

**BOIS D'ARC MUNICIPAL UTILITY DISTRICT**  
14101 E FM 1396  
HONEY GROVE, TEXAS 75446  
(903) 378-7361

**NOTICE OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS**

DATE: Friday, April 17, 2020 at 9:00 AM

PLACE: For the health and safety of the public during the COVID-19 pandemic, the District's Board of Directors will meet via the following methods:

- ZOOM videoconference website: <https://us02web.zoom.us/j/8791455344>
- ZOOM teleconference by dialing the toll-free number: +1 346 248 7799, then, enter Meeting ID: 879 145 5344#
- ZOOM Cloud Meetings app (mobile device), enter Meeting ID: 879 145 5344#

**AGENDA**

1. Call to Order and Declaration of Quorum.
2. Public Comments (Limit of 3 minutes per speaker).
3. Discuss and take action on the Minutes of the March 20, 2020 Regular Board Meeting.
4. Presentations by the District's Engineer including Lower Bois D'Arc Reservoir Project/NTMWD.
  - a. Discuss and take action to approve Change Order #1 from Underwood Inc. for CR 2900 Waterline Relocation Project.
  - b. Discuss and take action to approve Pay Application #4 from Underwood Inc. for CR 2900 Waterline Relocation Project.
  - c. Discuss and take action to approve Pay Application #5 from Phoenix Fabricators for Elevated Tank Project on FM 1396.
  - d. Discuss and take action to approve Pay Application #5 from Pittard Construction Company for Waterline Disinfection Building on FM 1396
  - e. Discuss and take action to approve Pay Application #6 from Pittard Construction Company for Waterline Disinfection Building on FM 1396.
5. Discuss and take action to approve the Amendment to the Construction Water and Meter Agreement (Temp. Water Service Agreement) between the District and AR Consultants, Inc.
6. Discuss and take action regarding late fees, deferred payment agreements, disconnections, and other issues during the COVID-19 pandemic.
7. Adjournment.

CERTIFICATION

I certify this Notice of Meeting was posted on April 14, 2020, at 9:00 AM/PM, in the front window of the regular office of Bois D'Arc MUD, located at 14101 East FM 1396 Honey Grove, Fannin County, Texas, facing the outside and visible and accessible to the Public at all times, and on the District's website, and remained posted at least 72 hours before said Meeting.

By: Melinda Gibbs  
Melinda Gibbs, Office Manager

Notes to the Agenda

Notice is hereby given that the Board of Directors of Bois D'Arc Municipal Utility District may discuss, consider, and take all necessary action, including expenditure of funds, regarding each of the agenda items.

The Board of Directors reserves the right to recess into Executive Session at any time during the meeting concerning any item listed on this Agenda whenever it is considered necessary and legally justified under the Texas Open Meetings Act, Texas Government Code Section 551.001 et. seq., for any and all purposes permitted by the Act, including but not limited to the following: Section 551.071 - consultation with the District's Attorney; Section 551.072 - deliberations regarding real property; Section 551.074 - deliberations regarding personnel matters of a public officer or employee.

Person with disabilities who plan to attend the meeting and who may need assistance should call the office Manager at 903-378-7361 at least two working days prior to the meeting so that appropriate arrangements can be made.

**BOIS D' ARC MUNICIPAL UTILITY DISTRICT**

14101 E FM 1396

HONEY GROVE, TEXAS 75446

(903) 378-7361

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS**

DATE: Friday, March 20, 2020

TIME: 9:00 AM

PLACE: District office located at 14101 East FM 1396, Honey Grove, Texas 75446

**1. Call to Order and Declaration of Quorum**

- Meeting called to order by Rhonda Cunningham at 9:00 a.m. and a quorum was declared with Board Directors present: Rhonda Cunningham, Bob Payne, Gary Vincent, Donna Ryser, Brad Lane, Larry Franklin, and J. W. Caraway.
- District Staff Present: Office Manager Melinda Gibbs, Field Manager Hayden Lane

**2. Public Comments (Limit of 3 Minutes per speaker).**

- None

**3. Discuss and take action on the consent items consisting of:**

**a. Minutes of the February 21, 2020 Regular Board Meeting.**

**b. District's monthly financials for February 2020**

- After review, Brad Lane made the motion to approve the Minutes and accept the financials as presented. Gary Vincent seconded the motion and it passed unanimously.

**4. Accept the Certification of Unopposed Candidates for the District's General Election on May 2, 2020. Discuss and take action to adopt Ordinance No. 2020-003, declaring three (3) unopposed candidates for the office of Director At-Large in the General Election to be held May 2, 2020; adopting an Order to cancel the General Election; and providing an effective date.**

- After review, motion made by Brad Lane and seconded by Bob Payne to adopt Ordinance No 2020-003 as presented. The motion passed unanimously

**5. Presentations by the District's Engineer including Lower Bois D'Arc Reservoir Project/NTMWD.**

**a. Discuss and take action to approve Change Order #2 from Pittard Construction Company for Waterline Disinfection Building on FM 1396.**

- After review, motion made by Bob Payne to approve the change order as presented. Larry Franklin seconded the motion and it passed unanimously.

- b. Discuss and take action to approve Change Order #1 from McWhorter Backhoe Service for CR 2950 & CR 2900 Waterline Project.**
  - After review, motion made by Donna Ryser to approve the change order as presented. Bob Payne seconded the motion and it passed unanimously.
- c. Discuss and take action to approve Pay Application #3 from McWhorter Backhoe Service for CR 2950 & CR 2900 Waterline Project.**
  - After review, motion made by Brad Lane to approve the pay application as presented. J.W. Caraway seconded the motion and it passed unanimously.
- d. Discuss and take action to approve Pay Application #4 from Phoenix Fabricators for Elevated Tank Project on FM 1396.**
  - After review, motion made by J.W. Caraway to approve the pay application as presented. Larry Franklin seconded the motion and it passed unanimously.
- e. Discuss and take action to approve Pay Application #3 from Underwood Inc. for CR 2900 Waterline Project.**
  - After review, motion made by Donna Ryser to approve the pay application as presented. Brad Lane seconded the motion and it passed unanimously.
- f. Discuss and take action to approve Pay Application #5 from Pittard Construction Company for Waterline Disinfection Building on FM 1396.**
  - After review, motion made by Bob Payne to approve the change order as presented. Brad Lane seconded the motion and it passed unanimously.

**6. Monthly Reports:**

- a. Engineer’s Report – DBI Engineers**
- b. General Manager’s Report**
- c. Finance Committee – Rhonda Cunningham**

Rhonda presented her written report of the District accounts as of February 29, 2020.

- d. Policies and Procedures – Donna Ryser**

Reviewed Donna’s written reports regarding various policy and procedures items and correlated expenses in the Board packet.

- e. Budget Committee – Gary Vincent**

Gary presented his written report for February 2020

- f. Attorney update – Maria Huynh**

- 7. Discuss and take action regarding the purchase or contract to obtain a security system for the District office and properties.**

- This Item was tabled.

**8. Discuss and take action to approve the Construction Water and Meter Agreement (Temporary Water Service Agreement) between the District and Clint Walker.**

- After review, Brad Lane made the motion to approve the agreement as presented. Donna Ryser seconded the motion and it passed unanimously.

**9. Recess into Executive Session pursuant to Tex. Gov't Code Section 551.074, to deliberate personnel matters.**

- The Board recessed into Executive Session at 10:09 a.m.

**a. Reconvene into Open Session.**

- The Board reconvened into Open Session at 10:59 a.m.

**b. Discuss and possibly take action regarding hiring of the District's Operations Manager and/or Field Employee, and other actions in connection there to.**

- Brad Lane made the motion to offer Will Caraway as a full-time field operator at \$15.00 per hour to begin as soon as possible. Donna Ryser seconded the motion and it passed 6-0-1 (with 6 for the motion, 0 against the motion, and 1 abstention by J.W. Caraway).

**10. Adjournment.**

- Meeting adjourned at 11:00 a.m.

**APPROVED** by the Board of Directors of Bois D'Arc Municipal Utility District, Fannin County, Texas, on this 17<sup>th</sup> day of April, 2020.

[District seal]

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Gary Vincent, Secretary-Treasurer

Date of Issuance: 4/17/20  
 Owner: **Bois D' Arc MUD**  
 Contractor: **Underwood Inc.**  
 Engineer: **Daniel & Brown Inc.**  
 Project: **Waterline Projects CR 2900**

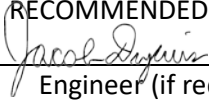
Effective Date: 4/17/20  
 Owner's Contract No.:  
 Contractor's Project No.:  
 Engineer's Project No.:  
 Contract Name:

The Contract is modified as follows upon execution of this Change Order:

Description: Reduction/Addition in original quantities; Additional items

Attachments: *See breakdown.*

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES <i>[note changes in Milestones if applicable]</i>
Original Contract Price: \$ <u>24,125.00</u>	Original Contract Times: Substantial Completion: <u>20</u> Ready for Final Payment: <u>26</u> days
[Increase/Decrease] from previously approved Change Orders No. <u>  </u> to No. <u>  </u> : \$ <u>N/A</u>	[Increase] [Decrease] from previously approved Change Orders No. <u>  </u> to No. <u>  </u> : Substantial Completion: _____ Ready for Final Payment: _____ days
Contract Price prior to this Change Order: \$ <u>24,125.00</u>	Contract Times prior to this Change Order: Substantial Completion: <u>20</u> Ready for Final Payment: <u>26</u> days
[Increase] of this Change Order: \$ <u>1,945.00</u>	[Increase] [Decrease] of this Change Order: Substantial Completion: _____ Ready for Final Payment: _____ days or dates
Contract Price incorporating this Change Order: <u>\$26,070.00</u>	Contract Times with all approved Change Orders: Substantial Completion: <u>20</u> Ready for Final Payment: <u>26</u> days

RECOMMENDED:	ACCEPTED:	ACCEPTED:
By: <u></u> Engineer (if required)	By: _____ Owner (Authorized Signature)	By: _____ Contractor (Authorized Signature)
Title: <u>Project Engineer</u>	Title: _____	Title: _____
Date: <u>4-13-20</u>	Date: _____	Date: _____

Approved by Funding Agency (if applicable)

By: \_\_\_\_\_ Date: \_\_\_\_\_  
 Title: \_\_\_\_\_

**Change Order #1 Quantities CR 2900**

<b>Item #</b>	<b>Description</b>	<b>Unit</b>	<b>Original Quantity</b>	<b>Revised Quantity</b>	<b>Unit Price</b>	<b>Total Price Change</b>
1	4" Waterline	LF	500	470	\$ 14.00	\$ (420.00)
2	Encase Existing Waterline	LF	160	0	\$ 20.00	\$ (3,200.00)
3	Open Cut County Road	LF	60	120	\$ 18.00	\$ 1,080.00
4	4" Gate Valve	EA	2	5	\$ 1,000.00	\$ 3,000.00
5	Connect New 4" Waterline to Existing 4" Waterline	EA	2	3	\$ 1,500.00	\$ 1,500.00
9	Tracer Wire	LF	500	470	\$ 0.50	\$ (15.00)
<b>Total Price Change</b>						
\$ 1,945.00						
<b>Original Contract Amount</b>						
\$ 24,125.00						
<b>Contract Amount with Change Order</b>						
\$ 26,070.00						
<b>Change Order Percentage</b>						
8%						







**PROGRESS ESTIMATE**  
**Daniel & Brown, Inc.**  
**118 McKinney St.**  
**Farmersville, TX 75442**

Estimate No.: 5  
 Date: March 13, 2020  
 Project: Waterline Disinfection Building FM 1396  
 Period: From: 2/18/2020 To: 3/13/2020  
 Contractor: Pittard Construction Co.  
 Address: 190 E. Stacy Rd. #306-306, Allen, TX 75002  
 Amount of Contract as Awarded: \$365,000.00

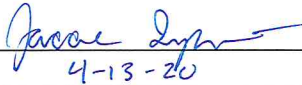
Notice to Proceed Date: July 15, 2019  
 Contract Time: 90 Days  
 % Complete (Time): 268.89%  
 % Complete (\$): 94%  
 Project No: \_\_\_\_\_

Change Orders:  
 # 1 \$ 9,036.25 # 6 \$ \_\_\_\_\_  
 # 2 \$ 4,000.00 # 7 \$ \_\_\_\_\_  
 # 3 \$ \_\_\_\_\_ # 8 \$ \_\_\_\_\_  
 # 4 \$ \_\_\_\_\_ # 9 \$ \_\_\_\_\_  
 # 5 \$ \_\_\_\_\_ # 10 \$ \_\_\_\_\_  
 Total Change Orders: \$13,036.25  
 Total Adjusted Contract: \$378,036.25

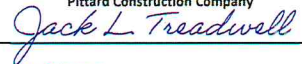
PREVIOUS PAYMENTS AUTHORIZED  
 #1 52,250.00 #10 \_\_\_\_\_  
 #2 167,437.50 #11 \_\_\_\_\_  
 #3 62,496.94 #12 \_\_\_\_\_  
 #5 51,062.50 #13 \_\_\_\_\_  
 #5 \_\_\_\_\_ #14 \_\_\_\_\_  
 #6 \_\_\_\_\_ #15 \_\_\_\_\_  
 #7 \_\_\_\_\_ #16 \_\_\_\_\_  
 #8 \_\_\_\_\_ #17 \_\_\_\_\_  
 #9 \_\_\_\_\_ #18 \_\_\_\_\_  
 Total Payments Previously Authorized: \$333,246.94

Item No.	Description	Unit of Meas.	Quantity Original Estimate	Previous Month's Quantity	Current Month's Quantity	Quantity Completed To Date	Unit Price (\$)	Value of Completed Work (\$)
1	Furnish & install Disinfection Building with appurtenances as specified for the sum of:	LS	1	1	0	1	\$60,000.00	\$60,000.00
2	Furnish & install Yard piping with appurtenances as specified for the sum of:	LS	1	1	0	1	\$50,000.00	\$50,000.00
3	Furnish & install Electrical and SCADA with appurtenances as specified for the sum of:	LS	1	0.75	0	0.75	\$80,000.00	\$60,000.00
4	Furnish & install 6" high intruder Proof Fence with two 10' Entrance gates (1 Each 20' wide) and move strip for the sum of:	LS	1	0.90	0	0.90	\$20,000.00	\$18,000.00
5	Furnish & install 6" Concrete Driveway as specified for the sum of:	LS	1	1.00	0	1	\$45,000.00	\$45,000.00
6	Furnish & install 10" State Highway Bore with 20" steel encasement and appurtenances as specified for the sum of:	LF	100	100	0	100	\$150.00	\$15,000.00
7	Furnish & install Connection to Existing 8" Waterline with appurtenances as specified for the sum of:	EA	1	1	0	1	\$1,500.00	\$1,500.00
8	Furnish & install 2" Gate Valve as specified for the sum of:	EA	2	2	0	2	\$750.00	\$1,500.00
9	Furnish & install 6" Gate Valve as specified for the sum of:	EA	2	2	0	2	\$1,000.00	\$2,000.00
10	Furnish & Install 8" Gate Valve as specified for the sum of:	EA	3	2	0	2	\$1,250.00	\$2,500.00
11	Furnish & install 10" Gate Valve as specified for the sum of:	EA	2	3	0	3	\$2,000.00	\$6,000.00
12	Furnish & install DI Fittings as specified for the sum of:	TON	0.25	0.25	0	0.25	\$8,000.00	\$2,000.00
13	Furnish & install Fire Hydrant Assembly as specified of the sum of:	EA	1	1	0	1	\$4,250.00	\$4,250.00
14	Furnish & install Drain Sump Pit as specified for the sum of:	EA	1	1	0	1	\$4,000.00	\$4,000.00
15	Connect to Existing 300 GPM Well with appurtenances as specified for the sum of:	LS	1	0	1	1	\$2,000.00	\$2,000.00
1-Alt	Furnish & install 250 KW Generator, Foundation and Electrical Work as specified for the sum of:	LS	1	1	0	1	\$70,000.00	\$70,000.00
Change Order No. 1	Additional 6" waterline, additional 10" waterline, additional 10" DI Fittings, Additional Gas chlorine equipment	LS	1	1	0	1	\$9,036.25	\$9,036.25
Change Order No. 2	Tree Removal	LS	1	0	1	1	\$4,000.00	\$4,000.00

*In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Engineer represents to the Owner that to the best of the Engineer's knowledge, information and belief, the Work (excluding trench safety) has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT PAYABLE. The Contractor is solely responsible for trench safety and as such, the Engineer makes no representation that this pay item has been performed in a manner consistent with the Contract Documents.*

**Daniel & Brown, Inc.**  
 By:   
 Date: 4-13-20  
 Approved: **Bios D. Arc MUD**  
 By: \_\_\_\_\_  
 Date: \_\_\_\_\_

Total Amount to Date \$356,786.25  
 Material on Hand \$0.00  
 Less 5 % Retainage \$17,839.31  
 Net Total \$338,946.94  
 Less Previous Payments \$333,246.94  
**Amount Payable to Contractor This Estimate** \$5,700.00

**Pittard Construction Company**  
 By:   
 Date: 3/13/2020

**PROGRESS ESTIMATE**  
**Daniel & Brown, Inc.**  
**118 McKinney St.**  
**Farmersville, TX 75442**

Estimate No.: 6  
 Date: April 13, 2020  
 Project: Waterline Disinfection Building FM 1396  
 Period: From: 3/14/2020 To: 4/13/2020  
 Contractor: Pittard Construction Co.  
 Address: 190 E. Stacy Rd. #306-306, Allen, TX 75002  
 Amount of Contract as Awarded: \$365,000.00

Notice to Proceed Date: July 15, 2019  
 Contract Time: 90 Days  
 % Complete (Time): 303.33%  
 % Complete (\$): 100%  
 Project No: \_\_\_\_\_

PREVIOUS PAYMENTS AUTHORIZED

#1	52,250.00	#10	
#2	167,437.50	#11	
#3	62,496.94	#12	
#4	51,062.50	#13	
#5	5,700.00	#14	
#6		#15	
#7		#16	
#8		#17	
#9		#18	

Change Orders:

# 1 \$	9,036.25	# 6 \$	
# 2 \$	4,000.00	# 7 \$	
# 3 \$		# 8 \$	
# 4 \$		# 9 \$	
# 5 \$		#10 \$	

Total Change Orders: \$13,036.25  
 Total Adjusted Contract: \$378,036.25

Total Payments Previously Authorized: \$338,946.94

Item No.	Description	Unit of Meas.	Quantity Original Estimate	Previous Month's Quantity	Current Month's Quantity	Quantity Completed To Date	Unit Price (\$)	Value of Completed Work (\$)
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2	Furnish & install Yard piping with appurtenances as specified for the sum of:	LS	1	1	0	1	\$50,000.00	\$50,000.00
3	Furnish & install Electrical and SCADA with appurtenances as specified for the sum of:	LS	1	0.75	0.25	1	\$80,000.00	\$80,000.00
4	Furnish & install 6" high intruder Proof Fence with two 10' Entrance gates (1 Each 20' wide) and move strip for the sum of:	LS	1	0.90	0	0.90	\$20,000.00	\$18,000.00
5	Furnish & install 6" Concrete Driveway as specified for the sum of:	LS	1	1.00	0	1	\$45,000.00	\$45,000.00
6	Furnish & install 10" State Highway Bore with 20" steel encasement and appurtenances as specified for the sum of:	LF	100	100	0	100	\$150.00	\$15,000.00
7	Furnish & install Connection to Existing 8" Waterline with appurtenances as specified for the sum of:	EA	1	1	0	1	\$1,500.00	\$1,500.00
8	Furnish & install 2" Gate Valve as specified for the sum of:	EA	2	2	0	2	\$750.00	\$1,500.00
9	Furnish & install 6" Gate Valve as specified for the sum of:	EA	2	2	0	2	\$1,000.00	\$2,000.00
10	Furnish & Install 8" Gate Valve as specified for the sum of:	EA	3	2	0	2	\$1,250.00	\$2,500.00
11	Furnish & install 10" Gate Valve as specified for the sum of:	EA	2	3	0	3	\$2,000.00	\$6,000.00
12	Furnish & install DI Fittings as specified for the sum of:	TON	0.25	0.25	0	0.25	\$8,000.00	\$2,000.00
13	Furnish & install Fire Hydrant Assembly as specified of the sum of:	EA	1	1	0	1	\$4,250.00	\$4,250.00
14	Furnish & install Drain Sump Pit as specified for the sum of:	EA	1	1	0	1	\$4,000.00	\$4,000.00
15	Connect to Existing 300 GPM Well with appurtenances as specified for the sum of:	LS	1	1	0	1	\$2,000.00	\$2,000.00
1-Alt	Furnish & install 250 KW Generator, Foundation and Electrical Work as specified for the sum of:	LS	1	1	0	1	\$70,000.00	\$70,000.00
Change Order No. 1	Additional 6" waterline, additional 10" waterline, additional 10" DI Fittings, Additional Gas chlorine equipment	LS	1	1	0	1	\$9,036.25	\$9,036.25
Change Order No. 2	Tree Removal	LS	1	1	0	1	\$4,000.00	\$4,000.00

*In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Engineer represents to the Owner that to the best of the Engineer's knowledge, information and belief, the Work (excluding trench safety) has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT PAYABLE. The Contractor is solely responsible for trench safety and as such, the Engineer makes no representation that this pay item has been performed in a manner consistent with the Contract Documents.*

Daniel & Brown, Inc.  
 By: *Jacob Dymit*  
 Date: 4-13-20  
 Approved: Bios D. Arc MUD  
 By: \_\_\_\_\_  
 Date: \_\_\_\_\_

Total Amount to Date	\$376,786.25
Material on Hand	\$0.00
Less 5 % Retainage	\$18,839.31
Net Total	\$357,946.94
Less Previous Payments	\$338,946.94
<b>Amount Payable to Contractor This Estimate</b>	<b>\$19,000.00</b>

Pittard Construction Company  
 By: *Jack L. Treadwell*  
 Date: 4/13/2020

**AMENDMENT TO THE  
CONSTRUCTION WATER AND METER AGREEMENT**  
(Temporary Water Service Agreement)

This Amendment to the Construction Water and Meter Agreement (“Amendment”) is made and entered into by and between **Bois D’Arc Municipal Utility District** (the “District”), a political subdivision of the State of Texas, and **AR Consultants, Inc.** (“Customer”), a Texas for-profit corporation, effective January 17, 2020 (the “Effective Date”).

**R E C I T A L S**

**WHEREAS**, the District and Customer entered into the Construction Water and Meter Agreement (the “Contract”) effective January 17, 2020 and was duly executed by Customer on February 3, 2020 and by the District on February 21, 2020;

**WHEREAS**, the location of the Meter indicated in the Contract is correct and Customer has been taking and paying for water from the Meter at said location assigned to Customer;

**WHEREAS**, the District discovered a typographical error of the meter number in the Contract for the Meter assigned to Customer at said location after the Contract was executed by each party;

**WHEREAS**, the District and Customer finds it is in the best to amend the Contract to reflect the correct meter number assigned to Customer therein.

**NOW, THEREFORE**, in consideration of the foregoing recitals, the District and Customer agree as follows:

1. Amendment of the Contract. The second recital (2<sup>nd</sup> *WHEREAS* paragraph) of the Contract is to be fully replaced and amended as follows:

**“WHEREAS**, the District assigned its Meter No. 19862334 for a fire hydrant located at CR 2655 and CR 2645 in Fannin County, Texas (the “Meter”) to Customer;”

2. Definitions. Any capitalized terms not defined specifically in this Amendment shall mean the same as those capitalized or defined terms contained in the Contract.

3. Ratification of the Contract.

The District and Customer hereby ratify, affirm, and republish the Contract as modified by this Amendment to be a valid and enforceable agreement between the parties pursuant to the terms of the Contract.







JAMES W. WILSON & ASSOCIATES, PLLC  
103 W. MAIN STREET, ALLEN, TEXAS 75013  
P: 972.727.9904 F: 972.755.0904

James W. Wilson  
jwilson@jww-law.com

Maria Huynh  
mhuynh@jww-law.com

## MEMORANDUM

To: The Board of Directors of  
Bois D'Arc Municipal Utility District

Re: PUC Orders during COVID-19  
(late fees, deferred payment,  
disconnections, income)

From: Maria Huynh

Date: April 17, 2020

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As you may have heard, the Public Utility Commission of Texas (PUC) issued an Order on March 26, 2020 in Docket No. 50664 **suspending various statutes regarding penalty for delinquent bills, requirements for deferred payment plan, disconnect for failure to pay bill or failure to pay under a deferred payment agreement**, and other similar statutes for sewer and electric utilities. This Order applies only during the time that Governor Abbott issues the Declaration of State of Disaster for COVID-19.

After reviewing the definitions in the statutes, **the Order does not apply to MUDs, SUDs, and WSCs**; however, TRWA has advised that all water entities *should* comply with the PUC's Order and comply:

- Do not charge late fees for delinquent payment of bills
- Enter into a deferred payment agreement with the customer if requested
  - TRWA has suggested that the District should not strictly follow your Rate Order / Tariff's strict requirements to authorize a deferred payment plan. For example:
    - If your Rate Order allows only for deferred payment if you have not been disconnected twice during the previous 12 months, you should waive this requirement
    - If deferred payment agreement is allowed only if the amount owed is 3x an average monthly bill, you should waive this requirement
    - Waive any interest charge per Rate Order / Tariff
- Do not disconnect if a customer fails to pay a bill or fails to pay a deferred payment

*Although your entity is not required to follow this, we urge you to consider following TRWA's guidance during this time, if you have not already done so.*

There has been no mention of other water statutes being suspended; therefore, **you can disconnect for other reasons according to your Rate Order / Tariff.**

- Examples: customer wrongfully submeters, cross-connection / hazards, damage to District's property, theft of water, etc.
- If notice is required in your Rate Order for those disconnections, you will still have to follow those notice requirements

We understand that this pandemic and following TRWA's guidance will **affect the income for the District**. PUC has also issued another Order that allows certain IOUs and other entities to eventually seek recovery for lost income due to COVID-19. **At this time, we understand that this Order does not apply to your entity.**

*However, you may want to keep diligent record of expenses and income loss during this time, in case the PUC later allows MUDs, SUDs, and WSCs to also seek recovery due to COVID-19. Please discuss this with your entity's accountant on the best methods to keep record.*