rules and Regulations on minimum service standards, to insure that charges are received for each user on the system, and to insure that the District's metering device is adequately sized for proper flow and accurate measurement of water used, all connections of any dwelling, household business and/or water-consuming establishment currently receiving or planning to receive water service, either directly or indirectly from the District's water system, shall individually apply for service under the rules of this policy. Any unauthorized submetering of service shall be considered a Multiple Connection and subject to disconnection of service. If the District has sufficient reason to believe a Multiple Connection exists, the District shall discontinue service under the Disconnection with Notice provisions of this policy.

#### 5.08 PROPERTY OWNER/CONSUMER RESPONSIBILITY

A. The property owner/consumer shall provide access to the meter at all reasonable times for the purpose of reading, installing, checking, repairing or replacing the meter. The property owner/consumer shall provide a key to locked gates. If the gate to property owner/consumer premises is locked, preventing access to the meter, a notice shall be sent to the effect that entrance could not be gained and that a key should be furnished or the gate unlocked. Should the gate remain locked for three (3) consecutive months after proper notification to the property owner/consumer, then service shall be discontinued and the meter removed with no further notice.

B. The District's ownership and maintenance responsibility of water supply and metering equipment shall end at the point where the consumer connects to the equipment provided by the District during the installation of the metering equipment. Therefore, all water usage registering upon and/or damages occurring to the metering equipment owned and provided by the District shall be subject to charges as determined by the District's policy as amended from time to time by the Board of Directors.

C. The District shall require each consumer to provide a cutoff valve on the consumer's side of the meter for purposes of isolating the consumer's service pipeline and plumbing facilities from the District's water pressure. The consumer's use of the District's curb stop or other similar valve for such purposes is prohibited. Any damage to the District's equipment shall be subject to service charges.

#### 5.09 METER READINGS

A. Upon receipt of the monthly billing, consumer shall read their meter or meters, recording the reading on the billing form for transmittal to the District along with their current payment.

B. As a matter of general practice, service meters shall be read by District employees at tri-monthly intervals on dates corresponding as nearly as possible to the date the consumer may be reasonably expected to receive the monthly billing. Meters may be read at other than scheduled times if circumstances warrant.

C. If the consumer reading is not received by the District in time for billing, the District will not estimate readings but will render a bill for service reserved plus a penalty charge for non-reading.

D. The District shall reserve the right to periodically check any or all meters to insure proper operation and/or billing.

#### 5.10 METER TESTS ON REQUEST OF CUSTOMER

The District shall, upon receipt of a completed Meter Test Form from the consumer, and, in his presence or in that of his authorized representative, make a test of the accuracy of the Consumer's meter. The test shall be made during the District's normal working hours at a time convenient to the consumer if possible. The test shall be made preferably on the consumer's premises but may, at the District's discretion, be made at the District's test laboratory. If the meter is found to be within the accuracy standards established by the American Water Works Association, The District may charge the consumer a fee which reflects the actual cost plus labor plus twenty five (25) cents per mile. Following the completion of any requested test, the District shall promptly advise the consumer of the date of removal of the meter, the date of the test, the result of the test and who made the test. In the event the test results indicate that the meter is faulty or inaccurate, the test fee shall be waived, the meter shall be calibrated or replaced, and a billing adjustment may be made as far back as six (6) months but not extending beyond date of water service. The Meter Test Request Form must be completed prior to the test.

#### 5.11 BILL ADJUSTMENT DUE TO METER ERROR

If any meter is found to be outside of the accuracy standards established by the American Water Works Association, proper correction shall be made of previous readings for the period of six (6) months immediately preceding the removal of such meter from service for test, and adjusted bills shall be rendered. No refund is required from the District other than to the consumer last served by the meter prior to the testing. If a meter is found not to register for any period, unless tampered with or bypassed, the District may make a charge for units used, but not metered, for a period not to exceed three (3) months based on amounts used under similar conditions during preceding periods, periods subsequent thereto, or during corresponding periods in previous years.

## 5.12 METER TAMPERING AND DIVERSION

For purposes of these Sections, meter-tampering, by-passing, or diversion shall all be defined as tampering with the District's meter or equipment, by-passing the same, or other instances of diversion, such as removing a locking or shut-off device used by the District to discontinue service, physically disorienting the meter, attaching objects to the meter to divert service or to by-pass, inserting objects into the meter, and other electrical and mechanical means of tampering with, by-passing or diverting services. The burden of proof of meter-tampering, by passing or diversion is on the District. Photographic evidence or any other reliable and credible evidence may be used; however, any evidence shall be accompanied by a sworn affidavit by the District's staff when any action regarding meter-tampering as provided for in the Sections is initiated. A court finding of meter-tampering may be used instead of photographic or other evidence, if applicable. Unauthorized users of services of the District shall be prosecuted to the extent allowed by law.

## 5.13 EXTENSION POLICY

It is the policy of the District that all extensions or improvements to facilities required as a result of an application or applications for service, except those that are a part of a program to be financed by the RUS as a general extension project, shall be paid for in full by the applicant or applicants for such service, and will include the cost of engineering under Section 5.02.C. and 5.14. Payment received by the District for such extension or improvement shall be in addition to the standard Impact and Connection Fee requirements.

## 5.14 SUB-DIVISIONS SERVICE POLICY

A. The Board of Directors of the District shall interpret, on an individual application basis, whether or not the Applicant's request shall be subject to the Rural Sub-Division policy.

B. Prior to submitting a formal application, the Developer should make inquiry through the District office as to the availability of water at the location which he proposes to sub-divide.

C. The Developer shall be required to pay all costs associated with the installation of the facilities. These costs shall include materials, labor, legal fees, inspection fees, design and/or examination fees, etc. The District will require an estimated deposit of the cost of the project.

D. The Developer shall present to the District, along with his application, a final plat of the sub-division indicating that it has been approved by the governmental entity having jurisdiction over the area where the sub-division is located. In cases where the applicable governmental entity withholds its final approval until all roads, etc, are installed, a letter from the governmental entity so stating shall accompany the plat and the application.

E. The proposed facilities to provide water service to and within the sub-division must be prepared by a Registered Professional Engineer licensed to practice in the State of Texas, and shall conform to the design criteria established by the District. Pipe to be used in the Sub-Division must be approved by the District in order to maintain uniformity within the system.

F. The design of the proposed facilities shall be submitted to the Consulting Engineer who represents the District for his examination and shall include properly prepared hydraulic calculations, plats, profiles, specifications, etc. The District Engineer shall examine the plans and present his comments and recommendations to the District in writing. The Board of Directors shall then notify the Developer of its approval, disapproval or of its need for additional information.

G. Facilities shall be installed on private property to which the District has title or easement. The cost of securing title to property and/or easements shall be borne by the Developer. The contractor used for the job of laying lines must be approved by the Board of Directors

H. Proper design of the proposed facilities may require "Off-Site" construction. The District with assistance from its Consulting Engineer, shall determine the tie-in points for the proposed facilities, taking into consideration such items as anticipated future growth in the area and the service requirements of its present customers.

I. Upon completion of the installation and after receiving satisfactory evidence that all bills in connection therewith have been paid, the District shall accept the facilities and assume control of same. Maintenance shall be assumed after one year.

J. The Developer shall not be required to pay water bills for vacant lots within the sub-division. When service is desired on a certain lot, the person desiring the service shall make application with the District for service and shall be required to pay all applicable fees and costs. The costs will include utility deposit, impact fee, installation fee and other contingencies such as permits, easements, etc. These costs may be adjusted at any time by the District's Board of Directors, as necessary, to maintain a sound financial position for the District.

K. It shall be clearly understood by the Developer that the District cannot reserve a supply of water to the sub-division and that the acceptance of facilities within a sub-division does not in any way bind the District to provide service to individual lots indefinitely. However, should the Developer desire to insure service for individual lots, he may do so by paying the applicable service costs and having meters installed and paying the monthly billing on the meters.

#### 5.15 METER RELOCATION

Relocation of meters/taps shall be allowed by the District provided that:

- A. An easement for the proposed location has been granted to the District.
- B. The new location is on the same particular property on which the old meter was located. No impact fee shall apply.
- C. The new location is on different property a new impact fee shall be paid.
- D. The consumer pays the actual cost of relocation plus administrative fees.

#### 5.16 SERVICE TRIP FEES

The District shall charge a trip fee of \$27.50 for any service call or trip to the consumers tap as a result of a request by the consumer or resident (unless the service call is in response to damage of the District's or another consumer's facilities).

#### 5.17 EQUIPMENT DAMAGE FEE

If the District's facilities or equipment have been damaged by tampering, by-passing, installing unauthorized taps, reconnecting service without authority, or other service diversion, a fee shall be charged equal to the actual costs for all labor, material, and equipment necessary for repair, replacement, and other District actions. This fee shall be charged and paid before service is re-established. If the District'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 shall be itemized and a statement shall be provided to the consumer. If the District's facilities or equipment have been damaged due to negligence or unauthorized use of the District's

equipment, right-of-way, or meter shut-off valve, or due to other acts for which the District incurs losses or damages, the consumer shall be liable for all labor and material charges incurred as a result of said acts or negligence.

5.18 DEFERRED PAYMENT AGREEMENT

The District may offer a deferred payment plan to a consumer who cannot pay an outstanding balance in full and is willing to pay the balance in reasonable installments as determined by the District including any Late Penalties to be determined. TNRCC Regulation Parg. 291.87(d) shall apply.

# Tri-County Water Supply Corp.

P. O. Box 976

Marlin, Texas 76661

November 30, 1992

Dear Tri-County Water Supply Members and Tenants,

At the October Board of Directors meeting your Directors voted for a RATE INCREASE effective January 1, 1993. You will notice the change on the bill you receive in February.

As your Manager, I want to try to give you an explanation. Your Board of Directors desperately tried to keep this increase from happening. Only after a year of expenses exceeding income every month, plus a recommendation by our Auditor, did they decide to make the increase.

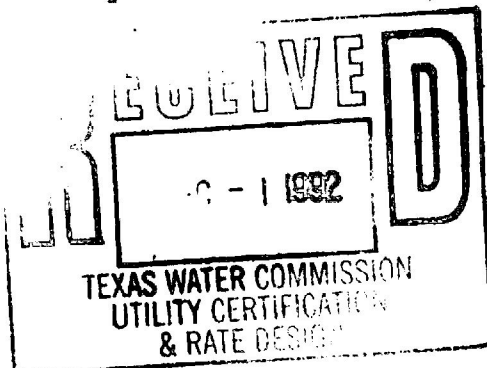
New regulations enacted by the Federal government and enforced by the Texas Water Commission will place a heavy financial burden on all water systems. Some are already in force, others still coming. Our system is twenty four years old and requires expensive updating and maintenance - new pumps, new lines, new storage tanks, and many other expenses of operation. Twenty per cent of our total income is consumed by electrical power costs alone. Your Board of Directors as individuals have to cope with escalating costs the same as you and I, but they are not allowed to operate your Corporation in the red.

Since the last rate increase on January 1, 1985, Tri-County WSC has absorbed many rising costs but that is no longer possible.

The rate will increase as follows:

The minimum \$20 for 2,000 gallons will go to \$25 for 2,000 gallons.

All over 2,000 gallons will go from \$2. per 1,000 gallons to \$2.50 per 1,000 gallons.



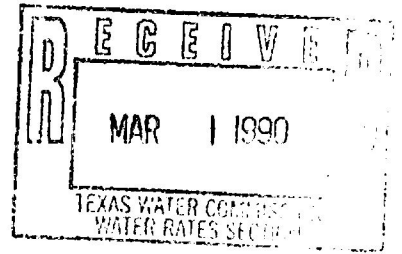
Yours truly,

TRI-COUNTY WATER SUPPLY CORP.

By *Leon G. Pinowicz*  
Leon Pinowicz, Manager

TRI-COUNTY WSC ID # 0730004

7-1332  
# 10054



WATER TARIFF

REVISED JANUARY 1, 1990

REVISION NO. 2

TRI-COUNTY WATER SUPPLY CORPORATION  
P. O. BOX 976  
MARLIN, TEXAS 76661  
(817) 883-3553

*Gillis  
L. L. L. L.  
711. L. L. L.  
Robertson*



TABLE OF CONTENTS

	SECTION 1.	PAGE
1.01	Definitions	3
thru		8
1.15		4
	SECTION 2.	
	Statements	
2.01	Organization	5
2.02	Non-Discrimination Policy	5
2.03	Rules Application	5
2.04	Corporation Bylaws	5
2.05	Fire Protection Responsibility	5
2.06	Damage Liability	6
2.07	Information Disclosure	6
2.08	Customer Notice Provisions	6
2.09	Grievance Procedures	6
	SECTION 3.	
3.01	Geographic Area Served	7
	SECTION 4.	
4.01	Rate Schedule	8
4.02	Fees	8
	SECTION 5.	
	Service Rules and Regulations	
5.01	Membership	9
5.02	New Connections and Service	11
5.03	Due Dates	13
5.04	Disputed Bills	13
5.05	Cancellation of Membership	14
5.06	Discontinuance of Service	14
5.07	Prohibition of Multiple Connections	16
5.08	Member's Responsibility	16
5.09	Meter Readings	17
5.10	Owners and Renters	18
5.11	Meter Tests	18
5.12	Bill Adjustments	18
5.13	Meter Tampering and Diversion	19
5.14	Extension Policy	19



TRI-COUNTY WATER SUPPLY CORPORATION

EFFECTIVE: 1/1/90  
Revision No. 2

5.15	Sub-divisions Service Policy	20
5.16	Meter Relocations	22
5.17	Service Trips	22
5.18	Equipment Damage	22
5.19	Deferred Payment Agreement	23
5.20	Mortgaging of Memberships	23

APPROVED



DEFINITIONS

- 1.01 ACTIVE SERVICE - The status of any Member receiving authorized water service under the provisions of this tariff.
- 1.02 AID TO CONSTRUCTION - A fee assessed new Applicants for water service for the purpose of acquiring capital to defray the costs of expanding the system facilities in order to meet the customer growth needs of the Corporation. This fee is charged for each meter or lot(tap) for which service has been requested.
- 1.03 APPLICANT - Any person, partnership, cooperative corporation, corporation, agency, public or private organization of any character applying for service with the Tri-County Water Supply Corporation.
- 1.04 BOARD OF DIRECTORS - The Board of Directors elected by the Members of the Tri-County Water Supply Corporation in accordance with the Bylaws of the Corporation.
- 1.05 CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) - The authorization granted under Chapter 13 of the Texas Water Code for Tri-County WSC to provide water utility service within a defined area. Tri-County Water Supply Corporation has been issued Certificate Number 10054. Territory defined in the CCN shall be the Certificated Service Area.
- 1.06 CORPORATION - The Tri-County Water Supply Corporation.
- 1.07 DISCONNECTION OF SERVICE - The locking or removal of a water meter to prevent the use of water by a Consumer.
- 1.08 FARMERS HOME ADMINISTRATION or FmHA - The United States Department of Agriculture, Farmers Home Administration.
- 1.09 HAZARDOUS CONDITIONS - Any condition which jeopardizes the health and welfare of the Consumers of the Corporation as determined by the Corporation or other regulatory agency.

1.10 MEMBER, USER, CUSTOMER OR CONSUMER - A member of the Corporation who purchases water service.

1.11 MINIMUM MONTHLY CHARGE - The term Minimum Monthly Charge is used to define the monthly charge assessed each member of the Corporation utilizing service or each Member who has the opportunity to utilize service via a metering device installed by the Corporation. In the text of this tariff, the term may be used generically to describe Minimum Monthly Charge or Reserved Service Charge, the two monthly charges assessed each Member entitled to service. See definition of Reserved Service Charge.

1.12 OTHER REGULATORY AGENCY - The Texas Department of Health Resources, United States Environmental Protection Agency and any other Protection Agency and any other such agencies as may exercise now or in the future exercise regulatory authority in the operation of the Corporation.

1.13 RENTER - A person or other entity who rents or leases property from a Member and may otherwise be termed a tenant.

1.14 RESERVED SERVICE CHARGE - A minimum monthly charge assessed each Member who has applied for service with the Corporation but has delayed the installation of meter(s) on the lot or property for which service has been requested. The purpose of this fee is to reserve service capacity at a desired location pending a decision on the part of the Member on where to locate the meter. This fee is paid in lieu of the Minimum Monthly Charge until such time as a lot may be sold and a metered connection provided as requested. The Reserved Service Charge shall be cost-based to defray actual costs of service to the property for which service has been requested.

1.15 SERVICE - The actual delivery of water to the customer. It includes any and all acts done, rendered or performed in the delivery of water by Tri-County WSC.

1.16 SERVICE AGREEMENT - A written agreement between the Member/Applicant and the Corporation outlining the responsibilities of each party regarding the service of water.

1.17 WATER COMMISSION - The Texas Water Commission.

1.18 WSC - Water Supply Corporation.

## STATEMENTS

2.01 ORGANIZATION: The Tri-County Water Supply Corporation is a member-owned, non-profit corporation incorporated under Article 1434a of the Revised Civil Statutes of Texas of 1925, supplemented by the Texas Non-Profit Corporation Act, Article 1396-1.01 et seq., as amended, for the purpose of furnishing a water supply for general farm use and domestic purposes to individuals in rural communities in Falls, Limestone, McLennan and Robertson Counties of Texas. Corporation operating policies, rates, tariffs, and regulations are formulated and effected by a Board of Directors elected by the Members of the Corporation and under guidance and directions of the Farmers Home Administration.

2.02 NON-DISCRIMINATION POLICY: Membership in the Corporation and service of water is provided to all applicants who comply with the provisions of the tariff regardless of race, creed, color, national origin, sex, age or marital status.

2.03 RULES APPLICATION: The rules and regulations specified herein apply to the water service furnished by Tri-County WSC. Failure on the part of the Member to observe these rules and regulations of the Corporation, after due notice of such failure, automatically gives the Corporation the authority to deny or discontinue the furnishing of service as provided herein.

2.04 BYLAWS: The Corporation has adopted bylaws which establish the make-up of the Board of Directors, establish the Membership voting rights, provide for annual and regular meetings, provide for reserve accounts, and establish the rights of the Members and other important regulations of the water system. These bylaws are included by reference herein, as amended from time to time, and are on file for inspection in the Corporation's office.

2.05 FIRE PROTECTION RESPONSIBILITY - Fire hydrants installed within the Corporation's distribution system are provided at the convenience of the Corporation and do not imply any responsibility on the part of the Corporation to meet fire flow requirements of any local, county, state, or federal governmental agencies. Fire hydrants paid for by individuals or groups of individuals and donated to the Corporation for county volunteer department use shall remain in place as "refill only" of fire trucks. The Corporation reserves the right to remove any fire hydrant, due to improper use or detriment to the system as determined by the Corporation, at any time without notice, refund or compensation to the contributors.

2.06 DAMAGE LIABILITY - The Tri-County WSC is not liable for damages caused by service interruptions, events beyond its control, and for normal system failures. The limit of liability of Tri-County WSC is the extent of the cost of service provided. By acceptance of Membership, Member consents to waiver of such liability.

2.07 INFORMATION DISCLOSURE - The records of the Corporation shall be kept in the Corporation office in Marlin, Texas. These records may, upon request, be examined by any Member of the Corporation. The records may not be removed from the Corporation's office and the Corporation staff reserves the right to require reasonable notice of requests for information and the opportunity to consult its governing body and/or legal counsel prior to disclosure. A reasonable charge may be assessed anyone requesting copies of records.

2.08 CUSTOMER NOTICE PROVISIONS: The Corporation shall give written notice of monthly water rate changes by mail or hand delivery to all affected Members at least 30 days prior to the effective date of the new rate.

2.09 GRIEVANCE PROCEDURES - Any Member of the Corporation or individual demonstrating interest under the policies of the Tariff in becoming a Member of the Corporation shall have an opportunity to voice concerns or grievances to the Corporation by the following means and procedures:

A. By presentation of concerns to the Corporation's manager or authorized staff member for discussion and resolution. If not resolved to the satisfaction of the aggrieved party then,

B. By presenting a letter of request for a hearing before the Board of Directors. The letter shall state the individual's desired business before the Board and the desired result.

C. The President of the Board of Directors shall review the request and determine the best means by which the complaint shall be resolved.

D. The President shall further determine a reasonable time and place of all hearings, but not beyond 45 days of the date of the receipt of the letter of complaint.

E. The Board of Directors, committee thereof, and/or legal counsel shall hear the complaint as directed by the Board.

F. Any hearings by committees or staff delegated to hear complaints shall report its recommendation to the full Board for a decision by the Board.

G. The Board of Directors shall act upon the information available and direct the President or other representative to respond to the complaint by communicating the Board's decision in writing.

H. Any charges or fees contested as a part of the complaint in review by the Corporation under this policy shall be suspended until a satisfactory review and final decision has been made by the Board of Directors. The Board's decision shall be final.

*GG*

RESOLVED BY THE BOARD OF DIRECTORS OF TRI-COUNTY WATER SUPPLY CORPORATION THAT:

1. This Tariff of Tri-County Water Supply Corporation, serving parts of Falls, Limestone, McLennan, and Robertson Counties, consisting of Sections 1 thru 5 inclusive, is hereby adopted and enacted as the current regulations which shall supersede all policies passed by the Board of Directors of Tri-County Water Supply Corporation before January 1, 1990, to the extent provided in Paragraph 2 hereof.

2. No prior agreement executed by the Board of Directors is repealed by any provision contained herein, save and except as provided in the terms of that agreement.

3. The adoption of the provisions of this Tariff shall not affect any offense nor act committed nor done, nor any penalty of forfeiture incurred, nor any contract nor vested right established or accruing before the effective date of this Tariff.

4. An official copy of this policy shall be available to the Membership of this Corporation during regular office hours of the Corporation. Requests for copies of this Tariff shall be subject to reproduction charges. The Secretary of the Corporation shall maintain the original copy as approved, and clearly exhibit all additions, deletions, and amendments separately.

5. This Tariff shall take effect immediately upon its approval as provided by law, and according to its terms. Rules and regulations of state and federal agencies having applicable jurisdiction, promulgated under any applicable State or Federal Law, shall supersede any terms of this policy. If any section, paragraph, sentence, clause, phrase, word or words of this policy are declared unconstitutional or invalid for any purpose, the remainder of this policy shall not be affected thereby.

PASSED and APPROVED this 12th day of February, 1990.

*George Gillip*  
\_\_\_\_\_  
President, TRI-COUNTY WATER SUPPLY CORPORATION

SEAL

ATTEST:

*Mattie K. Stone*  
\_\_\_\_\_  
Secretary, TRI-COUNTY WATER SUPPLY CORPORATION

GEOGRAPHIC AREA SERVED

3.01 Listing of Counties and Communities Served.

A. Eastern Falls County, Texas, including the rural areas immediately surrounding the city of Marlin, Texas, the communities of Highbank, Alto Springs, Blue Ridge, Stranger, McClanahan, Otto, and Sunset, and the town of Reagan, Texas.

B. Southeastern McLennan County, Texas, consisting of the rural areas southwest of Riesel, Texas, and south and southwest of Mart, Texas.

C. Western Limestone County, Texas, including the rural areas west of Groesbeck, Texas, along State Highway 164, and the communities of Victoria, Kirk, Midway, Lavender, Ben Hur, Odds and Coit.

D. Northern Robertson County, Texas, consisting of the rural areas immediately surrounding the town of Bremond, Texas.

E. The Perry WSC, Falls County, Texas, and the town of Kosse, in Limestone, County, Texas, are supplied with water as needed under Water Purchase Contracts approved by the Board of Directors of Perry WSC, the City Council of Kosse, the Board of Directors of Tri-County WSC and the FmHA.



Tri-County Water Supply Corp.

P. O. Box 976

Marlin, Texas 76661

---

Phone 817-883-3553

Maps for Certificated Area not available yet.

Will be forwarded on completion.

RATES AND FEES SCHEDULE

4.01 RATE SCHEDULE

Residential	2,000 gallon min. All over 2,000 gals.	\$ 20.00 2.00/1,000 gals.
Commercial	2,000 gallon min. All over 2,000 gals.	\$ 20.00 2.00/1,000 gals.
Kosse	Minimum charge All gals	\$ 534.00 2.00/1,000 gals.
Perry	Minimum charge All over 2,000 gals.	\$ 50.00 2.00/1,000 gals.

4.02 FEE SCHEDULE

Membership	\$ 100.00
Aid to Construction	\$ 500.00
Installation	\$ 150.00
Reinstallation	\$ 50.00
Reconnection	\$ 40.00
Service Trip	\$ 27.50
Returned Check Service Charge	\$ 5.00
Charge For Not Submitting Meter Reading	\$ 2.00
Late Payment Penalty	\$ 2.00



SERVICE RULES AND REGULATIONS

5.01 MEMBERSHIP

A. Eligibility for Membership shall not guarantee service to the Applicant or Transferee; however, qualification for service is a prerequisite to Membership eligibility for new Applicants or continued Membership for Membership Transferees.

B. Upon qualification for service, qualification for Membership, and payment of the required fees, the Board of Directors shall approve the membership application and direct issuance of a Certificate of Membership to the Applicant. The Membership Certificate provides proof of Membership in the Corporation and shall entitle the Applicant/Member to one (1) connection to the Corporation's water main and one (1) share of Corporation stock. The Membership Certificate also entitles the Member to one (1) vote in the conducting of the affairs of the Corporation at any Annual or Special Membership Meeting of the Corporation as prescribed by the Corporation Bylaws. An original or a copy of each Membership Certificate shall be held on file in the Corporation Office. Ownership of more than one (1) Membership Certificate shall not authorize the Member to cast more than one (1) vote at any annual or special meeting. Each Membership Certificate and stock thereby represented shall be assigned to the specified parcel of land originally designated to receive service at the time of application.

C. A Member is entitled to transfer Membership in the Corporation without the prior approval of the Corporation only under the following circumstances:

- (1) The Membership is transferred by will to a person related to the Transferor within the second degree by consanguinity; or
- (2) The Membership is transferred without compensation to a person related to the transferor within the second degree of consanguinity; or
- (3) The Membership is transferred without compensation or by sale to the Corporation; or
- (4) The Membership is transferred as a part of the conveyance of real estate from which the membership arose.

D. In the event that Membership is transferred pursuant to the provisions of Sub-Section 5.01.C such transfer shall not be completed or recorded on the books and records of the Corporation until such time as the transferor has provided satisfactory evidence to the Corporation of such transfer. A transfer of Membership shall not be binding on the Corporation until such transfer has been approved as provided by Sub-Section 5.01.B.

F. Qualifications for water service upon transfer of Membership set forth in Sub-Section 5.01.D shall be subject to approval of the Corporation and shall be recorded on the books and records of the Corporation only upon the following terms and conditions:

- (1) A Transfer Authorization Form has been completed by the Transferor;
- (2) The transferee has completed the required Application Packet;
- (3) All indebtedness due the Corporation has been paid;
- (4) The Membership Certificate has been surrendered properly endorsed by the record Transferor; and
- (5) The Transferee demonstrates satisfactory evidence of ownership of the property designated to receive service and from which the Membership originally arose.

6. To keep a Membership in good standing, a minimum charge must be paid monthly to the Corporation, whether or not water is used. Failure to pay this monthly charge to the Corporation shall jeopardize the Member's Membership Standing and give rise to cancellation of the Membership. A Member may be relieved of this obligation to pay by surrendering the Membership Certificate, properly endorsed, to the Corporation. The Member shall also complete a Service Discontinuance Request Form prior to termination of service. However, a Member is not relieved of any obligations incurred prior to the date of surrender of a properly endorsed Membership Certificate prior to termination of service. Rights to future service at this tap shall be extended on an as-available basis and subject to the terms of the New Connections and Services Sub-Section 5.02.A of this tariff.

5.02 NEW CONNECTIONS AND SERVICES

A. CORPORATION WATER MAIN IN PLACE ON USER PROPERTY

After proper application made by Member and receipt by the Corporation of applicable membership and connection fees, the Corporation shall effect the installation of a standard meter box and 5/8" X 3/4" meter at a mutually agreeable point not more than five (5) feet in distance from the existing water main. In the event the Corporation water main does not have sufficient capacity to serve the new applicant with water service without reducing service to existing users below regulatory standards, the Applicant shall cause to be installed additional facilities to provide the service and any facilities so provided shall be the property of the Corporation.

B. CORPORATION WATER MAIN NOT ON USER PROPERTY

In the event an Applicant desires water service on a property which currently does not have Corporation water mains in place, the Applicant, in addition to paying the appropriate fees, shall pay for additional facilities as may be required to provide the service and any facilities so provided shall be the property of the Corporation. In those instances where the water mains have been located in the Public Right-of-Way adjacent to the Applicants property due to the Applicants previous refusal to grant easement to the Corporation for the purpose of installing the water main and appurtenances, the Applicant, prior to receiving the requested service, shall grant easement to the Corporation and pay to the Corporation, in addition to the standard fees, such sums as are necessary for removal of the water main from the Public Right-of-Way to the Applicants property.

C. APPLICATION REQUIRING PROFESSIONAL SERVICES OF ENGINEER

If the services of a registered professional engineer are required as a result of an application for service received by the Corporation (the Engineer being selected by the Corporation), the Applicant shall bear all expenses incurred from these services.

D. RE-SERVICE

The same terms which apply under the New Connections and Services, Sub-Section 5.02.A, shall be applied to Re-service requests.

E. REQUESTS FOR NON-STANDARD SERVICE

If an Applicant requires other than the standard service and meter provided by the Corporation, such applicant will be required to pay all expenses incurred by the Corporation in excess of the expense that would be incurred in providing the standard service and meter.

F. REFUSAL OF SERVICE

(1) Non-Compliance by Applicant

The Corporation may decline to serve an applicant until such Applicant has complied with the state and municipal regulations and approved rules and regulations of the Corporation on file with the Water Board governing the service applied for or for one of the following reasons:

(a) If the Applicant's installation or equipment is known to be hazardous or of such character that satisfactory service cannot be given.

(b) If the Applicant is indebted to the Corporation or to any other utility for the same kind of service applied for. Service may be provided upon payment in full of amounts due the Corporation and of all other applicable fees.

(2) Applicant's Recourse

In the event that the Corporation shall refuse to serve an applicant under the provisions of these rules, the Corporation must inform the Applicant they may file a complaint with the Water Board.

(3) Insufficient Grounds for Refusal to Serve

The following shall not constitute sufficient cause for refusal of service to a present Customer or Applicant:

(a) Delinquency in payment for service by a previous occupant of the premises to be served;

(b) Failure to pay a bill to correct previous underbilling due to misapplication of rates more than six (6) months prior to the date of application;

(c) Violation of the Corporation's rules pertaining to operation of non-standard equipment or unauthorized attachments which interfere with the service of others unless the Member has first been notified and afforded reasonable opportunity to comply with said rules;



(d) Failure to pay the bill of another Member as guarantor thereof, unless the guarantee was made in writing to the Corporation as a condition precedent to service; or

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

5.03 DUE DATES

The Corporation shall mail all bills as nearly as possible to the 25th day of the month. All bills shall be due by the date indicated on the bill (allowing about fifteen (15) days to pay) after which time a penalty shall be applied. A bill is considered delinquent if not paid by the due date. Payments made by mail shall be considered late if postmarked after the due date. Final notices shall be mailed on the day following the due date allowing ten (10) additional days for payment prior to disconnection (normally on the 20th of the month). If the due date for the final or regular billing is on a weekend or holiday, the next due date for payment purposes shall be the next day the Corporation office is open for business after said holiday or weekend. For all disputed payment deadlines, the date shown on each bill will determine the due date and the date of disconnection.

5.04 DISPUTED BILLS

In the event of dispute between the customer and the utility regarding any bill, the Corporation shall forthwith make such investigation as shall be required by the particular case and report the results thereof in writing to the Member. Such investigation shall be concluded within a period of thirty (30) days from the date written complaint is received in the Corporation's office. If a satisfactory agreement is not reached by this means, the Member may appear in person before the Board and request relief. The Board will at this time resolve the dispute in a manner equitable to all members of the Corporation. The decision of the Board is final.

*GG*

5.05 CANCELLATION OF MEMBERSHIP

A. When the amount of the delinquent minimum monthly charges, gallonage charges, penalties and service fees owed by the Member equals the Membership Fee, the Membership shall be cancelled and transferred back to the Corporation. In the event the member leaves a balance due on an account guaranteed under the terms of a Service Agreement, and the member owns more than one Membership Certificate, the Corporation may cancel all of the Memberships owned by the Member. The Corporation shall attempt to collect any remaining balances through appropriate means.

B. The Corporation may cancel a Membership anytime a Member fails to comply with policies of the Corporation, including but not limited to Member's failure to provide proof of ownership of the property from which Membership arose.

5.06 DISCONTINUANCE OF SERVICE

A. Service may be discontinued

(1) Upon violation of the Corporation's rules pertaining to the use of service in a manner which interferes with the service of others or the operation of non-standard equipment, a reasonable attempt having been made to notify the Member and he has been given a reasonable time in which to remedy the situation;

(2) Without notice where a known dangerous condition exists for as long as the conditions exist.

(3) For tampering with the Corporation's meter or equipment or bypassing the same. This includes the connection to the meter of a second dwelling where proper application and payment of fees to the Corporation has not been made;

(4) 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 by this tariff, and the instrument is returned by the bank or other similar institution as insufficient or non-negotiable for any reason. The Corporation shall mail, via the U. S. Postal Service, a notice requiring redemption of the returned instrument within five (5) business days of the date of the notice to the Customer, redemption to be made in the Corporation office. Redemption shall be made by cash, money order or certified check.

(5) For failure of Member to meet requirements of the regulatory authority for construction or maintenance of on-site sewage facilities as authorized by the Texas Sanitation and Health Protection Law, TCS, Article 4477-1.





B. Service may not be disconnected

(1) For failure of the Member to pay for merchandise provided by the Corporation, unless an agreement exists between the Applicant and the Corporation whereby the Member guarantees payment of non-utility service as a condition of service;

(2) Failure of the Member to pay charges arising from an underbilling due to misapplication of rates occurring more than six (6) months prior to the current billing; or

(3) In response to a request for disconnection by an Owner/Member of rental property where the Renter is billed directly by the Corporation as authorized by the owner and the renter's account is not scheduled for disconnection under the rules for disconnection in this Tariff. The Member must put his own his own lock on his own cut-off.

C. Unless a dangerous condition exists, or unless the member requests disconnection, service shall not be disconnected on a day immediately preceding a day when personnel of the Corporation are not available for the purpose of making collections and reconnecting service.

D. The Corporation may not abandon a customer or a certified service area without written notice to its Customers therein and all similar neighboring utilities nor without approval from the Water Board.

E. The Corporation may not discontinue service to a delinquent residential Member permanently residing in an individually metered dwelling unit when that Member establishes that discontinuance of service will result in some person at that residence becoming seriously ill or more seriously ill if service is discontinued. Each time a Member seeks to avoid termination of service under this Sub-Section, the Member must have the attending physician call or contact the Corporation within sixteen (16) days of issuance of the bill. A written statement must be received by the Corporation from the physician within twenty six (26) days of the issuance of the utility bill. The prohibition against service termination shall last sixty three (63) days from the issuance of the utility bill or such lesser period as may be agreed upon by the Corporation and Member's physician. The Member shall enter into a Deferred Payment Agreement.

#### 5.07 PROHIBITION OF MULTIPLE CONNECTIONS TO A SINGLE TAP

In order that the Corporation may maintain adequate records of the actual number of users on its system to assure a compliance with Texas Department of Health Rules and Regulations on minimum service standards, to insure that charges are received for each user on the system, and to insure that the Corporation's metering device is adequately sized for proper flow and accurate measurement of water used, all connections of any dwelling, household business and/or water-consuming establishment currently receiving or planning to receive water service, either directly or indirectly from the Corporation's water system, shall individually apply for service under the rules of this Tariff. Any unauthorized submetering of service shall be considered a Multiple Connection and subject to disconnection of service. If the Corporation has sufficient reason to believe a Multiple Connection exists, the Corporation shall discontinue service under the Disconnection with Notice provisions of this Tariff.

#### 5.08 MEMBERS RESPONSIBILITY

A. The Member shall provide access to the meter at all reasonable times for the purpose of reading, installing, checking, repairing or replacing the meter. The Member shall provide a key to locked gates. If the gate to the Member's premises is locked, preventing access to the meter, a notice shall be sent to the effect that entrance could not be gained and that a key should be furnished or the gate unlocked. Should the gate remain locked for three (3) consecutive months after proper notification to the Member, then service shall be discontinued and the meter removed with no further notice.

B. The Corporation's ownership and maintenance responsibility of water supply and metering equipment shall end at the point where the Member connects to the equipment provided by the Corporation during the installation of the metering equipment. Therefore, all water usage registering upon and/or damages occurring to the metering equipment owned and provided 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.

C. The Corporation shall require each Member to provide a cutoff valve on the Member's side of the meter for purposes of isolating the Member's service pipeline and plumbing facilities from the Corporation's water pressure. The Member's use of the Corporation's curb stop or other similar valve for such purposes is prohibited. Any damage to the Corporation's equipment shall be subject to service charges.

5.09 METER READINGS

A. Upon receipt of the monthly billing, Members shall read their meter or meters, recording the reading on the billing form for transmittal to the Corporation along with their current payment.

B. As a matter of general practice, service meters shall be read by Corporation employees at tri-monthly intervals on dates corresponding as nearly as possible to the date the Member may be reasonably expected to receive the monthly billing. Meters may be read at other than scheduled times if circumstances warrant.

C. If the Member's reading is not received by the Corporation in time for billing, the Corporation will not estimate readings but will render a bill for service reserved plus a penalty charge for non-reading.

D. The Corporation shall reserve the right to periodically check any or all meters to insure proper operation and/or billing.

## 5.10 OWNERS AND RENTERS

Any Tri-County Water Supply Corp. Member renting or leasing property to other parties is responsible for all charges in the event the renter or lessee leaves the Corporation with unpaid bills. The Corporation will bill the renter for water service as a third party, but the Member is fully responsible for any and all unpaid bills left by the Renter. The Member shall be required to sign an Alternate Billing Agreement.

## 5.11 METER TESTS ON REQUEST OF CUSTOMER

The Corporation shall, upon receipt of a completed Meter Test Form from the Member, and, in his presence or in that of his authorized representative, make a test of the accuracy of the customer's meter. The test shall be made during the Corporation's normal working hours at a time convenient to the customer if possible. The test shall be made preferably on the customer's premises but may, at the Corporation's discretion, be made at the Corporation's test laboratory. If the meter is found to be within the accuracy standards established by the American Water Works Association, the Corporation may charge the Member a fee which reflects the actual cost plus labor plus twenty five (25) cents per mile. Following the completion of any requested test, the Corporation shall promptly advise the Member of the date of removal of the meter, the date of the test, the result of the test and who made the test. In the event the test results indicate that the meter is faulty or inaccurate, the test fee shall be waived, the meter shall be calibrated or replaced, and a billing adjustment may be made as far back as six (6) months but not extending beyond current Membership. The Meter Test Request Form must be completed prior to the test.

## 5.12 BILL ADJUSTMENT DUE TO METER ERROR

If any meter is found to be outside of the accuracy standards established by the American Water Works Association, proper correction shall be made of previous readings for the period of six (6) months immediately preceding the removal of such meter from service for test, and adjusted bills shall be rendered. No refund is required from the Corporation other than to the Member last served by the meter prior to the testing. If a meter is found not to register for any period, unless tampered with or bypassed, the Corporation may make a charge for units used, but not metered, for a period not to exceed three (3) months based on amounts used under similar conditions during preceding periods, periods subsequent thereto, or during corresponding periods in previous years.

5.13 METER TAMPERING AND DIVERSION

For purposes of these Sections, meter-tampering, by-passing, or diversion shall all be defined as tampering with the Corporation's meter or equipment, by-passing the same, or other instances of diversion, such as removing a locking or shut-off device used by the Corporation to discontinue service, physically disorienting the meter, attaching objects to the meter to divert service or to by-pass, inserting objects into the meter, and other electrical and mechanical means of tampering with, by-passing or diverting services. The burden of proof of meter-tampering, by-passing or diversion 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 meter-tampering as provided for in these Sections is initiated. A court finding of meter-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.

5.14 EXTENSION POLICY

It is the policy of the Corporation that all extensions or improvements to facilities required as a result of an application or applications for service, except those that are a part of a program to be financed by the FmHA as a general extension project, shall be paid for in full by the applicant or applicants for such service, and will include the cost of engineering under Section 5.02.C. Payment received by the Corporation for such extension or improvement shall be in addition to the standard Membership and connection fee requirements.



## 5.15 SUB-DIVISIONS SERVICE POLICY

A. The Board of Directors of the Corporation shall interpret, on an individual application basis, whether or not the Applicant's request shall be subject to the Rural Sub-Division policy.

B. Prior to submitting a formal application, the Developer should make inquiry through the Corporation office as to the availability of water at the location which he proposes to sub-divide.

C. The Developer shall be required to pay all costs associated with the installation of the facilities. These costs shall include materials, labor, legal fees, inspection fees, design and/or examination fees, etc. The Corporation will require an estimated deposit of the cost of the project.

D. The Developer shall present to the Corporation, along with his application, a final plat of the sub-division indicating that it has been approved by the governmental entity having jurisdiction over the area where the sub-division is located. In cases where the applicable governmental entity withholds its final approval until all roads, etc, are installed, a letter from the governmental entity so stating shall accompany the plat and the application.

E. The proposed facilities to provide water service to and within the sub-division must be prepared by a Registered Professional Engineer licensed to practice in the State of Texas, and shall conform to the design criteria established by the Corporation. Pipe to be used in the Sub-Division must be approved by the Corporation in order to maintain uniformity within the system.

F. The design of the proposed facilities shall be submitted to the Consulting Engineer who represents the Corporation for his examination and shall include properly prepared hydraulic calculations, plats, plans, profiles, specifications, etc. The Corporation's Engineer shall examine the plans and present his comments and recommendations to the Corporation in writing. The Board of Directors shall then notify the Developer of its approval, disapproval or of its need for additional information.

G. Facilities shall be installed on private property to which the Corporation has title or easement. The cost of securing title to property and/or easements shall be borne by the Developer. The contractor used for the job of laying lines must be approved by the Board of Directors.

H. Proper design of the proposed facilities may require "Off-Site" construction. The Corporation, with assistance from its Consulting Engineer, shall determine the tie-in points for the proposed facilities, taking into consideration such items as anticipated future growth in the area and the service requirements of its present customers.

I. Upon completion of the installation and after receiving satisfactory evidence that all bills in connection therewith have been paid, the Corporation shall accept the facilities and assume control of same. Maintenance shall be assumed after one year.

J. The Developer shall not be required to pay water bills for vacant lots within the sub-division. When service is desired on a certain lot, the person desiring the service shall make application with the Corporation for service and shall be required to pay all applicable fees and costs. The costs will include membership and other contingencies such as permits, easements, etc. These costs may be adjusted at any time by the Corporation's Board of Directors, as necessary, to maintain a sound financial position for the Corporation.

K. It shall be clearly understood by the Developer that the Corporation cannot reserve a supply of water to the sub-division and that the acceptance of facilities within a sub-division does not in any way bind the Corporation to provide service to individual lots indefinitely. However, should the Developer desire to insure service for individual lots, he may do so by paying the applicable service costs and having meters installed and paying the monthly billing on the meters.

5.16 METER RELOCATIONS

Relocation of meters/taps shall be allowed by the Corporation provided that:

- A. No transfer of Membership is involved;
- B. An easement for the proposed location has been granted to the Corporation;
- C. The property of the new location requested is owned by the current Member who desires the meter moved; and
- D. The Member pays the actual cost of relocation plus administrative fees.

5.17 SERVICE TRIP FEES

The Corporation shall charge a trip fee of \$ 27.50 for any service call or trip to the Member's tap as a result of a request by the Member or resident (unless the service call is in response to damage of the Corporation's or another Member's facilities).

5.18 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 shall be itemized, and a statement shall be provided to the Member. If the Corporation's facilities or equipment have been damaged due to negligence or unauthorized use of the Corporation's equipment, right-of-way, or meter shut-off valve, or due to other acts for which the Corporation incurs losses or damages, the Member shall be liable for all labor and material charges incurred as a result of said acts or negligence.



## 5.19 DEFERRED PAYMENT AGREEMENT

The Corporation may offer a deferred payment plan to a Member who cannot pay an outstanding balance in full and is willing to pay the balance in reasonable installments as determined by the Corporation, including any Late Penalties to be determined.

## 5.20 MORTGAGING OF MEMBERSHIPS

Nothing herein shall preclude a Member from mortgaging his memberships. However, notification to the holder of any security interest (mortgagee/lien-holder) of account status of Member/mortgagor will be provided only upon satisfactory completion of requirements for such conditions under the Membership Mortgage Agreement. Prior to the cancellation of any Membership as provided under sub-Section 5.05A, the Corporation will notify the holder of any security interest in the Membership. The holder of the security interest must also hold a security interest in the real property at which the water service is provided. The Corporation may transfer the Membership to the holder of such security interest in lieu of cancellation, provided the holder of the security interest pays in full all delinquent and unpaid obligations and provided further that the holder of the security interest has secured title to the real property. The Corporation may withhold cancellation of a Membership pending the resolution of any foreclosure proceedings or similar legal proceedings by the holder of the security interest.