JONAH WATER SPECIAL UTILITY DISTRICT

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RATE ORDER

CERTIFICATE OF CONVENIENCE AND NECESSITY NO. 10970

WILLIAMSON COUNTY, TEXAS

Adopted August 24, 2006,
REVISED November 20, 2006
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SECTION A.

ADOPTION & AUTHORITY

1. Effective Date.

This rate order was initially adopted by the Board of Directors of the Jonah Water Special Utility District on August 24, 2006, pursuant to Order No. 082406. This rate order supersedes all utility service policies, rates, rules and tariffs adopted or passed by the Board of Directors prior to the date of adoption of this rate order. This rate order shall take effect immediately upon its approval.

2. Pre-Existing Penalties and Vested Rights.

The adoption of this rate order shall not affect any offense or act committed or done, or any penalty or forfeiture incurred, or any contract or vested right established or accrued prior to the effective date or adoption of this rate order.

3. Official Copy Available.

An official copy of the rate order shall be available to the customers of the District during regular office hours of the District. Requests for copies shall be subject to reproduction charges. The reproduction charge shall be $45.00. The Secretary of the District shall maintain the original copy as approved, and clearly exhibit all additions, deletions and amendments hereto.

4. Conflicts.

Rules and regulations of state and federal agencies having applicable jurisdiction, promulgated under any applicable state or federal law, shall supersede all terms of this rate order that directly conflict with such State and Federal rules or regulations. If any section, paragraph, sentence, clause phrase, word or words of this rate order are declared unconstitutional or in violation of law, the remainder of this rate order shall not be affected thereby and shall remain in full force and effect.

SECTION B.

STATEMENTS

1. Organization.

The District was organized on May 8, 1992, by converting the Jonah Water Supply Corporation to the Jonah Water Special Utility District under the authority of Article XVI, Section 59, of the Texas Constitution, as amended, and Chapters 49 and 65 of the Texas Water Code, and operates pursuant to Texas law and the regulation and authority of the Texas Commission On Environmental Quality and the Public Utility Commission of Texas. The District exists for the purpose of furnishing potable water and sewer utility service. The management of the District is controlled by the Board of Directors, the members of which are elected by qualified voters residing within the District's boundaries.

2. Non-Discrimination Policy.

Service is provided to all applicants that comply with the provisions of this rate order regardless of race, creed, color, national origin, sex, disability or marital status.

3. Policy and Rule Application.

These policies, rules and regulations apply to the water and sewer services provided by the District. Failure on the part of a customer or applicant to observe these policies, rules and regulations gives the District the authority to deny or discontinue service.

4. Fire Protection Responsibility.

The District does not provide or imply that fire protection is generally available on the District's water system, unless the District specifically agrees to provide the fire flow through a non-standard service agreement under Section F, Subsection 16 or other action by the Board of Directors of the District directly applicable to a specific area. Except in those areas where fire flow is provided under a non-standard service agreement or other action of the Board, all hydrants or flush valves are for the operation and maintenance of the system and may be used for refill only by authorized fire departments. The District reserve the right to remove any hydrant due to improper use or detriment to its water system, as determined by the District, at any time without notice, refund or compensation to the contributors unless such hydrants are installed pursuant to the terms of a non-standard service contract, in which event the terms and conditions of the agreement shall apply.

5. Damage Liability.

The District is not liable for damages caused by service interruptions due to waterline breaks or equipment failure, tampering by third persons or customers of the District, normal system failures, system maintenance or repairs, or other events beyond the District's control, or for damages caused by negligent acts of the District, its employees, designated representatives and contractors. The limit of liability of the District is the extent of the cost of service provided.

6. Public Information Disclosure.

The records of the District shall be kept at the District's office at 4050 FM 1660, Hutto, Texas 78634. All information collected, assembled or maintained by or for the District shall be disclosed to the public in accordance with the Texas Public Information Act. An individual customer may request in writing that the District keep the customer's name, address, telephone number or social security number confidential. Such confidentiality does not prohibit the District from disclosing this information to an official or employee of the state or a political subdivision of the state acting in an official capacity or an employee of the District acting in connection with the employee's duties. A reasonable charge as established pursuant to the Texas Public Information Act may be assessed to any person requesting copies of District records.

7. Notice of Change in Rates.

The District will give written notice of a change to monthly rates by publication, mail or hand delivery to all affected customers at least thirty (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 rates, date of Board authorization, and the name and telephone number of the District representative designated to address inquiries about the rate change. Failure of the District to give the notice shall not invalidate the changed rate or any change based on the changed rate.

8. Customer Service Inspections.

The District requires that a customer service inspection certificate be completed prior to providing continuous water service to new construction and for all new customers as part of the activation of standard and some non-standard service. Customer service inspections are also required on any existing service when the District has reason to believe that cross-connections or other potential contaminant hazards exist, or after any material improvement, correction or addition to the customers' water distribution facilities. This inspection is limited to the identification and prevention of cross connections, potential contaminant hazards and illegal lead materials. [30 TAC §290.46(i-j)].

9. Uniform Plumbing Code.

The District adopts applicable sections of the Uniform Plumbing Code (2012), as amended, promulgated by the Plumbing Heating Cooling Contractors National Association, as guidance in the design, installation and maintenance of line extensions and service facilities.

10. Submetering Responsibility.

Submetering and non-submetering by Master Metered Accounts may be allowed in the District's water and sewer system provided the Master Metered Account customer registers with the Public Utility Commission of Texas and complies with its rules on submetering at Title 16, Chapter 24, Subchapter H of the Texas Administrative Code. The District has no jurisdiction over or responsibility to tenants receiving water under a Master Metered Account, and such tenants are not considered customers of the District. Any interruption or impairment of water service to the tenants is the responsibility of the Master Metered Account customer. Any complaints regarding submetering should be directed to the Texas Commission on Environmental Quality.

SECTION C.

DEFINITIONS

The following words and terms, when used in this rate order, shall have the following meanings unless the context clearly indicates otherwise:

Applicant – A person applying to the District for service.

Designated representative (or) district representative – The general manager of the District of a representative or employee of the District engaged in carrying out the terms of or performing services prescribed by this rate order pursuant to either general or specific authorization to do so from the general manager or the Board of Directors.

Board of Directors (or) Board – The governing body of the District elected by qualified voters residing within the District's boundaries in accordance with applicable election laws.

Certificate of Convenience and Necessity (or) CCN – The authorization granted under Chapter 13, Subchapter G, of the Texas Water Code for the District to provide water and sewer utility service within a defined territory. The District has been issued Certificate No. 10970 to provide water service.

Certificated service area (or) service area – The service territories defined in CCN No. 10970 [See Section D, Certificated Service Area Maps]

Customer – Any person receiving services from the District.

Developer – Any person that subdivides land or requests two (2) or more water or sewer service connections on a single contiguous tract of land. [See Water Code §13.2502(e)(1)].

Disconnection of service – The discontinuance of water or sewer service to a customer of the District.

District – The Jonah Water Special Utility District.

Easement – A private perpetual dedicated right-of-way for the installation of water and/or sewer service lines and facilities that allows access to property for future operation, maintenance, replacement, facility upgrades, and/or installation of additional pipelines (if applicable), and may include restrictions on the adjacent area to limit installation of other pipelines or structures that would restrict the District's use of any area of the easement.

Final plat – A complete and exact plan for the subdivision and/or development of a tract of land which has been approved by all local governments having jurisdiction pursuant to Chapters 212 or 232 of the Texas Local Government Code. The District shall determine if a plat submitted under this rate order qualifies as a final plat. [See 16 TAC §24.85].

General Manager – The general manager of the District appointed by the Board of Directors.

Hazardous condition – A condition that jeopardizes the health and welfare of District customers or employees as determined by the District or any other regulatory authority with jurisdiction.

Living Unit Equivalent (or) LUE – A measure of the estimated average daily volume of water used by a single-family residence. LUEs for connections other than single family residences, including multi-family, landscape irrigation, commercial, industrial or any proposed amenity center site, will be calculated using the conversion table in Section G.2 of this rate order.

Person – Any natural person, firm, corporation, cooperative, limited liability company, partnership, unincorporated association, public agency or governmental entity, or any other public or private organization or entity of any type or character.

Public Utility Commission of Texas – The state regulatory agency having appellate jurisdiction over the rates and fees charged in the District and the District's certificated service area.

Re-Service – Providing service to an applicant at a location at which service previously existed and at which there is an existing setting for a meter. Costs of such re-servicing shall be as established in this rate order or based on justifiable expenses in connection with such re-servicing.

Service – Any act performed, anything furnished or supplied, and any facilities used by the District in the performance of its duties under the Texas Water Code to its customers, employees, other retail public utilities, and the public, as well as the interchange of facilities between the District and one or more retail public utilities.

Service Application and agreement (or) service agreement – A written agreement on the current service application and agreement form between an applicant and the District defining the specific type of service requirements requested, and the responsibilities of each party regarding the service to be provided.

Service classification/unit – The type of water service required by an applicant as may be determined by the District based on specific criteria such as usage, meter size, demand, type application, and other relevant factors related to the applicant's request. The base service unit of residential water service used by the District in facilities design and rate making in this rate order is a 5/8" x 3/4" water meter.

Service Investigation Fee – A fee paid by a potential customer of the District for the purpose of determining the feasibility of providing service or of a construction, line extension and/or expansion project.

Sewer system – The sanitary sewer collection, disposal and treatment facilities operated by or constructed by or for the District, and any sanitary sewer system extensions, improvements or facilities that may be built within the District's boundaries or service area in the future.

Subdivide – An area of land that has been subdivided into lots or tracts. [See Local Gov't Code §232.021(13)]

Subdivision –The classification for non-standard water service assigned to an Applicant that is in the process of constructing a residential commercial structure. The District may also apply this

classification to other nonpermanent service uses (e.g., agricultural, road construction, drilling, livestock, etc.). The District may provide temporary water service for up to six (6) months from the date of application for temporary service. Temporary service may be extended upon request and approval of the District's board of directors on a case-by-case basis. As a prerequisite to receiving temporary service, the applicant must pay the applicable Temporary Service Charges, pursuant to Section G.17 of this rate order.

Texas Commission on Environmental Quality (or) TCEQ – The state regulatory agency having jurisdiction of water and sewer service utility systems.

Water system – The water production, treatment, supply, storage, and distribution facilities operated by or constructed by or for the District, and any water system extensions, improvements or facilities that may be built within the District's boundaries or service area in the future.

SECTION D.

GEOGRAPHIC AREA SERVED

Texas Commission On Environmental Quality

By These Presents Be It Known To All That

Jonah Water Special Utility District

having duly applied for certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this commission that the public convenience and necessity would in fact be advanced by the provision of such service by this Applicant, is entitled to and is hereby granted this

Certificate of Convenience and Necessity No. 10970

to provide continuous and adequate water utility service to that service area or those service areas in Williamson County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Application No. 35132-C are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of Jonah Water Special Utility District to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

Issued at Austin, Texas, this MAR 15 2006

For the Commission

Jonah Water Special Utility District
Water Service Area
CCN No. 10970
Application No. 35132-C (Decertified a Portion of Jonah Water SUD, CCN No. 10970)
Williamson County

N

Water CCN Service Areas
- 10970 - JONAH WATER SUD
- 11977 - FOSTER CONSOLIDATED INVESTMENTS LLC
- 10319 - CITY OF TAYLOR
- 10321 - CITY OF HUTTO
- 11047 - CITY OF ROUND ROCK
- 11060 - CITY OF GRANGER
- 11144 - MANVILLE WSC
- 11590 - CHISHOLM TRAIL SUD
- 12369 - CITY OF GEORGETOWN

Water Facilities + 200 feet Service Areas
- 10970 - JONAH WATER SUD
- 10002 - JARRELL SCHWERTNER WSC
- 10027 - SOUTHWEST MILAM WSC
- 10051 - BELL-MILLAM-FALLS WSC

1 0 1 2 3 Miles

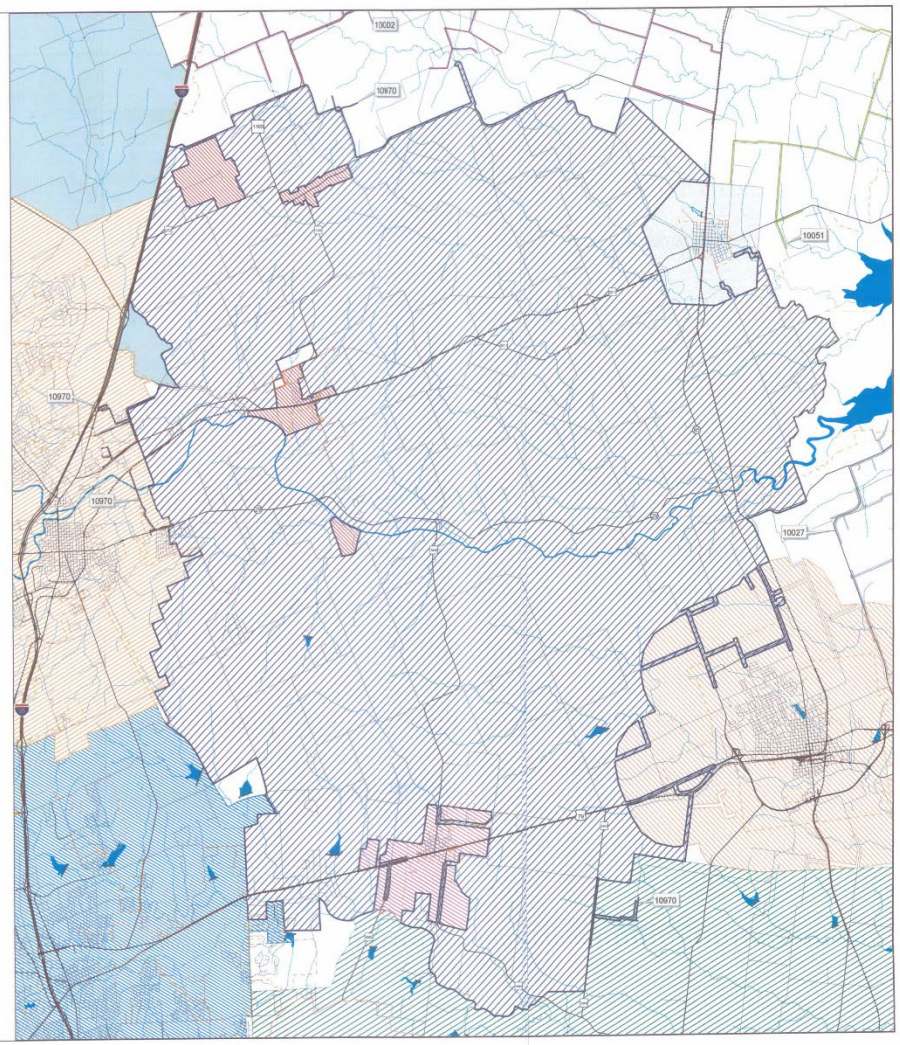
1 inch = 1 mile

Protecting Texas by Reducing and Preventing Pollution

Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

February 17, 2006

Map by S. Jester 2/17/2006
Data path: k:\ud\ccn\ccs_working\ccs.shp and ccnfac.shp
Project path: k:\gis\projects\35132-c.apr



Texas Commission On Environmental Quality

By These Presents Be It Known To All That

Jonah Water Special Utility District

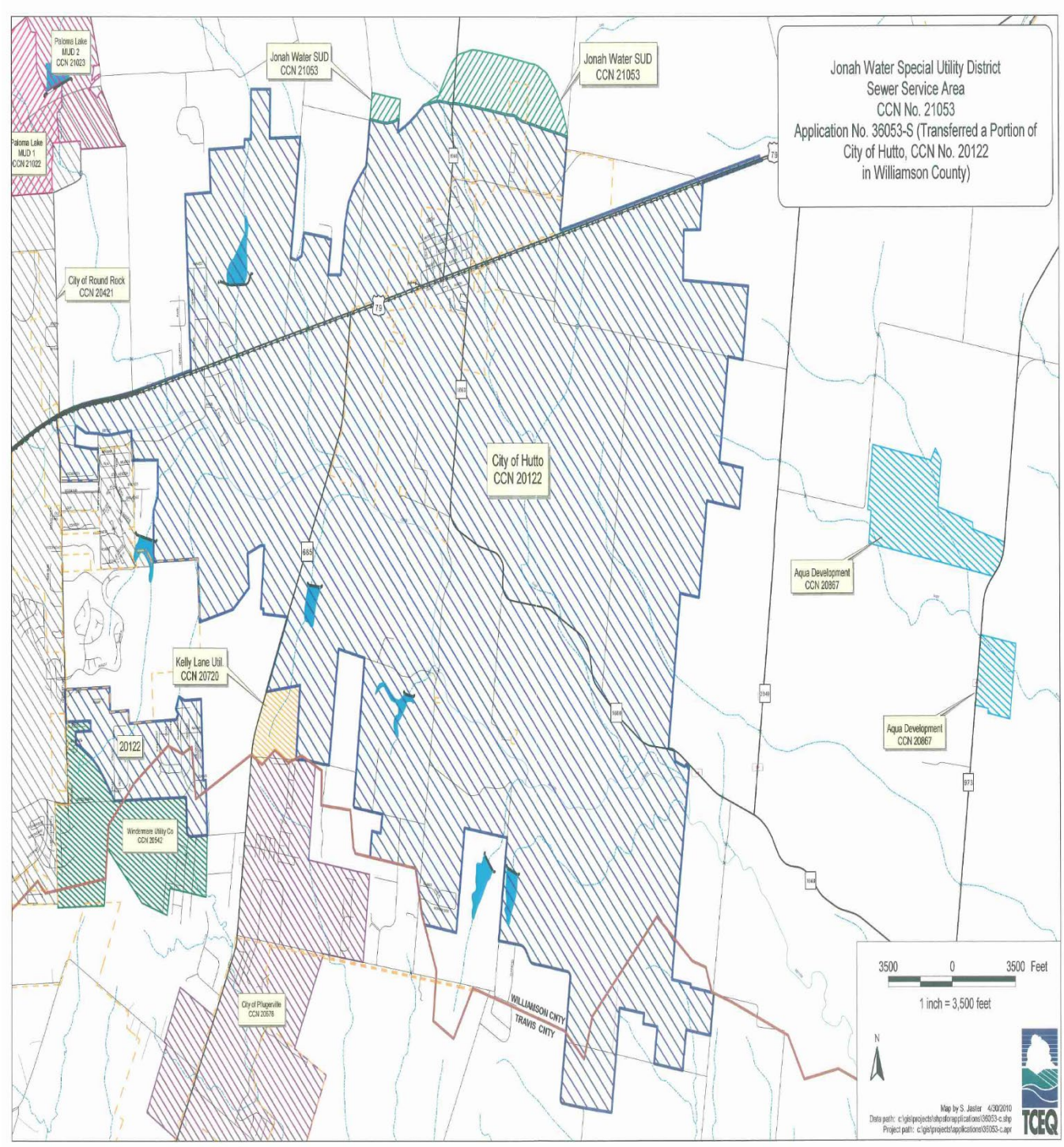
having duly applied for certification to provide sewer utility service for the convenience and necessity of the public, and it having been determined by this commission that the public convenience and necessity would in fact be advanced by the provision of such service by this Applicant, is entitled to and is hereby granted this

Certificate of Convenience and Necessity No. 21053

to provide continuous and adequate sewer utility service to that service area or those service areas in Williamson County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Application No. 36053-S are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of Jonah Water Special Utility District, to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

Issued at Austin, Texas, this MAY 28 2010

For the Commission


Jonah Water Special Utility District
Sewer Service Area
CCN No. 21053
Application No. 36053-S (Transferred a Portion of
City of Hutto, CCN No. 20122
in Williamson County)
Paloma Lake MUD 2 CCN 21023
Paloma Lake MUD 1 CCN 21022
Jonah Water SUD CCN 21053
Jonah Water SUD CCN 21053
City of Round Rock CCN 20421
City of Hutto CCN 20122
Aqua Development CCN 20867
Aqua Development CCN 20867
Kelly Lane Util. CCN 20720
20122
Windermere Utility Co. CCN 20942
City of Pflugerville CCN 20678
WILLIAMSON CNTY
TRAVIS CNTY
3500 0 3500 Feet
1 inch = 3,500 feet
N
TCEQ
Map by S. Jasler 4/30/2010
Data path: c:\gis\projects\shps\applications\36053-c.shp
Project path: c:\gis\projects\applications\36053-c.apr

SECTION E.

SERVICE RULES AND REGULATIONS

1. Charges for Water Service and Payment Application.

(a) Base Rate. The District will charge the applicable Base Rate for the billing period from the first day of the billing period to the last day of the billing period. Base Rate charges will be prorated for meter installations and service termination occurring during a billing period. All service connections are subject to this charge whether or not there is use of water during the billing period.

(b) Gallonage Charge. The District will charge the Gallonage Charge at the rate specified in Section G and calculated in 1,000-gallon increments. Charges for water and sewer usage are based on monthly meter readings and are calculated from reading date to reading date. The District will take all meter readings used in calculating billing.

(c) Posting of Payments. The District will post all payments against previous balances prior to posting against current billings.

2. Due Dates, Delinquent Bills, and Service Disconnection Date.

(a) The District will mail all bills on or about the 20th day of the month. All bills are due and payable upon receipt and are past due beyond the date indicated on the bill (allowing approximately 15 days to pay), after which the District will apply a penalty pursuant to Section G. Payment for utility service is delinquent if the full payment, including late fees and regulatory assessments, is not received at the District offices by 6:00 p.m. on the due date.

(b) The District will mail final notices for delinquent bills allowing five additional days for payment prior to disconnection. The five additional days begin on the day the final notice is deposited with the U.S. Postal Service with sufficient postage.

(c) If the past due date for a regular or final bill falls on a weekend or holiday, the past due date for payment purposes is the next day the District office is open for business after the weekend or holiday. For all disputed payment deadlines, the date postmarked on each bill will determine the beginning of each billing cycle or final notice mailings.

3. Owners and Tenants.

The owner of property that receives service according to the terms of this rate order is responsible for all fees and charges due to the District for service provided to that property.

4. Rules for Disconnection of Service.

(a) Disconnection with Notice. The District may disconnect water service after proper notice for any of the following reasons:

(1) failure to pay a delinquent account for utility service provided by the District, failure to timely provide a deposit, or failure to comply with the terms of a deferred payment agreement;

(2) violation of the District's rules pertaining to the use of service in a manner which interferes with the service of others;

(3) the operation of non-standard equipment, if a reasonable attempt has been made to notify the customer and the customer is provided with a reasonable opportunity to remedy the situation;

(4) failure to comply with the terms of a service agreement, Non-Standard Service Agreement or this rate order;

(5) failure to provide District personnel or designated representatives access to a meter or to property at which water service is received for purposes of inspecting and verifying the existence of potential hazardous conditions or rate order violations;

(6) any misrepresentation of fact by an applicant or customer on any form, document or agreement required by the District; or

(7) failure to re-apply for service upon notification by the District that customer no longer meets the service classification originally applied for under the original Service Application.

(b) Disconnection Without Notice. The District may disconnect water service without prior notice for the following reasons:

(1) where a known dangerous or hazardous condition exists for which service may remain disconnected for as long as the condition exists, including but not limited to a violation of Chapter 341 of the Health and Safety Code and regulations adopted pursuant thereto, or where the District has reason to believe a dangerous or hazardous condition exists and the customer refuses to allow access for the purpose of confirming the existence of such condition and/or removing the dangerous or hazardous condition;

(2) where service is connected without authority by a person who has not made application for service;

(3) where service has been reconnected without authority following termination of service for nonpayment; or

(4) in instances of tampering with the District's meter or equipment, by-passing the meter or equipment, or other diversion of service.

(c) Disconnection Prohibited. The District will not disconnect utility service for any of the following reasons:

(1) failure to pay for merchandise or charges for non-utility service provided by the District, unless there is an agreement whereby the customer guaranteed payment of non-utility service as a condition of service;

(2) failure to pay for a different type or class of utility service unless a fee for such service is included in the same bill;

(3) failure to pay charges arising from an under billing due to any misapplication of rates more than six months before the current billing;

(4) failure to pay the account of another customer as guarantor thereof, unless the District has in writing the guarantee as condition precedent to service;

(5) failure of the customer to pay charges arising from an under billing due to any faulty metering, unless the meter has been tampered with or unless such under billing charges are due under subsection 20 below (Inoperative Meters);

(6) failure of the customer to pay an estimated bill other than a bill rendered pursuant to an approved meter reading plan, unless the District is unable to read the meter due to circumstances beyond its control; or

(7) in response to a request for disconnection by an owner of rental property where the tenant is billed directly by the District as authorized by the owner, and the renter's account is not scheduled for disconnection under the rules for disconnection of service in this rate order.

(d) Disconnection on Holidays and Weekends. Unless a dangerous condition exists or the customer requests disconnection, the District will not disconnect service on a day, or on a day preceding a day, when District personnel are not available to the public for collecting payments and reconnecting service.

(e) Disconnection Due to Utility Abandonment. The District will not abandon a customer or a certificated service area without complying with the requirements established by the Texas Commission on Environmental Quality or the Public Utility Commission.

(f) Disconnection Due to Illness or Disability. The District will not discontinue service to a delinquent residential customer permanently residing in an individually metered dwelling unit when that customer establishes that discontinuance of service will result in some person at that residence becoming seriously ill or more seriously

ill if service is discontinued. To avoid disconnection under these circumstances, the customer shall provide a written statement from a physician to the District before the stated date of disconnection. The District may disconnect service in accordance with subsection 4(a) of this section if the next month's bill and the past due bill are not paid by the due date of the next month's bill, unless the customer enters into a deferred payment agreement with the District.

(g) Disconnection of Master-Metered Accounts. When a bill for service to a master-metered account customer is delinquent, the following apply:

(1) The District will send a notice to the customer as required. This notice will also inform the customer that notice of possible disconnection will be provided to the customer's tenants or occupants of the master metered property in five days if payment is not rendered before that time.

(2) At least five days after providing notice to the customer, and at least five days before disconnection, the District will post at notices, stating "Termination Notice," in public areas of the master-metered property to notify tenants or occupants of the scheduled date for disconnection of service.

(3) The tenants or occupants may pay the District for any delinquent bill on behalf of the customer to avoid disconnection or to reconnect service to the master-metered property.

(h) Disconnection of Temporary Service. When an applicant with temporary service fails to comply with the conditions stated in the service agreement or provisions of this rate order, the District may terminate temporary service with notice.

(i) Payment During Disconnection. The District is not obligated to accept payment of a bill when a District employee or designated representative is at the customer's property for the purpose of disconnecting service.

(j) Disconnection of Sewer Service. For the purpose of disconnecting sewer service under these policies, the District will terminate water service in lieu of disconnecting sewer service. In instances of nonpayment of sewer service charges or other sewer service violations by a customer that does not receive water service from the District, the District may disconnect the sewer tap or take other appropriate actions as determined by the District.

5. Refusal of Service.

The District may refuse to serve an applicant for the following reasons:

(a) failure of an applicant to complete all required easement forms and pay all required fees and charges;

(b) failure of an applicant to comply with the rules, regulations and policies of the District;

(c) existence of a hazardous condition at the applicant's property which would jeopardize the welfare of other customers of the District upon connection;

(d) failure of an applicant to provide representatives or employees of the District reasonable access to property for which service has been requested;

(e) failure of an applicant to comply with all rules and regulations of the District that are in this rate order on file with the state regulatory agency governing the service applied for by the applicant;

(f) failure of an applicant to provide proof of ownership of the property designated to receive service to the satisfaction of the District; or

(g) the District has determined that the applicant's service facilities are known to be inadequate or of such character that satisfactory service cannot be provided.

6. Applicant's Recourse.

If the District refuses to serve an applicant under the provisions of this section, the District will notify the applicant in writing of the basis of its refusal and that the applicant may file a written complaint with the Board of Directors within 15 days after the District sends the notice.

7. Insufficient Grounds for Refusal of Service.

The following do not constitute sufficient cause for the refusal of service to an applicant:

(a) delinquency in payment for service by a previous owner or tenant of the property designated for service;

(b) failure to pay a bill to correct previous under billing more than six months before the date of application;

(c) violation of the District's rules pertaining to operation of non-standard equipment or unauthorized attachments that interferes with the service of others, unless the District has made a reasonable attempt to notify the customer and the customer been afforded reasonable opportunity to comply with the requirements;

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

8. Deferred Payment Agreement.

The District may enter into a deferred payment agreement, not to exceed a term of one year, with a customer 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 payment penalties or interest on the monthly balance to be determined as per agreement.

9. Returned Check Policy.

Payment by check that has been rejected for insufficient funds, closed account, or for which a stop payment order has been issued is not deemed to be payment to the District. The District will mail, via the U.S. Postal Service, notice that the returned instrument shall be redeemed, and the customer shall pay an additional returned check fee at the District office within ten days of the date of the notice. Redemption of the returned instrument and payment of the returned check fee shall be made by cash, money order, or certified check. Failure to meet these terms will result in disconnection of service. A customer will be considered a bad credit risk for having an instrument returned as insufficient or non-negotiable for any reason for any two billing periods within a 12-month period and will be placed on a "cash-only" basis for a 12-month period during which the District will only accept payment by means of a certified check, money order or cash.

10. Billing Cycle Changes.

The District reserves the right to change its billing cycles if the workload requires such practice. After a billing period has been changed, bills will be sent on the new change date unless otherwise determined by the District.

11. Back-billing.

If a customer was undercharged, the District may back-bill the customer for the amount which was under billed. The back-billing will not exceed six months unless such undercharge was the result of meter tampering, bypass, or diversion of service by the customer as defined in subsection 23 below. If the under billing is $25 or more, the District will offer to enter into a deferred payment agreement with such customer for the same length of time as that of the under billing. In cases of meter tampering, bypass, or diversion of service, the District may, but is not required to, offer a customer a deferred payment plan.

12. Disputed Bills.

In the event of a dispute between a customer and the District regarding any monthly bill, the dispute will be resolved or disposed of in accordance with the Grievance Procedures set forth in the following subsection 13, except as follows:

(a) Notice of the bill dispute shall be submitted to the District, in writing, and a payment equal to the customer's average monthly usage at current rates shall be received by the District prior to the due date posted on the disputed bill.

(b) The customer is not required to pay the disputed portion of a bill that exceeds the amount of that customer's average monthly usage at current rates pending the completion of the determination of the dispute. For purposes of this subsection, the customer's average monthly usage is the average of the customer's usage for the preceding 12-month period.

(c) Notwithstanding any other section of this rate order, a utility customer's service will not be subject to discontinuance for nonpayment of that portion of a bill under dispute pending the completion of the determination of the dispute. The customer is obligated to pay any billings not disputed as established in subsection 4 of this rate order (relating to Disconnection of Service).

13. Grievance Procedures.

Any customer of the District or person demonstrating an interest under the policies of this rate order in becoming a customer may voice concerns or grievances to the District by the following means and procedures:

(a) The aggrieved party shall first submit written notice to the general manager or authorized staff member stating the concern or grievance and the desired result. The general manager will investigate the matter and provide a response to the aggrieved party within 14 days after receipt of the written notice of grievance.

(b) If the general manager does not resolve the grievance to the satisfaction of the aggrieved party, the party may appeal the general manager's decision, in writing, to the President of the Board of Directors for disposition. The written notice of appeal shall be submitted to the District within seven days after the date of the general manager's written response to the notice of grievance.

(c) Upon receipt of an appeal, the President of the Board of Directors will review the request and determine the best means by which the grievance will be resolved. The President may direct that a grievance be heard by the Board of Directors for final disposition, or initially by District staff appointed by the President and serving in an advisory capacity to the Board of Directors. The President will also determine a reasonable time and place for the grievance to be heard by the Board of Directors, but such hearing will take place within 60 days of the date that the President received the written notice of appeal. Final disposition by the Board of Directors will be reported to the aggrieved party in writing.

(d) If under this subsection an aggrieved party contests a charge or fee as sole or partial basis of a grievance, the contested charge or fee will be suspended until such time as the grievance is satisfactorily resolved by the general manager, the deadline for delivering an appeal to the President of the Board of Directors has passed, or the Board of Directors has rendered its final disposition of the dispute.

This provision does not apply to disputed monthly bills pursuant to subsection 18 above.

14. Inoperative Meters.

Water meters found inoperative will be repaired or replaced by the District within a reasonable time. If a meter is found not to register for any period, unless by-passed or tampered with, the District will make a charge for units used, but not metered, for a period not to exceed three months, based on amounts used under similar conditions during the period preceding or subsequent thereto, or during corresponding periods in previous years.

15. Bill Adjustment Due To Meter Error.

The District will test any customer's meter upon written request of the customer. If the meter tests within the accuracy standards of The American Water Works Association, the District will charge a meter test fee as prescribed in Section G.14. If the test results indicate that the meter is faulty or inaccurate, the test fee will be waived, the District will replace or calibrate the meter and make a billing adjustment for no more than six prior months. The District will adjust the billing to the degree of the meter's inaccuracy as determined by the test. The customer shall complete and sign a Meter Test Authorization and Test Report prior to the test.

16. Leak Adjustment Policy.

If the amount of a customer's monthly bill is higher than normal due to leakage, the customer may, prior to the due date on the bill, submit a written request to the District requesting that the District adjust the bill. The District may grant an adjustment, but will not reduce the amount of the bill to less than three times the amount of the average of the customer's monthly bills over the previous 12 months, provided that each of the following conditions is met:

(a) requests for relief shall be in writing and submitted to the General Manager;

(b) requests for relief shall include reasonable proof that leak has been repaired;

(c) customers are eligible for relief every five years, and shall not have been granted relief at any time within the previous five years;

(d) the granting of relief is in the sole discretion of the General Manager; and

(e) for customers granted relief, all water usage as a result of the leak, will be calculated at the first-tier rate of the current gallonage charge. The base rate and surcharge will still be applied to the bill.

17. Meter Tampering and Diversion of Service.

All meters connected to the District's water system will be provided, owned, installed and maintained by the District. Meter tampering, bypassing a meter or service equipment, and diversion of service are prohibited. Meter tampering, bypass, or diversion means tampering with

a meter or service equipment causing damage or unnecessary expense to the District, bypassing a meter or service equipment, or other instances of diversion of service, such as:

(a) installing a meter or service equipment without authorization from the District;

(b) removing or altering locks or shut-off devices installed by the District to discontinue service;

(c) removing, altering or physically disorienting a meter or service equipment;

(d) inserting or attaching objects to a meter or service equipment to bypass or divert service;

(e) other electrical and/or mechanical means of tampering with, by-passing, or diverting service;

(f) connecting or reconnecting service without District authorization; or

(g) connecting to the service line of an adjacent customer of the District.

The burden of proof of meter-tampering, by-passing, or diversion is on the District. In addition to any other penalties or remedies provided for in this rate order or under Texas civil law, persons who tamper with meters or divert service and unauthorized users of District services may be prosecuted to the extent allowed by law under Texas Penal Code § 28.03 (Criminal Mischief) or § 31.04 (Theft of Service) as appropriate.

18. Damage to District Facilities.

(a) Damage to Meter and Appurtenances. No person other than a duly authorized employee or agent of the District is permitted to tap or make any connection to the water distribution lines of the District's water system, except for emergency fire-fighting purposes, or make any repairs or additions to or alterations in any meter, meter box, tap, pipe, cock or other fixture connected with the water system, or any manhole, main, trunk or appurtenance of the District's sewer system. The District reserves the right, immediately and without notice, to remove the meter or disconnect water service to any Customer whose meter has been tampered with and to assess an equipment damage fee to the Customer under Section G.12 of this rate order.

(b) Right to Repair. The District reserves the right to repair any damage to the water and sewer systems without prior notice and to assess against any Customer causing the damage such penalties as are provided for by law and this rate order, in addition to those charges necessary to repair system damage.

19. Meter Relocation.

The District may permit the relocation of meters or services provided that:

(a) the relocation is limited to the requesting customer's existing property designated to receive service;

(b) a current easement for the proposed location has been granted to the District;

(c) service capacity is available at the proposed location; and

(d) the customer pays a Meter Relocation Fee and any additional costs that are incurred by the District to relocate the meter. [see Section G.16].

In order to improve the operations of the District, the District may relocate a meter at any time at no cost to the customer.

20. Prohibition of Multiple Connections to a Single Tap.

No more than one residential, commercial or industrial service connection is allowed per meter. The District may require the owner of an apartment building, mobile home/RV park or other commercial account to apply for a single meter as a "Master Metered Account" pursuant to Section E.2(c)(4) of this rate order. Any unauthorized submetering or diversion of service is considered a "multiple connection" and subject to disconnection of service. If the District has sufficient reason to believe a multiple connection exists, the District will discontinue service under the Disconnection with Notice provisions in subsection 4(a) above.

21. Customer Responsibilities.

(a) District Access to Meters. Customers shall allow District employees and designated representatives access to meters for the purpose of reading, testing, installing, maintaining and removing meters and using utility cutoff valves. If access to a meter is hindered so that the District is prevented from the reading of the meter, an estimated bill will be rendered to the customer for the month and a notice of the hindrance will be sent to the customer. If access is denied for three consecutive months after notice to the customer, then District will discontinue service and remove the meter with no further notice.

(b) Compliance with On-Site Service and Plumbing Requirements. Customers are responsible for complying with all District, local, state and federal codes, requirements and regulations concerning on-site service and plumbing facilities.

(1) All connections shall be designed to ensure against back-flow or siphonage into the District's water system. In particular, livestock water troughs shall be plumbed above the top of the trough with an air space between the discharge and the water level in the trough. [30 TAC § 290.46].

(2) The use of pipe and pipe fittings that contain more than 8.0% lead or solder and flux that contain more than 0.2% lead is prohibited for any plumbing installation or repair of any residential or non-residential facility providing water for human consumption and connected to the District's

facilities. Customer service pipelines shall be installed by the applicant. [30 TAC § 290.46].

The District will discontinue service without further notice when installations of new facilities or repair of existing facilities are found to be in violation of this regulation until the violation is corrected.

(c) Payment on Multiple Accounts. A customer owning more than one service connection shall keep all payments current on all accounts. Failure to maintain current status on all accounts is enforceable under this rate order, a Service Application or agreement executed by the customer.

(d) Extent of District Ownership and Maintenance. The District's ownership and maintenance responsibility of water distribution and metering equipment ends at a customer's meter. Therefore, all water usage registering upon and/or damages occurring to the metering equipment owned and maintained by the District are subject to charges pursuant to this rate order.

(e) Cut-off Valve Requirement. Each customer shall have a cut-off valve on the customer's side of the meter for purposes of isolating the customer's service pipeline and plumbing facilities from the District's water pressure. The valve shall meet AWWA standards (a ball valve is preferred). The customer's use of the District's curb stop or other similar valve for such purposes is prohibited. A customer is subject to charges for any damage to the District's meter or other service equipment. At the request and cost of the customer, the District may install a cut-off valve as a part of the original meter installation by the District.

22. Prohibited Plumbing Practices

(a) No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination will be isolated from the public water system by an air gap or an appropriate backflow prevention device.

(b) No cross-connection between the water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the installation of an air-gap or a reduced pressure-zone backflow prevention device.

(c) No connection which allows water to be returned to the public drinking water supply is permitted.

(d) No pipe or pipe fitting which contains more the eight percent (8.0%) lead is permitted for the installation or repair of plumbing at any connection which provides water for human use.

(e) No solder of flux which contains more than two-tenths of one percent (0.2%) lead can be used for the installation or repair of plumbing at any connection which provides water for human use.

23. Water Service Connections.

(a) No person, other than District employees or designated representatives, is permitted to tap or make any connection with the mains or service lines of the District's water system or make any repairs or additions to or alterations in any tap, pipe, cock or other fixture connected to a water service line.

(b) A customer shall allow his or her property to be inspected for possible cross-connections and other undesirable plumbing practices. These inspections will be conducted by the District prior to initiating service and may be conducted periodically thereafter. All inspections will be conducted during the District's normal business hours.

(c) The customer shall, at the customer's expense, properly install a backflow prevention device as required by the District.

(d) All costs to extend or oversize District water mains or service lines to serve any residential or commercial user or any undeveloped area within the District are the sole responsibility of the property owner and/or developer requesting service.

24. Standards for Water Service Lines.

The following standards govern the installation of customer service lines for water service to residences or commercial buildings within the District:

(a) All new residential or commercial connections to the District's water system shall be made in accordance with previous subsection 29 and the Rules and Regulations for Public Water Systems issued by the Texas Commission on Environmental Quality as set forth in Subchapter D, Chapter 290, Title 30 of the Texas Administrative Code. In the event of a conflict between the provisions of subsection 29 and the Texas Commission on Environmental Quality's Rules and Regulations for Public Water Systems, the more stringent provision applies.

(b) Water service lines and fittings shall be of Type "K" copper or polyvinyl chloride PVC DR 14 as approved by the District.

(c) Water service lines and wastewater service lines shall not be less than three feet apart horizontally and shall be separated by undisturbed or compacted earth.

(d) Water service lines or any underground water pipe shall not be run or laid in the same trench with non-metallic sewer or drainage piping unless all three of the following conditions are met:

(1) The bottom of the water service line at all points are at least 12 inches above the top of the wastewater line.

(2) The water service line shall be placed on a solid shelf excavated at one side of the common trench and the two lines are separated by a minimum of 8 inches.

(3) The water service lines are installed with watertight joints tested to a minimum of 150 PSI.

(e) A minimum of four feet of Type "K" soft copper pipe shall be installed at the end of the water service line at the connection to the water meter.

(f) Water service lines shall be bedded in well graded crushed stone to provide six inches of cushion below the line. The trench bottom and walls shall be cleared of all protruding rocks which could damage the pipe before the crushed stone bedding is placed.

(g) A District-owned water meter and a District-approved meter box is installed by the District or its designated representative.

(h) Potable water supply piping, water discharge outlets, backflow prevention devices, or similar equipment shall not be located to make possible the submergence of such equipment in any contaminated or polluted substance.

(i) Lawn sprinkling systems shall be equipped with an approved vacuum breaker installed in the discharge side of each of the last valves. The vacuum breaker shall be installed at least six inches above the surrounding ground and above a sufficient number of heads so at no time will the vacuum breaker be subjected to back pressure or drainage.

(j) The District's water system shall be protected from swimming pool makeup water by means of an approved backflow prevention device or an adequate air gap.

(k) Upon the installation of a service line, a request for inspection shall be made to the District's office, and the line shall not be back-filled until the District has inspected and approved of the installation. The District will perform the inspection within 48 hours of receiving the request.

(l) Backfilling of service line trenches shall be completed within 24 hours of inspection and approval, and no debris will be permitted in any service line trench.

25. Standards for Service Facilities (Details).

All water and sewer service facilities shall be constructed in accordance with the District's Water Standard Details and Sewer Standard Details. In the event of a conflict between these standard details and any other provision of this rate order, the standard details apply.

26. Penalties and Enforcement.

(a) Penalties. Any person violating any provision of this Section E, as amended, may be subject to a fine of not more than $1,000.00 for each violation.

Each day that a violation of this Section E is permitted to exist constitutes a separate violation. A penalty under this section is in addition to any other penalty or remedy provided by the laws of the State of Texas or this rate order.

(b) Other Penalties. The District may disconnect water and/or sewer service to any customer discharging prohibited wastes.

(c) Liability for Costs. Any person violating any provision of this Section E, as amended, is liable to the District for any expense, loss or damage occasioned by the District by reason of such violation and the District's enforcement thereof. If the District prevails in any suit to enforce these rules and regulations, it may, in the same action, recover any reasonable fees for attorneys, expert witnesses, and other costs incurred by the District before the court.

(d) No Waiver. The failure on the part of the District to enforce any section, clause, sentence, or provision of this rate order does not constitute a waiver of the right of the District later to enforce any section, clause, sentence, or provision of this rate order.

SECTION F.

APPLICATIONS FOR SERVICE

1. District Authority.

All Applicants recognize that the District is required to comply with local, state, and federal rules and regulations as promulgated from time to time, and with covenants of current indebtedness. The District is not required to extend retail utility service to any Applicant requesting standard service to a lot or tract in a subdivision where the Applicant responsible for the subdivision has failed to comply with the requirements of the District's subdivision service extension policies and non-standard service requirements set forth in this Section.

2. Purpose.

This Section defines the process by which the specific terms and conditions for service by the District is determined, including the non-standard service Applicant's and the District's respective costs.

For purposes of this section, the term "Applicant" refers to a person or entity that desires to secure service from the District. The Applicant shall be the same person or entity that is authorized to enter into a contract with the District setting forth the terms and conditions pursuant to which service will be furnished to the property if required. In most cases, the Applicant will be the owner of the property for which service is sought. An Applicant other than the property owner must furnish evidence to the District that the Applicant has authority to request service on behalf the owner.

3. Service Entitlement.

(a) An Applicant requesting service to real property located within the District's service area is considered qualified and entitled to water service when (1) a proper and complete application has been made, (2) the terms and conditions of service have been met and continue to be met, and (3) all fees have been paid as prescribed.

(b) An Applicant shall follow the requirements of the District's rate order and construction standards before construction of any improvements on an undeveloped tract or lot.

(c) An Applicant requesting service to real property located outside the boundaries of the District's service area will be considered for service in accordance with current District policies on providing service outside the District's service area.

4. Application Procedures and Requirements.

(a) Requirements for Service.

(1) The Applicant shall complete and sign a Service Application.

(2) As a condition for service, the Applicant shall complete and execute an exclusive private Easement and Right-of-Way, Sanitary Control Easement and/or such other easement form(s) required by the District to obtain a dedicated easement(s) to allow the District a right of access to construct, install, maintain, replace, upgrade, inspect or test any facility necessary to serve the Applicant as well as the District's purposes in providing system-wide service. [see Tex. Water Code § 49.218]. This requirement may be delayed. New meters shall be located within a utility easement at or near the boundary line of the property designated for service.

(3) The Applicant shall provide proof of ownership of the real property designated to receive service by warranty deed or other recordable documentation of fee simple title.

(4) At the request of a property owner or an owner's authorized agent, the District will install individual meters owned by the District in an apartment house, manufactured home rental community, multiple use facility, or condominium unless the District determines that the installation of individual meters is not feasible. If the District determines that installation of individual 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 District is entitled to the payment of reasonable costs to install individual meters pursuant to 16 TAC § 24.122(d) and this rate order. The property owner shall prepay the cost of individual meter installations and the cost of any additional facilities or system improvements required to satisfy the total water service demand of the property at full occupancy, as determined under applicable provisions of this Section. The District considers master metering non-standard service to apartments, condos, trailer/RV parks, or business centers and other similar type enterprises at an Applicant's request provided that all units to be served are:

(A) owned by the same person, partnership, cooperative, corporation, agency, or public or private organization of any type, but not including a family unit;

(B) directly inaccessible to a public right-of-way; and

(C) considered a commercial enterprise (i.e., for business, rental or lease purposes).

(5) The District will provide the Applicant with notice of application approval and costs of service or notice of disapproval as determined by the District in writing. Notice of approval and costs of service will remain in effect for a period not to exceed 30 days. After that time the Applicant shall re-apply for service. [See 16 TAC § 24.81(a)(1)].

(6) If a 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 an easement to the District for the purpose of installing the water main and appurtenances. The Applicant will grant an easement as required under this rate order and, in addition to the normally required fees for new customer service, pay such sums as are reasonably necessary to remove or cap the existing water main in the public right-of-way and to construct the appropriate line or lines within that easement for the District's system-wide service before receiving the requested service.

(7) If an Applicant or transferee fails to provide all documentation or information required at the time of application, the District will issue written notice that the Applicant shall provide the documentation or information within ten days or service will be terminated or the application will be rejected. This provision applies to both standard and non-standard service requests.

(8) All plans for construction of water facilities, including lines and related appurtenances, shall be submitted to the District for review and approval in writing and approved by the District prior to bidding and construction. The District and the District's engineer will review the plans and provide written comments or noted deficiencies if the plans are not approved. The District's Plan Review Fee and any Resubmittal Fees shall be fully paid before the District will approve any plans.

(b) Service Classifications. The District's general manager or designee reserves the right to determine how an application is classified. Applications to the District for service are divided into the following two classes:

(1) *Standard Service*. "Standard Service" is defined as service from an existing service line where line or service facility extensions are not required and special design and/or engineering considerations are not necessary. Typically, standard water service is provided through a single 5/8" x ¾" or ¾" x ¾" meter set on an existing service line. Applications for Standard Service shall comply with the service requirements of Section E.

(2) *Non-Standard Service*. "Non-Standard Service" is defined as any service request that is not classified as Standard Service, including but not limited to: most commercial, industrial and governmental uses and developments; single tracts of land that require multiple meters or a single meter larger than ¾" x ¾" for service; temporary water service request;

service request to a Master Metered Account pursuant to an agreement; or an addition to or extension of the District's water system or sewer system to receive the requested service. Applications for Non-Standard Service shall comply with the service requirements of Section E.

(c) Changes in Service Classification. If at any time the District determines that the service classification of a customer has changed from that originally applied for and that additional or different facilities are necessary to provide adequate service, the District will require the customer to re-apply for service under the terms and conditions of this rate order. Customers failing to comply with this provision are subject to Disconnection with Notice under subsection E.4(a) above.

(d) Service Applications.

(1) New Service Connection. The District charges a non-refundable Connection Fee and other applicable fees as required under Section G of this rate order. The Connection Fee and other fees are quoted in writing to the Applicant. An Applicant shall pay all fees or enter into a deferred payment agreement before installation of a new service connection or tap.

(2) Performance of Work. The District installs all taps and equipment necessary to provide service within 20 working days after approval and receipt of payment of all quoted fees and charges. This time may be extended for installation of facilities and equipment necessary to provide Non-Standard Service.

(3) Customer Service Inspections. The District performs a customer service inspection of an Applicant's property and private water distribution facilities to insure compliance with state required Minimum Acceptable Operating Practices for Public Drinking Water Systems as promulgated by the Texas Commission on Environmental Quality or successor agency. [see Section B.8]. As a result of such an inspection, the District may require that a customer properly install a backflow prevention device, and thereafter, inspect, test and maintain the device, and provide all required documentation to the District, all at the customer's expense. [see 30 TAC § 290.46(Q)].

5. Non-Standard Service.

This section sets forth the general terms and conditions pursuant to which the District will process Non-Standard Service requests. The specific terms and conditions pursuant to which the District will provide Non-Standard Service in response to any request will depend upon the nature of such request and will be set forth in a contractual agreement to be entered between the District and Applicant.

(a) Non-Standard Service Application.

The Applicant shall meet the following requirements prior to entering into a Non-Standard Service Agreement with the District:

(1) The Applicant shall provide the District a completed Service Application giving special attention to the items on "Special Service Needs of the Applicant."

(2) The Applicant must also submit at least two hard copies and one digital copy of all plats and plans with the Service Application, including:

(A) Applicant shall include a preliminary plat with the Service Application. The term "Service Application" includes the preliminary plat showing the Applicant's requested service area and any plans, specifications, and special requirements of such governmental authorities. Applicants for single taps involving extension or upsizing of facilities shall submit maps and plans detailing the location of the requested extension and details of demand requirements;

(B) Plans for all improvements the Applicant proposes to build;

(C) A description of all intended land uses in the subdivision or development;

(D) A proposed calendar of the design, plat approval, construction, and initial occupancy;

(E) A projected schedule of the build-out and of associated water demand during the build-out and occupied;

(F) For development in phases, a map depicting the planned location of each phase and a description of the level and manner of service and estimated time frame for each phase;

(G) Any other written information and plans reasonably sufficient to allow the District to determine the level and manner of service and improvements allocable to the service request. This includes any other additional information requested by the District or the District's engineer.

(3) The Applicant must pay a Non-Standard Service Investigation Fee to reimburse administrative costs and professional fees incurred by the District at the time the Service Application is submitted to the District. A Non-Standard Service Investigation Fee is to be paid to the District in accordance with the requirements of Section G. If the Non-Standard Service Investigation Fee is not sufficient to pay all expenses incurred by the

District, the Applicant must pay to the District an additional sum sufficient to cover all remaining expenses that have been, or will be incurred by the District and the District will have no obligation to complete processing of the request until all remaining expenses have been paid.

(4) If after the service investigation has been completed, the District determines that the Applicant's service request for property located, in whole or in part, outside the area described in the District's Certificate of Convenience and Necessity ("CCN"), the District may extend service provided that:

(A) The service location is not in an area receiving similar service from another retail utility;

(B) The service location is not within another retail utility's CCN; and

(C) Where applicable the District's defined service area is amended to include the entirety of Applicant's property for which service is requested. Applicant shall pay all costs incurred by District for annexation or for amending its CCN, including but not limited to engineering and professional fees. The District 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 and as allowed by law (including but not limited to payment of all professional fees, including legal, surveying and engineering fees incurred by District in securing the amendment).

(b) Facility and Feasibility and Design Review Process.

Upon receipt of the completed and signed Service Application and Non-Standard Service Investigation Fee, the District will study the design requirements of the Applicant's required facilities according to the following schedule:

(1) Service Application Review. The District's engineer will review the Service Application. Any necessary changes to Applicant's proposed plats and/or plans shall be submitted in writing to the District. Allow a minimum of 30 days for the review process.

(2) Feasibility Report. The District's engineer will provide a Feasibility Report based on the Service Application review and demand for service.

6. Design Requirements.

(1) The design criteria for water system improvements, including water line size and location, will be determined by the District's engineer, whose determination is final.

(2) All water line material fittings shall conform to American National Standards Institute/National Sanitation Foundation (ANSI/NSF) standard 61 and shall be certified by an organization accredited by ANSI and not less than 8" C900 DR 18 PVC rated at 235 psi.

(3) Any water line extensions constructed shall be constructed completely across (property line to property line) the side of the subdivision or development which is contiguous and adjacent to the road or street on which the main entrance to the project is located.

(4) The water system shall be designed to afford effective circulation of water with a minimum of dead ends. All dead-end mains shall be provided with acceptable flush valves and discharge piping. All dead-end lines less than two inches in diameter will not require flush valves if they end at a customer service connection. The District may permit dead ends when necessary as a stage in the growth of the water system, but they shall be located and arranged to ultimately connect the ends to provide circulation. [see 30 TAC § 290.44(d)(6)].

(5) All water and wastewater facilities shall be constructed in accordance with plans and specifications submitted to the District and approved in writing in advance by the District's engineer. The District Engineer will review the design, plats and plans for all on-site and off-site service facilities for the Applicant's requested service within the District's specifications, incorporating any applicable municipal or other governmental codes and specifications. The District's engineer will 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 Service Application. The District reserves the right to upgrade design of service facilities to meet future demands.

(6) Notwithstanding any provision herein to the contrary, the minimum line sizes and materials used in construction in new subdivisions located within the corporate boundaries or extra-territorial jurisdiction of a municipality shall meet or exceed those specified by the subdivision requirements of the municipality.

7. Preparation of a Non-Standard Service Agreement.

Upon written request from the Applicant, the Design and Feasibility Report and the Service Application, the District's attorney will prepare a Non-Standard Service Agreement for the Board's consideration. The Non-Standard Service Agreement defines the terms of service prior to construction of required service facilities for the project and may include, without limitation, provisions for the following:

(a) payment of all costs associated with required administration, design, construction and inspection of facilities for water service to the project;

(b) procedures by which the Applicant may accept or deny a contractor's bid, thereby committing to continue or discontinue the project;

(c) amount and payment of capital contributions required by the District in addition to other costs required under this section;

(d) reservation of service capacity for the Applicant and duration of reserved service with respect to the impact that the Applicant's service demand will have upon the District's system capability to meet other service requests;

(e) terms by which the Applicant indemnifies the District from all third party claims or lawsuits arising from or related to the project;

(f) terms by which the Applicant dedicates all constructed service facilities to the District and by which the District will assume operation and maintenance responsibility, including any enforcement of warranties related to construction of the service facilities;

(g) terms by which the Applicant grants title or easements to the District for right-of-ways, constructed service facilities, and service facility sites, and/or terms by which the Applicant provides for the securing of required right-of-ways and sites;

(h) terms by which the Board of Directors reviews and approves any applicable Non-Standard Service Agreement or any other contract related to the project pursuant to current rules, regulations and policies of the District; and

(i) terms by which the District administers the Applicant's project with respect to:

(1) the design of the Applicant's service facilities;

(2) securing and qualifying bids;

(3) execution of the Agreement;

(4) selection of a qualified bidder for construction;

(5) dispensing advanced funds for construction of facilities required for the Applicant's service;

(6) inspecting construction of facilities;

(7) testing facilities and closing the project; and

(8) The terms of enforceable remedies if the Applicant fails to comply with all contractual obligations, including specific performance.

The District and Applicant shall execute a Non-Standard Service Agreement before construction of service facilities for the project is commenced. If the Applicant commences construction of any such facilities prior to execution of the Agreement, the District may refuse to provide service to the Applicant (or require full costs of replacing/repairing any facilities constructed without prior execution of the contract from any person buying a lot or home from Applicant), require that all facilities be uncovered by the Applicant for inspection by the District, require that any facilities not approved by the District be replaced, or take any other lawful action determined appropriate by the Board of Directors.

8. Payment of Certain Fees Required.

An Applicant for Non-Standard Service shall pay certain fees in accordance with the following schedule, unless otherwise agreed to by the District as set forth in a Non-Standard Service Agreement:

(a) On or before the date that a Non-Standard Service Agreement is executed, the Applicant shall pay the District the following: (i) one-half of the Connection Fee required by Section G.5 of this rate order, multiplied by the total number of lots to be developed for the project or phase, as applicable, pursuant to the approved final plat, and (ii) one-half of the estimated Construction Inspection Fee, required by Section G.27 of this rate order. Payment of the foregoing amounts is a mandatory prerequisite to the commencement of construction of the project.

(b) Before the Applicant's project or a phase thereof is approved and accepted by the District for ownership and maintenance, the Applicant shall pay to the District the remaining fees due the District which have not been paid by the Applicant, including without limitation: (i) the remaining balance of the Connection Fees due under the previous subsection (a); (ii) the remaining balance of the Construction Inspection Fees due under the previous subsection (a); and (iii) all other fees due and payable to the District. This requirement is a mandatory prerequisite to the initiation of water and/or sewer service to the project pursuant to a Non-Standard Service Agreement.

(c) Subsequent purchasers of individual lots shall pay the Deposits required under Section G.3 of this rate order, upon applying to the District for activation of service to individual lots.

(d) The District will not honor requests for service in any project in which the Applicant has not paid the required Connection Fee. If the Connection Fees are not timely paid, then the District will not be required to continue to reserve capacity for the project.

9. Off-Site Facilities.

In the event that a project requires Off-Site Facilities, the following regulations will apply.

(a) Off-Site Construction Costs. "Off Site Construction Costs" are the costs incurred by the District or Developer to construct Off-Site Facilities related to or

required by the project, including the cost to construct a pipeline of at least eight-inch internal diameter (or larger) from a point to be determined by the District to and across the frontage of the project.

(b) Off-Site Facilities. "Off-Site Facilities" Off-Site Facilities include the water line extension and related facilities necessary to provide water service to the Applicant's Property.

(c) Payment of Off-Site Construction Costs:

(1) District Construction of Off-Site Facilities. The District has the option to construct or have constructed the Off-Site Facilities necessary to serve the Applicant's property. Should the District opt to construct the required Off-Site Facilities, the Applicant shall pay the cost equal to the cost of Off-Site Facilities necessary to serve the Applicant's property. The District will bear the incremental cost for oversizing the Off-Site Facilities.

Upon the execution of a Non-Standard Service Agreement by an Applicant and the District, the Applicant shall deposit with the District ten percent of the estimated Off-Site Construction Costs and continue to promptly make progress payments to the District until the balance is paid in full in accordance with the Non-Standard Service Agreement.

(2) Applicant Construction of Off-Site Facilities. If the Applicant constructs the Off-Site Facilities required to serve the Applicant's property, the Applicant shall bear all Off-Site Construction Costs. The District will reimburse the Applicant for the incremental cost of oversizing the Off-Site Facilities.

If an Applicant timely pays all applicable fees under this Section F, and is not in default of any other obligation to the District, the Applicant may receive a credit against the Connection Fees due for the project or phase thereof, for the Off-Site Construction Costs of projects identified in the District's Capital Improvement Project Plan ("CIPP") and reasonably incurred for capacity in excess of the incremental capacity necessary to serve the project, as determined by the District's engineer.

(d) Timely Construction of Off-Site Facilities. If the Developer bears the obligation to construct the Off-Site Facilities, as defined in the District's Capital Improvement Plan, and does not complete the construction of the Off-Site Facilities by the deadline specified in the Non-Standard Service Agreement, the District may initiate or resume construction of the Off-Site Facilities and the Applicant shall pay any Off-Site Construction Costs incurred by the District for Off-Site Facilities necessary to serve the Applicant's property.

(e) Conflict. If any other provision in this rate order conflicts with a provision of this subsection, then the provisions of this subsection will control. The determination of a conflict will be in the sole discretion of the District.

10. Property and Right-of-Way Acquisition.

With regard to construction of facilities, the District requires private right-of-way easements or private property dedicated to the District as per the following conditions:

(a) If the District determines that right-of-way easements or facility sites outside the Applicant's property are required, the Applicant will secure easements or title to the facility sites on behalf of the District. All right-of-way easements and property titles will be researched, validated, and recorded by the District at the expense of the Applicant.

(b) Applicant pays all costs, including legal and other professional fees, and the condemnation award in the event District secures such private easements or facility sites through eminent domain proceedings.

(c) The District requires an exclusive dedicated right-of-way on the Applicant's property of at least 20' in width (as required by the size and site of the planned facilities and as determined by the District) and title to property required for other on-site facilities.

(d) The Applicant shall prepare all easement documents and deeds necessary for the construction of the facilities in accordance with the District's requirements and at its sole expense.

11. Contractor Selection & Qualification.

(a) Selection. Applicants may choose one of the following methods for selection of a contractor to construct line extensions and/or water distribution facilities required by the District to serve a development:

(1) The Applicant selects a qualified contractor. The District reserves the right to reject any contractor selected by the Applicant in accordance with the criteria set forth in the following subsection 11(b).

(2) The District's engineer advertises for bids for the construction of the Applicant's proposed facilities in accordance with generally accepted practices. The Applicant provides the District with a sufficient number of plans and specifications, without charge, for prospective bidders. The District reserves the right to reject any bid or contractor, the District generally awards the contract to the lowest and best bidder in accordance with the criteria set forth in the following subsection 11(b). After the Applicant has executed the Non-Standard Service Agreement, the Applicant pays to the District all costs necessary for completion of the project's service facilities prior to construction and in accordance with the terms of the Non-Standard Service Agreement.

(b) Qualification Criteria.

Before entering into a contract for construction, the Applicant shall meet the following criteria:

(1) the Applicant signs the applicable Non-Standard Service Agreement prepared by the District's attorney and pays all costs in advance of construction associated with the project;

(2) the contractor provides an adequate bid bond under terms acceptable to the District;

(3) the contractor secures adequate performance and payment bonding for the project under terms acceptable to the District;

(4) the contractor supplies favorable references acceptable to the District;

(5) the contractor qualifies with the District as competent to complete the work; and

(6) the contractor provides adequate certificates of insurance as required by the District.

12. Construction.

(a) All roadwork pursuant to state, county, and or/municipal standards (as applicable) is to 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, road sleeves shall be installed prior to road construction to avoid damage during construction of Applicant's facilities

(b) The District, at the expense of the Applicant, inspects the service facilities to ensure compliance with District standards during construction and prior to acceptance of the service facilities for operation and maintenance.

(c) Construction plans and specifications shall be strictly adhered to, but the District reserves the right to change-order any specifications, due to unforeseen circumstances during design phase, to better facilitate construction or operation of the Applicant's facility. All change-order amounts shall be charged to the Applicant.

13. Dedication to and Acceptance of Service Facilities by District.

Upon proper completion of construction of an Applicant's on-site and off-site service facilities, final inspection and approval thereof by the District, and Applicant's payment to the District of all required fees and charges in connection there with and District's approval of the Final Plat, the Applicant shall dedicate the service facilities to the District by an appropriate legal

instrument approved by the District's attorney, and the District accepts the dedication. The District thereafter owns the service facilities subject to Applicant's maintenance bond in an amount of not less than 20 percent of the total construction cost of the service facilities and for a term of not less than two years. The maintenance bond is subject to prior approval by the District's attorney.

14. Service within Subdivisions.

The District's objective to provide service to any customer located within a subdivision governed by this Section is strictly limited to the Non- Standard Service specified by an Applicant. The District is not required to extend retail utility service to an Applicant in a subdivision where the responsible party (Applicant/developer) of the applicable property (subdivision) has failed to comply with the terms of service. The Applicant is responsible for all costs necessary to provide service to a subdivision as determined by the District under the provisions of this rate order, and specifically, the provisions of this Section. If the Applicant fails to pay these costs, the District has the right to require payment of these costs by any one or more of the persons purchasing lots within such subdivision before the District is obligated to provide water or sewer service to the subdivision. In addition, the District may elect to pursue any remedies provided by the Non-Standard Service Agreement and the laws of Texas. Applicant is advised that purchasers of lots may also have legal recourse to the Applicant under Texas law.

15. Pro-Rata Reimbursement.

The District may from time to time negotiate and enter into a pro-rata reimbursement agreement with an Applicant on condition that the following factors shall be present:

(a) the Applicant shall construct off-site service facilities to the District's water or sewer system;

(b) the Applicant shall comply with a District requirement to oversize the off-site service facilities to service future growth not generated by the constructing applicant's project;

(c) the District assesses a five percent administrative fee for the administration of pro-rata fees collected by the District from subsequent connecting applicants, which will be deducted from pro-rata reimbursements before remittance to the constructing applicant; and

(d) the pro-rata reimbursement agreement will contain the following items:

(1) the term of the agreement will not exceed ten years;

(2) reimbursement is for no more than 80 percent of the actual cost of the off-site improvement constructed; and

(3) the amount due to the constructing applicant from a future connecting applicant is based on the following formula:

(Acres in connecting applicant's project)
---------- **(x)** (Actual cost of off-site facilities) = Pro-Rata Fee Total
(potential acres served by off-site facilities of
Applicant **-** Total acres in Applicant's project)

EXAMPLE:

100**(a)** / 500(b) (-) 100(c)	(x)	$50,000.00**(d)**	(=)	$12,500.00**(e)**

Where:

(a) = Acres in connecting applicant's project.

(b) = Total potential acres served by the off-site facilities constructed by the Applicant as determined by the District's consulting engineer.

(c) = Total acres in the Applicant's project.

(d) = Actual cost of the off-site facilities.

(e) = Pro-rata fee to be collected from any water service applicant that connects or desires to connect to the off-site facilities.

16. Fire Flow.

If a City requires by ordinance that all property within the District's service area and within the City's extraterritorial jurisdiction or corporate limits receive water service at levels that are sufficient to satisfy state and nationally accepted fire flow standards that are uniformly applicable to the remainder of the City, the District will provide fire-flow for such land sufficient to meet the applicable City standards but requires an Applicant to pay for the system upgrades and improvements necessary to provide the required fire flow. If no such City ordinance applies to a parcel of land or parcels of land, the District may provide fire flow on a case-by-case basis at the District's sole discretion and at Applicant's sole cost for the system upgrades and improvements necessary to provide such fire flow.

SECTION G.

RATES AND SERVICE FEES

UNLESS SPECIFICALLY DEFINED IN THIS RATE ORDER, ALL FEES, RATES, AND CHARGES AS STATED SHALL BE NON-REFUNDABLE.

1. Classes of Users.

(a) All users of the District's water and sewer services will be grouped into the following classes:

(1) Residential users, consisting of residential users located within the District.

(2) Commercial users, consisting of users located within the District to which service to a non-residential structure is provided.

(b) Charges will be assessed in such a manner that each class of users generally pays its share of debt service and operation and maintenance expenses for water service. The District may create additional classes of users in the future at its discretion.

(c) The District may group all classes of users into sub-classes according to the meter size provided to their residence and/or commercial establishment.

2. Conversion Chart for LUEs

(a) All LUEs in the District will be calculated according to the following table:

Land Use	LUE Conversion
Residential	
Single Family Residence; Modular Home; Mobile Home	1 LUE / Unit
Duplex	1 LUE / Unit
Triplex, Fourplex	0.7 LUE / Unit
Apartment Unit	0.5 LUE / Unit
Hotel or Motel Room	0.5 LUE / Unit
Townhouse	0.75 LUE / Unit
Commercial	
Office	1 LUE / 3,000 S.F. of Floor
Office Warehouse	1 LUE / 4,000 S.F. of Floor
Retail; Shopping Center	1 LUE / 1,660 S.F. of Floor
Restaurant; Cafeteria	1 LUE / 200 S.F. of Floor
Hospital	1 LUE / Bed

Rest Home	1 LUE / 2 Beds
Church (Worship Services Only)	1 LUE / 70 Seats
School (Includes Gym and Cafeteria)	1 LUE / 15 Students

3. Service Investigation Fee.

(a) The District conducts a service investigation for each Service Application submitted to the District. An initial determination is made by the District, without charge, as to whether the request is for standard or non-standard service. An investigation is conducted by the District and the results reported under the following terms:

All requests for service investigation related to each Service Application is accompanied by a non-refundable fee according to the following schedule:

ONE LUE	$150.00
TWO LUEs	$225.00
THREE LUEs	$300.00
FOUR OR MORE LUEs	$315.00 + $15 per LUE above four

This fee shall be paid at the time the request is filed.

(b) Non-standard Service Requests. All Non-Standard Service requests are subject to the Service Investigation Fee listed above, provided that the District may charge a higher Service Investigation Fee as appropriate to the project and of sufficient amount to cover all administrative, legal and engineering costs associated with an investigation of the District's ability to provide service to the applicant's project, which may include:

(1) providing cost estimates of the project;

(2) presenting detailed plans and specifications as per Final Plat;

(3) advertising and accepting bids for the project;

(4) preparing a Non-Standard Service Agreement between the District and Applicant; and

(5) providing other services as required by the District for such investigation.

4. Deposits.

(a) Initial Payment and Amount. At the time an application for service is approved, the applicant shall pay a Deposit to be held by the District, without interest, until settlement of the customer's final bill. The Deposit will be used to offset unpaid charges or bills.

(1) Residential Service Applicants.

The Deposit for water service is $100.00 for each service unit.

(2) Commercial and Nonresidential Service Applicants.

The Deposits for commercial and nonresidential service, including Master Metered Accounts, will not exceed an amount equivalent to one-sixth of the estimated annual billings as determined by the District.

(b) Residential and Commercial Builders. All residential builders shall pay to the District a Construction Deposit of FIVE HUNDRED DOLLARS ($500.00) on all new construction. The Construction Deposit fee will be refunded (less final billing charges) upon a satisfactory Customer Service Inspection and Cross-Connection Inspection, performed by the District or the builder providing the District with the Texas Commission on Environmental Quality required inspections by a plumber licensed to perform these inspections.

(c) Reestablishment of Deposit. Every service applicant who has previously been a customer of the District and whose service has been discontinued for nonpayment of bills, meter tampering, bypassing of meter or failure to comply with applicable state regulations of the District shall pay, before service is resumed, all amounts due the District or execute a deferred payment agreement, if offered, and shall pay a the deposit established by Section G.3(a) if the District does not currently have a deposit from the customer.

(d) Refund of Deposit. If service is not connected, or after disconnection of service, the District will refund the service applicant's or customer's deposit, if any, in excess of the unpaid bills for service furnished. If a surplus of Five Dollars ($5.00) or more exists after the final bill is paid, the balance of the Deposit will be paid to the customer within 45 days provided the customer has given the District written notice of a forwarding address. If an outstanding balance exists after the Deposit is applied, the District will attempt to collect the outstanding balance by all lawful means available.

(e) Transfer of Service. A transfer of service from one service location to another within the District's service area will not be deemed a disconnection within the meaning of this subsection, and no additional deposit will be required unless by this section.

(f) Release of Deposit for Good Payment History. If a customer pays all bills on or before the due date for such bills for a period of at least 12 consecutive months, the District will release the customer's deposit by credit of the deposit amount to the customer. If a customer whose deposit has been released under this subsection is delinquent in the payment of a bill and the water service has been disconnected for failure to pay a delinquent account, that customer shall reestablish the full deposit amount established by Section G.3(a) before service will be reconnected.

5. Easement Fee.

When the District determines that private right-of-way easements and/or easements for facility sites are necessary to provide service to an Applicant, the Applicant shall make a good faith effort to secure such easements on behalf of the District or pay all costs incurred by the District to validate, clear and obtain such easements, including but not limited to legal fees and court costs, in addition to tap fees otherwise required pursuant to the provisions of this rate order. [*See* Sections E.4(a)(2) and F.10(a)].

6. Connection Fee.

The District charges a Connection Fee for water or sewer service as follows:

(a) Standard Service:

(1) The Connection Fee for standard water service is $9,500.00 and includes all labor, materials for construction, installation, and initial inspection of a tap or connection to the District's water system, including all necessary service lines and meters.

(2) The Connection Fee for standard sewer service is $12,200.00 and includes all labor, materials for construction, installation, and initial inspection of a tap or connection to the District's sewer system, including all necessary service lines and meters.

(3) The Contract Capital Fee for standard sewer service is $1,068.00 and includes payment of capital recovery fees due to wholesale providers.

(4) In addition to the Connection Fee and the Contract Capital Fee, the District may charge the applicant for any extraordinary expenses such as the cost of water meters larger than 5/8" x 3/4", road bores, street crossings, line extensions and system improvements and pipeline relocations under Section E.2(c)(6) of this rate order.

(b) Non-Standard Service.

(1) The Connection Fee for non-standard water service which, for the purpose of this section, is defined to be retail water service by the District to land that is being developed pursuant to the Texas Local Government

Code that at the time of platting was not being provided with water service by the District, is $9,500.00 for each service connection.

(2) The Connection Fee for non-standard sewer service which, for the purpose of this section, is defined to be retail wastewater service by the District to land that is being developed pursuant to the Texas Local Government Code that at the time of platting was not being provided with water service by the District, is $12,200.00 for each service connection.

(3) Prior to the installation of any facilities to which Non-Standard Connection Fees apply, the applicant shall execute a Non-Standard Service Agreement with the District.

7. Monthly Charges.

(a) Water Service. The District assesses the following monthly charges for water service:

(1) *Base Rate.* The Base Rate is that portion of a customer's monthly bill that is paid for the opportunity of receiving utility service and does not vary due to changes in service consumption. The District's monthly Base Rates for water service are as follows:

METER SIZE	FACTOR	BASE	MONTHLY BASE
5/8"	1	$39.53	$39.53
3/4"	1	$39.53	$39.53
1"	2.5	$39.53	$98.83
1.5"	5	$39.53	$197.65
2"	7.5	$39.53	$296.48
3"	10	$39.53	$395.30
4"	10	$39.53	$395.30
6"	25	$39.53	$988.25
8"	40	$39.53	$1,581.20
10"	55	$39.53	$2,174.15
12"	100	$39.53	$3,953.00

(2) *Gallonage Charge*. In addition to the Base Rate, customers are assessed a Gallonage Charge at the following rates for water usage during any single billing period:

1 to 15,000 gallons..... $3.76 per thousand
15,001 to 30,000 gallons ..... $5.60 per thousand
30,001 to 50,000 gallons ..... $7.45 per thousand
>50,000 gallons ..... $9.27 per thousand

(b) Sewer Service. The District assesses the following monthly charges for wastewater service:

(1) Base Rate. The Base Rate is that portion of a customer's monthly bill which is paid for the opportunity of receiving utility service which does not vary due to changes in service consumption. The District's monthly Base Rates for water service are as follows:

METER SIZE	FACTOR	BASE	MONTHLY BASE
All	n/a	$46.43	$46.43

(2) *Gallonage Charge*. In addition to the Base Rate, customers are assessed a Gallonage Charge at the following rates for sewer usage during any single billing period: None.

(c) Regulatory Assessment. In accordance with Texas Commission on Environmental Quality regulations, the District collects from each customer a regulatory assessment equal to 0.5 percent of the monthly charges for water and sewer service. [See 16 TAC § 24.76(d)(3)].

8. Standby Fee.

A Standby Fee is the monthly charge imposed on undeveloped property (a tract, lot or reserve in the district to which no water or wastewater connections have been made and for which water or sewer facilities and services are available.). Upon adoption by the Board of Directors and approval by the Texas Commission on Environmental Quality, the District may charge a Standby Fee to owners of undeveloped property.

9. Late Payment Fee.

A one-time penalty of $5.00 or ten percent, whichever is larger, is applied to delinquent bills. This late payment penalty will not be applied to any balance to which the penalty was applied in a previous billing but will be applied to any unpaid balance during the current billing period.

10. Returned Check Fee.

If a check, draft, or any other similar instrument is given by any person for payment of services provided for in this rate order, 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 will be assessed a return check charge of $30.00.

11. Reconnect Fee.

The District charges a Reconnect Fee of $75.00 for restoration of service after disconnection for any reason stated in this rate order or to restore service after disconnection at a customer's request, except for re-service under Sections E.3(b) and E.4(b) of this rate order.

12. Service Trip Fee.

The District charges a Service Trip Fee of $25.00 for any service call or trip to a customer's tap as a result of a request by the customer or tenant, unless the service call concerns damage to

District or customer equipment or facilities, or for the purpose of disconnecting or collecting payment for services.

13. Equipment Damage Fee.

The District charges for all labor, material, equipment, and all other actual costs necessary to repair or replace all equipment damaged due to negligence, meter tampering or bypassing, reconnecting service without authority or other service diversion, or the discharge of wastes which the District's sewer system cannot properly treat. The District may charge for all actual costs necessary to correct service diversion or unauthorized taps where there is no equipment damage, including incidents where service is reconnected without authority. An itemized bill of such charges will be provided to the customer. In cases of meter tampering or service diversion, the District may disconnect the service of a customer refusing to pay damage charges. [See 16 TAC § 24.87(n)].

14. Customer History Report Fee.

A fee of $5.00 is charged to provide a copy of the customer's record of past water purchases in response to a customer's request for such a record.

15. Meter Test Fee.

The District will test a customer's meter upon written request of the customer and a Meter Test Fee of $50.00 will be imposed on the affected account.

16. Certified Meter Test Fee.

The District will contract with a certified tester to test a customer's meter upon written request of the customer and a Meter Test Fee of $75.00 will be imposed on the affected account.

17. Meter Relocation Fee.

The fee for moving a meter from one location to another under the terms of Section E.24 is the actual costs incurred by the District plus administrative charges or $500.00, whichever is greater.

18. Transfer Fee.

The District charges a $50.00 Administrative Fee to all customers when transferring an existing account in the customer's name.

19. Temporary Service Charges.

The District charges a tap fee of $50.00 plus actual installation charges for temporary water service. In addition to the tap fee, and prior to receiving temporary service, contractors shall pay a deposit of $1,000.00 and new property owners shall pay a deposit of $150.00. Applicants shall also pay any other applicable fees or charges set forth in this rate order.

20. Non-Disclosure Fee.

The District assesses a fee of $2.00 to any customer requesting in writing that personal information collected under the terms of this rate order not be disclosed to the public.

21. Information Disclosure Fee.

All public information, except information that has been individually requested to remain confidential, will be available to the public for a fee to be determined by the District based on the level of service and costs to provide such information consistent with the terms of the Texas Publication Information Act, Chapter 552, Texas Government Code.

22. Customer Service Inspection Fee.

The District charges a fee of $150.00 to each applicant before permanent continuous service is provided to new construction if an additional inspection is required in addition to the initial inspection included with the Connection Fee.

23. Easement Fee.

The District charges an Easement Fee of $25.00 when applicable to cover administrative costs and the cost of recording easements in the land records of the county.

24. Franchise Fee Assessment.

The District assesses a fee of 5.0% of the amount billed for water service to each customer whose meter is located inside the corporate limits of a municipality that imposes a franchise tax on the District.

25. Additional Assessments.

In the event any federal, state or local government imposes on the District 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.

26. Fire Flow Letter Fee.

If fire flow data is requested from the District, the District charges a fee of $350.00 to perform the necessary pressure and flow tests and to prepare and provide written documentation concerning the test results for each fire hydrant tested.

27. Construction Inspection Fee.

The District conducts an initial inspection of all non-standard service facilities. All non-standard service requests are subject to a Construction Inspection Fee in the amount of 2% of construction costs of total build out, payable in accordance with the terms set forth in Section F of this rate order. If any deficiency is identified requiring an additional inspection or inspections, the District charges a fee of $150 for each additional inspection.

28. Plan Review and Resubmittal Fees

(a) The District charges a Plan Review Fee of $2500 for each set of plans submitted to the District for review and approval.

(b) The District charges a Resubmittal Fee of $1500 for each resubmittal of plans in response to comments or deficiencies noted by the District or the District's engineer.

29. Other Fees.

All services outside the normal scope of utility operations that the District may be compelled to provide at the request of a customer will be charged to the recipient based on the cost of providing such service.

SECTION H.

DROUGHT CONTINGENCY PLAN

1. 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 fire protection, 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 Jonah Water SUD 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 condition are deemed to constitute a waste of water which subjects the offender(s) to penalties as defined in Section X of this Plan

2. Public Involvement.

Opportunity for the public to provide input into the preparation of the Plan was provided by the Jonah Water SUD by means of an open public meeting of the Jonah Water SUD Board of Directors.

3. Public Education.

The Jonah Water SUD 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 newsletter, or other similar means, to the water customers of Jonah Water SUD.

4. Coordination with Regional Water Planning Groups.

The service area of the Jonah Water SUD is located within the Brazos Region G and Jonah Water SUD has provided a copy of this Plan to the Brazos Region G RWPG, in care of the Brazos River Authority, P.O. Box 7555, Waco, Texas 76714.

5. Authorization.

The Board of Directors of the Jonah Water SUD or its 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 of Directors of the Jonah Water SUD or its designee shall have the authority to initiate or terminate drought or other water supply emergency response measures as described in this Plan.

6. Application.

The provisions of this Plan shall apply to all persons, customers, and property utilizing water provided by the Jonah Water SUD. The terms "person" and "customer" as used in the Plan include individuals, corporations, partnerships, associations, and all other legal entities. Jonah Water Special Utility District shall be exempt from application of this plan when necessary to protect health, safety, and welfare, as determined by the Board of Directors of the Jonah Water Special Utility District, or their designee.

7. 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.

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 Jonah Water SUD.

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, 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.

Landscape 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 nor required for the protection of public, health, safety, and welfare, including:

(a) irrigation of landscape areas, including parks, athletic fields, and golf courses, except otherwise provided under this Plan;

(b) use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle;

(c) use of water to wash down any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;

(d) use of water to wash down buildings or structures for purposes other than immediate fire protection;

(e) flushing gutters or permitting water to run or accumulate in any gutter or street;

(f) use of water to fill, refill, or add to any indoor or outdoor swimming pools or Jacuzzi-type pools;

(g) use of water in a fountain or pond for aesthetic or scenic purposes except where necessary to support aquatic life;

(h) failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s); and

(i) use of water from hydrants for construction purposes or any other purposes other than firefighting.

Odd numbered address: street addresses, box numbers, or rural postal route numbers ending in 1, 3, 5, 7, or 9.

8. Triggering Criteria for Initiation and Termination of Drought Response Stages.

The Board of Directors of the Jonah Water Special Utility District, or their designee, shall monitor water supply and/or demand conditions on a daily basis and shall determine when conditions warrant initiation or termination of each stage of the Plan. Public notification of the initiation or termination of drought response stages may be by means of notice published in local newspaper and/or public service announcements via television or radio.

The triggering criteria described below are based on analysis of the system emphasizing the importance of water supply to each plant.

(a) Stage 1 - Mild Water Shortage Conditions

(1) Requirements for initiation - Customers shall be requested to voluntarily conserve water and adhere to the prescribed restrictions on certain water uses, defined in Section 7.7 of this Plan when any one plant on the system reaches a demand equal to or greater than *75%* of the total production (or refill) capacity for three (3) consecutive days.

(2) Requirements for termination - Stage I of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist or

demand is equal to or less than 70% of the total production (or refill) capacity for a period of seven (7) consecutive days. Public notification of termination shall not be necessary. Goal: 5% reduction. This percentage of reduction would bring Jonah Water SUD to normal operating conditions, with no restrictions.

(b) Stage 2 - Moderate Water Shortage Conditions

(1) Requirements for initiation - Customers shall be required to comply with the requirements and restriction on certain non-essential water uses provided in Section 7.7 of this Plan when any one plant on the system reaches a demand equal to or greater than 100% of the total production (or refill) capacity of such plants, for three (3) consecutive days.

(2) Requirements for termination - Stage 2 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist or demand is equal to or less than 70% of the total production (or refill) capacity for a period of seven (7) consecutive days. Upon termination of Stage 2, Stage I becomes operative. Public notification of termination of this stage shall be issued by the Board of Directors of the Jonah Water Special Utility District, or their designee. Goal: 30% reduction. This percentage of reduction would bring Jonah Water SUD to normal operating conditions, with no restrictions.

(c) Stage 3 - Severe Water Shortage Conditions

(1) Requirements for initiation - Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses provided in Section 7.7 of this Plan when any one plant on the system reaches a demand equal to or greater than 115% of the total production (or refill) capacity of such plants for three (3) consecutive days.

(2) Requirements for termination - Stage 3 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist or demand is equal to or less than 70% of the total production (or refill) capacity for a period of seven (7) consecutive days. Upon termination of Stage 3, Stage 2 becomes operative. Public notification of termination of this stage shall be issued by the Board of Directors of the Jonah Water Special Utility District, or their designee. Goal: 45% reduction. This percentage of reduction would bring Jonah Water SUD to normal operating conditions, with no restrictions.

(d) Stage 4 - Critical Water Shortage Conditions

(1) Requirements for initiation - Customers shall he required to comply with the requirements and restrictions on certain non-essential water uses provided in Section 7.7 of this Plan when any one plant on the system

reaches a demand equal to or greater than 118% of the total production (or refill) capacity of such plants for three (3) consecutive days.

(2) Requirements for termination- Stage 4 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist or demand is equal to or less than 70% of the total production (or refill) capacity for a period of seven (7) consecutive days. Upon termination of Stage 4, Stage 3 becomes operative. Public notification of termination of this stage shall be issued by the Board of Directors of the Jonah Water Special Utility District, or their designee. Goal: 48% reduction. This percentage of reduction would bring Jonah Water SUD to normal operating conditions, with no restrictions.

(e) Stage 5 - Emergency Water Shortage Conditions

(1) Requirements for initiation - Customers shall be required to comply with the requirements and restrictions of Section 7 of this Plan when the Board of Directors of the Jonah Water Special Utility District, or their designee, determines that a water supply emergency exists based on:

(A) Major water line breaks, or pump or system failures occur, which cause unprecedented loss of capability to provide water service; or

(B) Natural or man-made contamination of the water supply source (s).

(2) Requirements for termination - Stage 5 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist. Public notification of termination of this stage shall be issued by the Board of Directors of the Jonah Water Special Utility District, or their designee.

9. Drought Response Stages.

The Board of Directors of the Jonah Water Special Utility District, or their designee, shall monitor water supply and/or demand conditions on a daily basis and, in accordance with the triggering criteria set forth in Section 7 of the Plan, shall determine that a mild, moderate, severe, critical, or emergency condition exists and shall implement the provisions outlined in Section 7.8.

Stage 1 - Mild Water Shortage Conditions

Water customers are requested to practice water conservation and to minimize or discontinue water use for non-essential purposes.

Stage 2 - Moderate Water Shortage Conditions

Water Use Restrictions - The following water use restrictions shall apply to all persons:

(a) Irrigation of landscaped areas with hose-end sprinklers or automatic Irrigation systems shall be limited to:

If your street address number ends in:
0, 2, 4, 6, or 8 – you may water on Sundays, Tuesdays, and Thursdays.
1, 3, 5, 7, or 9 – you may water on Mondays, Wednesdays, and Saturdays.

Irrigation of landscaped areas is further limited to the hours of 12:00 midnight until 10:00 a.m. and between 8:00 p.m. and 12:00 midnight on designated watering days. However, irrigation of landscaped areas is permitted at anytime if it is by means of a hand-held hose, a faucet filled bucket or watering can of five (5) gallons or less, or drip irrigation system.

(b) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight. Such washing, when allowed, shall be done with a hand-held bucket or a hand-held hose equipped with a positive shutoff nozzle for quick rinses.

Vehicle washing may be done at any time on the immediate premises of a commercial car wash or commercial service station. Further, such washing may be exempted from these regulations if the health, safety, and welfare of the public is contingent upon frequent vehicle cleansing, such as garbage trucks and vehicles used to transport food and perishables.

(c) Use of water to fill, refill, or add to any indoor or outdoor swimming pools, wading pools, or Jacuzzi-type pools is prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between8:00pm and 12:00 midnight.

(d) Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a re-circulation system.

(e) Use of water for the irrigation of golf course greens, tees, and fairways is prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight. However, if the golf course utilizes a water source other than that provided by the Jonah Water Special Utility District, the facility shall not be subject to these regulations in the use of such other water source.

(f) Non-essential water uses as previously defined are prohibited.

Stage 3 - Severe Water Shortage Conditions

Water Use Restrictions - All requirements of Stage 2 shall remain in effect during Stage 3 except:

(a) Irrigation of landscaped areas shall be limited to Stage 2 designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight and shall be by means of hand-held hoses, hand-held buckets, drip irrigation, hose-end sprinklers, or permanently installed automatic sprinkler system only.

(b) The watering of golf course greens, tees and fairways is prohibited unless the golf course utilizes a water source other than that provided by Jonah Water Special Utility District.

(c) The use of water for construction purposes from designated fire hydrants or flush valves is to be discontinued.

If your street address number ends in:

1 or 3	you may water on Mondays only
2 or 4	you may water on Tuesdays only
5 or 6	you may water on Wednesdays only
7 or 8	you may water on Thursdays only
9 or 0	you may water on Fridays only

There will be no outdoor watering or car washing on Saturdays and/or Sundays.

Stage 4 - Critical Water Shortage Conditions

Emergency water shortage conditions. All outdoor water usage to cease.

10. Enforcement.

(a) No person shall allow the use of water from Jonah Water Special Utility District 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 of Directors of the Jonah Water Special Utility District, or their designee, in accordance with provisions of this Plan.

(b) The Board of Directors of the Jonah Water Special Utility District may institute temporary rate schedules to enforce the drought response stages. The customers of the Jonah Water Special Utility District shall be notified of the new rate schedule.

(c) First Violation-the District will issue a warning to the Customer via mail or hand delivered and Customer's continued water usage will be closely monitored.

(d) Subsequent Violation-the District will install a flow restrictor in the line to limit the amount of water which will pass through the meter in a twenty-four (24) hour period. The cost to be charged to the Customer's account shall be the actual installed cost to the District, not to exceed $50.00.

(e) Continued Violation-the District will terminate service at the meter. The District will require payment of all fees for restoration of service. Fees for reinstatement of service will include Service Call $50.00; Re-connect Fee $50.00 plus Customer's current water charges.

11. Variances.

The Board of Directors of the Jonah Water Special Utility District, or their 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, safety or fire protection of the public or the person requesting such variance and if one or more of the following conditions are met:

(a) Compliance with this Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is in effect.

(b) Alternative methods can be implemented which will achieve the same level of reduction in water use.

Persons requesting an exemption from the provisions of this Plan shall file a petition for variance with the Secretary of Jonah Water Special Utility District within *5* days after the Plan or particular drought response stage has been invoked. All petitions for variances shall be reviewed by the Board of Directors of the Jonah Water Special Utility District, or their designee, and shall include the following:

(1) Name and address of the petitioner(s).

(2) Purpose of water use.

(3) Specific provision(s) of the Plan from which the petitioner is requesting relief.

(4) 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.

(5) Description of the relief requested.

(6) Period of time for which the variance is sought.

(7) 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.

(8) Other pertinent information.

Variances granted by Jonah Water Special Utility District shall be subject to the following conditions, unless waived or modified by the Board of Directors.

(9) Variances granted shall include a timetable for compliance.

(10) Variances granted shall expire when the Plan is no longer in effect, unless the petitioner has failed to meet specified requirements.

(11) Variances granted may be revoked by the Board of Directors of the Jonah Water Special Utility District, or their designee, at any time and without cause.

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

12. Severability.

It is hereby declared to be the intention of Jonah Water Special Utility District that the sections, paragraphs, sentences, clauses, and phrases of this plan are severable and, if any phrase, clause, sentence, paragraph, or section of this Plan shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Plan, since the same would not have been adopted by Jonah Water Special Utility District without the incorporation into this Plan of any such unconstitutional phrase, clause, sentence, paragraph, or section.

SECTION I.

INDIGENT ASSISTANCE POLICY

DELETED 5.02.2013

SECTION J.

IDENTITY THEFT PREVENTION PROGRAM

1. Approval of the Program.

The Board of Directors (the "*Board*") of Jonah Water Special Utility District (the "*District*") hereby establishes the following Identity Theft Prevention Program (the "*Program*") and commits to implementing this Program according to the procedures set forth below.

2. Definitions.

For purposes of this Section, the following terms have the definitions listed below:

(a) "Account" means a continuing relationship established by a person or entity with the District to obtain a product or service for personal, family, household or business purposes.

(b) "Covered Account" means any Account which the District maintains or may maintain in the future, primarily for personal, family, or household purposes, that involves or is designed to permit multiple payments or transactions and any other Account that the District maintains or may maintain in the future for which there is a reasonably foreseeable risk to Customers or to the safety and soundness of the District from Identity Theft, including financial, operational, compliance, reputation or litigation risks.

(c) "Customer" means a person or entity with a Covered Account.

(d) "Identifying Information" means any name or number that may be used, along or in conjunction with any other information, to identify a specific person.

(e) "Identity Theft" means an actual or attempted fraud committed by using the Identifying Information of another person without authority.

(f) "Red Flag" means patterns, practices or specific activities that indicate the possible existence of Identity Theft associated with one or more Covered Accounts.

(g) "Service Provider" means a person or entity engaged by the District to perform an activity in connection with one or more Covered Accounts.

3. Purpose.

(a) The purpose of this Program is to identify and detect Red Flags and establish procedures for preventing and mitigating the risk of Identity Theft.

4. Risk Assessment.

(a) The District conducted an internal risk assessment to evaluate the procedures that are or may in the future be in place for opening and accessing Covered Accounts in order to determine whether Covered Accounts could be susceptible to Identity Theft. Using this information, the District identified the following possible Red Flags:

(1) presentation of suspicious documents, including:

(A) documents that appeared to have been altered or forged;

(B) documents that contain information inconsistent with information on file or other information provided by a person opening a new Covered Account; and

(C) photo identification that is inconsistent with the appearance of the person opening a new Covered Account;

(2) presentation of Identifying Information that is:

(A) inconsistent with information on file, other information provided by a person opening a new Covered Account or information obtained through an external source;

(B) similar or identical to information, particularly addresses and phone numbers, provided on fraudulent applications or agreements;

(C) is of a type commonly associated with fraudulent activity as indicated by internal or third-party sources (for example, the address on an application is fictitious, a mail drop, or a prison or the phone number is invalid or associated with a pager or answering service);

(D) is the same information provided for another Covered Account or Covered Accounts; and

(E) does not include all required information, even after notification;

(3) unusual use or suspicious activity related to a Covered Account, including:

(A) a request to add one or more authorized persons to an existing Covered Account, particularly if the additional persons have different last names than the primary Customer;

(B) a significant spike in water usage on a Covered Account;

(C) a material change in electronic fund transfer patterns in connection with a deposit account;

(D) inactivity associated with a Covered Account for a reasonably lengthy period of time;

(E) repeated problems with mail sent to a Customer (e.g. mail is repeatedly returned as undeliverable despite water usage remaining at normal levels);

(F) notifications to the District that a Customer is not receiving paper account statements; and

(G) notifications to the District of unauthorized charges or transactions in connection with a Covered Account; and

(4) notice received from Customers, law enforcement or others of possible or actual Identify Theft or any other unusual activity related to a Covered Account (for example, notification that the District has opened a fraudulent account for a person engaged in Identity Theft).

5. Detection.

(a) The District will endeavor to detect Red Flags by implementing one or more of the following procedures in connection with Covered Accounts:

(1) obtaining the following identifying information from a new Customer:

(A) name;

(B) date of birth;

(C) address; and

(D) identification number, which shall be, for a U.S. person, a taxpayer identification number, and for a non-U.S. person, one or more of the following: a taxpayer identification number; passport number and country of issuance; alien identification card number; or number and country of issuance of any other government-issue document evidencing nationality or residence and bearing a photograph or similar safeguard;

(2) verifying customer information through documentation, including unexpired government-issued identification evidencing nationality or residence and bearing a photograph or similar safeguard, such as a driver's license or passport; and

(3) verifying the validity of change of address requests for existing Covered Accounts.

6. Response.

(a) Upon detecting a Red Flag, the District will take the appropriate action, which may include:

(1) monitoring a Covered Account where there is suspicion of Identity Theft;

(2) contacting all affected Customers;

(3) changing any passwords, security codes, or other security devices that permit access to a Covered Account;

(4) closing the existing Covered Account and reopening it only after assigning it a new account number;

(5) declining to open a new Covered Account;

(6) closing an existing Covered Account;

(7) postponing attempts to collect on a Covered Account;

(8) notifying law enforcement; or

(9) determining that no response is warranted under the particular circumstances.

7. Administration, Oversight and Training.

(a) The Board will oversee the development, implementation and administration of the Program. If the District has engaged a Service Provider to manage the billing and collecting aspects of certain Covered Accounts, that Service Provider will administer this Program in terms of detecting, preventing and mitigating Identity Theft with respect to those Covered Accounts.

(b) The District will require that all activities of a Service Provider related to a Covered Account are conducted in accordance with this Program and the Service Provider's internal policies and procedures designed to detect, prevent, and mitigate the risk of Identity Theft. A Board-appointed subcommittee may from time to time inspect a Service Provider's policies and procedures for detecting, preventing and mitigating the risk of Identity Theft to ensure that they are reasonable and effective.

(c) The District will provide this Program, and updates to this Program, to a Service Provider to ensure that this Program is properly implemented.

(d) The District will require any staff of the District that is responsible for development, implementation and administration of this Program or a Service Provider, if appropriate, to present to the Board, at least annually and in a format and manner reasonably designed to protect the security of the District and Customers, a report addressing material matters related to this Program and evaluating issues such as:

(1) the effectiveness of policies and procedures of the District and, if appropriate, the Service Provider in addressing the risk of Identity Theft in connection with Covered Accounts;

(2) significant incidents of Identity Theft related to one or more Customers and the response to such incidents; and

(3) recommendations for material changes to this Program, including new methods and technologies available for detecting Identity Theft.

(e) The Board will periodically review and, if appropriate, update this Program to reflect changes in risks to Customers and the safety and soundness of the District from Identity Theft.

(f) The District will require that any employees, contractors, and agents who open, access, service or handle Covered Accounts be trained to effectively implement this Program.

SECTION K.

INDUSTRIAL WASTE

1. Definitions

As used in this article:

(a) Approving authority. The General Manager or his duly authorized representative.

(b) BOD (biochemical oxygen demand). The quantity of oxygen by weight, expressed in mg/l, utilized in the biochemical oxidation of organic matter under standard laboratory conditions for five (5) days at a temperature of twenty (20) degrees centigrade.

(c) Building sewer. The extension from the building drain to the public sewer or other place of disposal (also called the house lateral and house connection).

(d) COD (chemical oxygen demand). Measure of the oxygen consuming capacity of inorganic and organic matter present in the water or wastewater, expressed in mg/l, as the amount of oxygen consumed from a chemical oxidant in a specific test, but not differentiating between stable and unstable organic matter and thus not necessarily correlating with biochemical oxygen demand.

(e) Control manhole. A manhole giving access to a building sewer at some point before the building sewer discharge mixes with other discharges in the public sewer.

(f) Control point. Point of access to a course of discharge before the discharge mixes with other discharges in the public sewer.

(g) District. The District or any authorized person acting in its behalf.

(h) Garbage. Animal and vegetable wastes and residue from preparation, cooking and dispensing of food; and from the handling, processing, storage and sale of food products and produce.

(i) Industrial waste. Waste resulting from any process of industry, manufacturing, trade, or business from the development of any natural resource, or any mixture of the waste with water or normal wastewater, or distinct from normal wastewater.

(j) Industrial waste charge. The charge made on those persons who discharge industrial wastes into the District's sewer system.

(k) Milligrams per liter (mg/l). The same as parts per million and is a weight-to-volume ratio; the milligram-per-liter value multiplied by the factor 8.34 shall be equivalent to pounds per million gallons of water.

(l) Natural outlet. Any outlet into a watercourse, ditch, lake, or other body of surface water or groundwater.

(m) Normal domestic wastewater. Wastewater excluding industrial wastewater discharged by a person into sanitary sewers and in which the average concentration of total suspended solids is not more than 220 mg/l and BOD is not more than 220 mg/l.

(n) Overload. The imposition of organic or hydraulic loading on a treatment facility in excess of its engineered design capacity.

(o) Person. Any individual and includes any corporation, organization, government or governmental subdivision or agency, business trust, estate, trust, partnership, association, or other legal entity.

(p) pH. The logarithm (base 10) of the reciprocal of the hydrogen ion concentration.

(q) Public sewer. Pipe or conduit carrying wastewater or unpolluted drainage in which owners of abutting properties shall have the use, subject to control by the District.

(r) Sanitary sewer. A public sewer that conveys domestic wastewater or industrial wastes or a combination of both, and into which stormwater, surface water, groundwater, and other unpolluted wastes are not intentionally passed.

(s) Slug. Any discharge of water, wastewater or industrial waste which, in concentration of any given constituent or in quantity of flow, exceeds for any period of duration longer than fifteen (15) minutes more than five (5) times the average twenty-four-hour concentration or flows during normal operation.

(t) Standard Methods. The examination and analytical procedures set forth in the latest edition, at the time of analysis, of Standard Methods for the Examination of Water and Wastewater, as prepared, approved, and published jointly by the American Public Health Association, the American Water Works Association, and the Water Environment Federation.

(u) Storm sewer. A public sewer that carries stormwaters and surface waters and drainage, and into which domestic wastewater or industrial wastes are not intentionally passed.

(v) Stormwater. Rainfall or any other forms of precipitation.

(w) Superintendent. The Operations Manager of the District or his duly authorized deputy, agent or representative.

(x) Suspended solids (SS). Solids measured in mg/l that either float on the surface of, or are in suspension in, water, wastewater, or other liquids, and which are largely removable by a laboratory filtration device.

(y) To discharge. Includes to deposit, conduct, drain, emit, throw, run, allow to seep, or otherwise release or dispose of, or to allow, permit, or suffer any of these acts or omissions.

(z) Trap. A device designed to skim, settle, or otherwise remove grease, oil, sand, flammable wastes or other harmful substances.

(aa) Unpolluted wastewater. Water containing:

(1) No free or emulsified grease or oil;

(2) No acid or alkalis;

(3) No phenols or other substances producing taste or odor in receiving water;

(4) No toxic or poisonous substances in suspension, colloidal state, or solution;

(5) No noxious or otherwise obnoxious or odorous gases;

(6) Not more than an insignificant amount in mg/l each of suspended solids and BOD, as determined by the state commission on environmental quality; and

(7) Color not exceeding fifty (50) units as measured by the platinum-cobalt method of determination as specified in Standard Methods.

(bb) Waste. Rejected, unutilized or superfluous substances in liquid, gaseous, or solid form resulting from domestic, agricultural, or industrial activities.

(cc) Wastewater. A combination of the water-carried waste from residences, business buildings, institutions, and industrial establishments, together with any groundwater, surface water, and stormwater that may be present.

(dd) Wastewater facilities. Includes all facilities for collection, pumping, treating, and disposing of wastewater and industrial wastes.

(ee) Wastewater treatment plant. Any facilities, devices, and structures used for receiving, processing and treating wastewater, industrial waste, and sludges from the sanitary sewers.

(ff) Wastewater service charge. The charge on all users of the public sewer system whose wastes do not exceed in strength the concentration values established as representative of normal wastewater.

(gg) Watercourse. A natural or manmade channel in which a flow of water occurs, either continuously or intermittently.

2. Prohibited discharges

(a) No person may discharge to public sewers any waste which by itself or by interaction with other wastes may:

(1) Injure or interfere with wastewater treatment processes or facilities;

(2) Constitute a hazard to humans or animals; or

(3) Create a hazard in receiving waters of the wastewater treatment plant effluent.

(b) All discharge shall conform to requirements of this article.

3. Chemical discharges

(a) No discharge to public sewers may contain:

(1) Cyanide greater than 1.0 mg/l;

(2) Fluoride other than that contained in the public water supply;

(3) Chlorides in concentrations greater than 250 mg/l;

(4) Gasoline, benzene, naphtha, fuel oil, or other flammable or explosive liquid, solid or gas; or

(5) Substances causing an excessive chemical oxygen demand (COD).

(b) No waste or wastewater discharged to public waters may contain:

(1) Strong acid, iron pickling wastes, or concentrated plating solutions whether neutralized or not;

(2) Fats, wax, grease, or oils, whether emulsified or not, in excess of one hundred (100) mg/l or containing substances which may solidify or become viscous at temperatures between thirty-two (32) and one hundred fifty (150) degrees Fahrenheit (0 and 65 degrees centigrade);

(3) Objectionable or toxic substances, exerting an excessive chlorine requirement, to such degree that any such material received in the composite

wastewater treatment works exceeds the limits established by the approving authority for such materials; or

(4) Obnoxious, toxic or poisonous solids, liquids, or gases in quantities sufficient to violate the provisions of Section K.2.(a).

(c) No waste, wastewater, or other substance may be discharged into public sewers that has a pH lower than 5.5 or higher than 9.5, or any other corrosive property capable of causing damage or hazard to structures, equipment, and/or personnel at the wastewater facilities.

(d) All waste, wastewater, or other substance containing phenols, hydrogen sulfide, or other taste- and odor-producing substances shall conform to concentration limits established by the approving authority. After treatment of the composite wastewater, concentration limits may not exceed the requirements established by state, federal, or other agencies with jurisdiction over discharges to receiving waters.

4. Hazardous metals and toxic materials

(a) No discharges may contain concentrations of hazardous metals other than amounts specified in subsection (b) of this section.

(b) The allowable concentrations of hazardous metals, in terms of milligrams per liter (mg/l), for discharge to inland waters and determined on the basis of individual sampling in accordance with Standard Methods are:

		Not To Exceed		
	Metal	Average	Daily Composite	Grab Sample
(1)	Arsenic	0.1	0.2	0.3
(2)	Barium	1.0	2.0	4.0
(3)	Cadmium	0.05	0.1	0.2
(4)	Chromium	0.5	1.0	5.0

(5)	Copper	0.5	1.0	2.0
(6)	Lead	0.5	1.0	1.5
(7)	Manganese	1.0	2.0	3.0
(8)	Mercury	0.005	0.005	0.01
(9)	Nickel	1.0	2.0	3.0
(10)	Selenium	0.05	0.1	0.2
(11)	Silver	0.05	0.1	0.2
(12)	Zinc	1.0	2.0	6.0

(Note: These concentration parameters and rules governing same are promulgated under authority of sections 26.176 and 26.177, Texas Water Code, hazardous metals, and in accordance with the Texas Commission on Environmental Quality rules.)

(c) No other hazardous metals or toxic materials may be discharged into public sewers without a permit from the approving authority specifying conditions of pretreatment, concentrations, volumes, and other applicable provisions.

(d) Prohibited hazardous materials include but are not limited to:

(1) Antimony;

(2) Beryllium;

(3) Bismuth;

(4) Cobalt;

(5) Molybdenum;

(6) Uranyl ion;

(7) Rhenium;

(8) Strontium;

(9) Tellurium;

(10) Herbicides;

(11) Fungicides; and

(12) Pesticides.

5. Particulate size

(a) No person may discharge garbage or other solids into public sewers unless it is shredded to a degree that all particles can be carried freely under the flow conditions normally prevailing in public sewers. Particles greater than one-half (1/2) inch in any dimensions are prohibited.

(b) The approving authority is entitled to review and approve the installation and operation of any garbage grinder equipped with a motor of three-fourths (3/4) horsepower (0.76 hp metric) or greater.

6. Stormwater and other unpolluted drainage

(a) No person may discharge to public sanitary sewers:

(1) Unpolluted stormwater, surface water, groundwater, roof runoff or subsurface drainage;

(2) Unpolluted cooling water;

(3) Unpolluted industrial process waters;

(4) Other unpolluted drainage;

or make any new connections from inflow sources.

(b) In compliance with the Texas Water Quality Act and other statutes, the approving authority may designate storm sewers and other watercourses into which unpolluted drainage described in subsection (a) of this section may be discharged.

7. Temperature

No person may discharge liquid or vapor having a temperature higher than one hundred fifty (150) degrees Fahrenheit (65 degrees Centigrade), or any substance which causes the temperature of the total wastewater treatment plant influent to increase at a rate of ten (10) degrees Fahrenheit or more per hour, or a combined total increase of plant influent to one hundred ten (110) degrees Fahrenheit.

8. Radioactive wastes

(a) No person may discharge radioactive wastes or isotopes into public sewers without the permission of the approving authority.

(b) The approving authority may establish, in compliance with applicable state and federal regulations, regulations for discharge of radioactive wastes into public sewers.

9. Impairment of facilities

(a) No person may discharge into public sewers any substance capable of causing:

(1) Obstruction to the flow in sewers;

(2) Interference with the operation of treatment processes of facilities; or

(3) Excessive loading of treatment facilities.

(b) Discharges prohibited by subsection (a) above include, but are not limited to, materials which exert or cause concentrations of:

(1) Inert suspended solids greater than 250 mg/l including but not limited to:

(A) Fuller's earth;

(B) Lime slurries; and

(C) Lime residues;

(2) Dissolved solids greater than 950 mg/l including but not limited to:

(A) Sodium chloride; and

(B) Sodium sulfate;

(3) Excessive discoloration including but not limited to:

(A) Dye wastes; and

(B) Vegetable tanning solutions; or

(4) BOD, COD, or chlorine demand in excess of normal plant capacity.

(c) No person may discharge into public sewers any substance that may:

(1) Deposit grease or oil in the sewer lines in such a manner as to clog the sewers;

(2) Overload skimming and grease handling equipment;

(3) Pass to the receiving waters without being effectively treated by normal wastewater treatment processes due to the nonamenability of the substance to bacterial action; or

(4) Deleteriously affect the treatment process due to excessive quantities.

(d) No person may discharge any substance into public sewers which:

(1) Is not amenable to treatment or reduction by the processes and facilities employed; or

(2) Is amenable to treatment only to such a degree that the treatment plant effluent cannot meet the requirements of other agencies having jurisdiction over discharge to the receiving waters.

(e) The approving authority shall regulate the flow and concentration of slugs when they may:

(1) Impair the treatment process;

(2) Cause damage to collection facilities; or

(3) Incur treatment costs exceeding those for normal wastewater.

(f) No person may discharge into public sewers solid or viscous substances which may violate subsection (a) of this section if present in sufficient quantity or size including but not limited to:

(1) Ashes;

(2) Cinders;

(3) Sand;

(4) Mud;

(5) Straw;

(6) Shavings;

(7) Metal;

(8) Glass;

(9) Rags;

(10) Feathers;

(11) Tar;

(12) Plastics;

(13) Wood;

(14) Unground garbage;

(15) Whole blood;

(16) Paunch manure;

(17) Hair and fleshings;

(18) Entrails;

(19) Paper products, either whole or ground by garbage grinders;

(20) Slops;

(21) Chemical residues;

(22) Paint residues; or

(23) Bulk solids.

10. Compliance with existing authority

(a) Unless exception is granted by the approving authority, the public sanitary sewer system shall be used by all persons discharging:

(1) Wastewater;

(2) Industrial waste;

(3) Polluted liquids.

(b) Unless authorized by the state commission on environmental quality, no person may deposit or discharge any waste included in subsection (a) of this section on public or private property or into or adjacent to any:

(1) Natural outlet;

(2) Watercourse;

(3) Storm sewer;

(4) Other area within the jurisdiction of the District.

(c) The approving authority shall verify prior to discharge that wastes authorized to be discharged will receive suitable treatment within the provisions of laws, regulations, ordinances, rules and orders of federal, state and local governments.

11. Approving authority

(a) If discharges or proposed discharges to public sewers may:

(1) Deleteriously affect wastewater facilities, processes, equipment, or receiving waters;

(2) Create a hazard to life or health; or

(3) Create a public nuisance;

the approving authority shall require:

(1) Pretreatment to an acceptable condition for discharge to the public sewers;

(2) Control over the quantities and rates of discharge; and

(3) Payment to cover the cost of handling and treating the wastes.

(b) (The approving authority is entitled to determine whether a discharge or proposed discharge is included under subsection (a) of this section.

(c) The approving authority shall reject wastes when it determines that a discharge or proposed discharge does not meet the requirements of subsection (a) of this section.

12. Approving authority review and approval

(a) If pretreatment or control is required, the approving authority shall review and approve design and installation of equipment and processes.

(b) The design and installation of equipment and processes must conform to all applicable statutes, codes, ordinances and other laws.

(c) 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.

13. Requirements for traps

(a) Discharges requiring a trap include:

(1) Grease or waste containing grease in amounts that will impede or stop the flow in the public sewers;

(2) Oil;

(3) Sand;

(4) Flammable wastes; and

(5) 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.

14. Requirements for building sewers

Any person responsible for discharges through a building sewer carrying industrial wastes shall, at his own expense and as required by the approving authority:

(1) Install an accessible control manhole;

(2) Install meters and other appurtenances to facilitate observation, sampling and measurement of the waste;

(3) Install safety equipment and facilities (ventilation, steps...) where needed; and

(4) Maintain the equipment and facilities.

15. Sampling and testing

(a) Sampling shall be conducted according to customarily accepted methods, reflecting the effect of constituents upon the sewage works and determining the existence of hazards to health, life, limb, and property.

(NOTE: The particular analysis involved will determine whether a twenty-four-hour composite sample from all outfalls of a premises is appropriate or whether a grab sample or samples should be taken. Normally, but not always, BOD and suspended solids analyses are obtained from 24-

hour composites of all outfalls. Where applicable, 16-hour, 8-hour or some other period may be required. Periodic grab samples are used to determine pH and oil and grease.)

(b) Examination and analyses of the characteristics of waters and wastes required by this article shall be:

(1) Conducted in accordance with the latest edition of Standard Methods; and

(2) Determined from suitable samples taken at the control manhole provided or other control point authorized by the approving authority.

(c) BOD and suspended solids shall be determined from composite sampling, except to detect unauthorized discharges.

(d) The approving authority shall determine which users or classes of users may contribute wastewater which is of greater strength than normal domestic wastewater. All users or classes of users so identified shall be sampled for flow, BOD, TSS and pH at least annually.

(e) The District may select an independent firm or laboratory to determine flow, BOD, and suspended solids, if necessary. Flow may alternately be determined by water meter measurements if no other flow device is available and no other source of raw water is used.

16. User charge system

(a) Persons making discharges of industrial waste into the District system shall pay a charge to cover all costs of collection and treatment.

(b) When discharges of any waste into the District system are approved by the approving authority, the District or its authorized representative shall enter into an agreement or arrangement providing:

(1) Terms of acceptance by the District;

(2) Payment by the person making the discharge, in accordance with the user charge system as established in subsection (e) below;

(3) Sewer connection procedures and requirements shall be in accordance with the plumbing code as adopted by the District;

(4) A sewer application approved with connection fee paid; and

(5) Construction of sewer connections shall be approved by District inspectors prior to sewer use.

(c) Each user of the wastewater treatment system will be notified, at least annually, in conjunction with a regular sewer bill, of the rate and that portion of user charges or ad valorem taxes which are attributable to the operation and maintenance of the wastewater treatment system.

(d) The District will apply excess revenues collected from a class of users to the cost of operation and maintenance attributable to that class for the next year and adjust the rates accordingly.

(e) The user charge system and sewer user charge ordinance shall be promulgated as developed during EPA Project C-48-0997-03.

17. Held for future use

18. Held for future use

19. Conditions for permits

(a) The District may grant a permit to discharge to persons meeting all requirements of the savings clause provided that the person:

(1) Submits an application within 120 days after the effective date of this article (ordinance adopted April 22, 2010) on forms supplied by the approving authority;

(2) Secures approval by the approving authority of plans and specifications for the facilities when required;

(3) Has complied with all requirements for agreements or arrangements including but not limited to provisions for:

(A) Payment of charges;

(B) Installation and operation of the facilities and of pretreatment facilities, if required; and

(C) Sampling and analysis to determine quantity and strength when directed by the District; and

(4) Provides a sampling point, when requested by the District, subject to the provisions of this article and approval of the approving authority.

(b) A person applying for a new discharge shall:

(1) Meet all conditions of subsection (a) of this section; and

(2) Secure a permit prior to discharging any waste.

20. Power to enter property

(a) The superintendent and other duly authorized employees of the District bearing proper credentials and identification are entitled to enter any public or private property at any reasonable time for the purpose of enforcing this article.

(b) Anyone acting under this authority shall observe the establishment's rules and regulations concerning safety, internal security, and fire protection.

(c) Except when caused by negligence or failure of a person(s) to maintain safe conditions, the District shall indemnify the person(s) against loss or damage to their property by District employees and against liability claims and demands for personal injury or property damage asserted against the person(s) and growing out of the sampling operation.

(d) The superintendent and other duly authorized employees of the District bearing proper credentials and identification are entitled to enter all private properties through which the District holds a negotiated easement for the purposes of:

(1) Inspection, observation, measurement, sampling or repair;

(2) Maintenance of any portion of the sewer system lying within the easements; and

(3) Conducting any other authorized activity. All activities shall be conducted in full accordance with the terms of the negotiated easement pertaining to the private property involved.

(e) No person acting under authority of this provision may inquire into any processes including metallurgical, chemical, oil refining, ceramic, paper or other industries beyond that point having a direct bearing on the kind and source of discharge to the public sewers.

21. Authority to disconnect service

(a) The District may terminate water and wastewater disposal service and disconnect a customer from the system when:

(1) Acids or chemicals which may damage the sewer lines or treatment process are released to the sewer potentially causing accelerated deterioration of these structures or interfering with proper conveyance and treatment of wastewater;

(2) A governmental agency informs the District that the effluent from the wastewater treatment plant is no longer of a quality permitted for discharge to a watercourse, and it is found that the customer is delivering wastewater to the District's system that cannot be sufficiently treated or

requires treatment that is not provided by the District as normal domestic treatment; or

(3) The customer:

(A) Discharges waste or wastewater that is in violation of the permit issued by the approving authority;

(B) Discharges wastewater at an uncontrolled, variable rate in sufficient quantity to cause an imbalance in the wastewater treatment system;

(C) Fails to pay monthly bills for water and sanitary sewer services when due; or

(D) Repeats a discharge of prohibited wastes to public sewers in violation of Sections K.2 through K.9 as stated above.

(b) If service is discontinued pursuant to subsection (a)(2) above, the District shall:

(1) Disconnect the customer;

(2) Supply the customer with the governmental agency's report and provide the customer with all pertinent information; and

(3) Continue disconnection until such time as the customer provides pretreatment/additional pretreatment or other facilities designed to remove the objectionable characteristics from his wastes.

22. Notice of violation

The District shall serve persons discharging in violation of this article with written notice stating the nature of the violation and providing a reasonable time limit for satisfactory compliance.

23. Continuing prohibited discharges

No person may continue discharging in violation of this article beyond the time limit provided in the notice.

24. Penalty

(a) A person who continues prohibited discharges is guilty of a misdemeanor and upon conviction is punishable by a fine of not more than $1,000 for each act of violation and for each day of violation.

(b) In addition to proceeding under authority of subsection (a) of this section, the District is entitled to pursue all other criminal and civil remedies to which it is

entitled under authority of statutes or other ordinances against a person continuing prohibited discharges.

25. Failure to pay for services

In addition to sanctions provided for by this article, the District is entitled to exercise sanctions provided for by the other ordinances of the District for failure to pay the bill for water and sanitary sewer service when due.

26. Penalty for criminal mischief

The District may pursue all criminal and civil remedies to which it is entitled under authority of statutes and ordinances against a person negligently, willfully or maliciously causing loss by tampering with or destroying public sewers or treatment facilities.