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SECTION A:
RESOLUTIONS

THE BOARD OF DIRECTORS OF THE BOIS D' ARC MUNICIPAL UTILITY DISTRICT ESTABLISHES THAT:

1. This Tariff of the Bois D' Arc Municipal Utility District, serving in Fannin County consisting of Section A. through H. and forms inclusive, in adopted and enacted as the current regulations and policies effective as of _____, 2002.

2. Only those preexisting written contracts or agreements executed by the present or previous Board of Directors shall remain in effect, unless the contract or agreement requires compliance with changes of the tariff from time to time.

3. The adoption or previous of this tariff does not prohibit or limit the District from enforcing previous penalties or assessments from before the current effective date.

4. An official copy of this and all policies or records shall be available during regular office hours of the District. The Secretary of the District shall maintain the original copy as approved and all previous copies for exhibit.

5. Rules and regulations of state or federal agencies having jurisdiction shall supersede any terms of this policy. If any section, paragraph, sentence, clause, phrase, word, or words of this policy are declared unconstitutional or invalid for any purpose, the remainder of this policy shall not be affected.

6. This tariff has been adopted (revised) in compliance in Open Meeting in compliance with the Open Meeting Act, Chapter 551 of the Texas Government Code.

PASSED AND APPROVED this _____ day of _____, _____.

President Wayne Ryser

Attest:

Secretary Don Fox

SECTION B.
STATEMENTS OF POLICY

1. **Authority.** The Bois D' Arc MUD is created and organized under Article XVI, Section 59, of the Texas Constitution. The authority and obligations of water utility services under the provisions of the Bois D' Arc MUD are governed by the Board of Directors of the Bois D' Arc MUD, certificated by necessity by the State of Texas, are supported and supervised under the jurisdiction of the Texas Water Code.
2. **Non-Discrimination Policy.** Water Utility Service is provided to all Applicants who comply with the provisions of this Tariff regardless of race, creed, color, national origin, sex, disability, or marital status.
3. **Policy and Rule Application.** These policies, rules, and regulations apply to the water services provided by the Bois D' Arc Municipal Utility District, also referred to as District or MUD. Failure on the part of the Consumer, or Applicant to observe these policies, rules and regulations gives the District the authority to deny or discontinue service according to the terms of this Tariff as amended from time to time by the Board of Directors of the District.
4. **District Bylaws.** The District directors have adopted bylaws (see Article 1396-2.09) which establish the make-up of the Board of Directors and other important regulation of the District. The bylaws are on file at the District's office.
5. **Fire Protection Responsibility.** The District does not provide nor imply that fire protection is available on any of the distribution system. All hydrants or flush valves are for the operation and maintenance of the system and may be used for refill only by authorized fire departments. The District reserves the right to remove any hydrant, due to improper use or detriment to the system as determined by the District, at any time without notice, refund, or compensation to the contributors unless such hydrants are installed pursuant to the terms of a Non-Standard Service Contract as provided for in Section F, in which event the terms and conditions of the Contract shall apply.

6. **Damage Liability.** The Bois D' Arc MUD is not liable for damages caused by service interruptions, events beyond its control, and for normal system failures. The limits of liability of the Bois D' Arc MUD is the extent of the cost of service provided. By application and acceptance, the consumer consents to waiver of such liability.
7. **Information Disclosure.** The records of the District shall be kept in the District office at FM 1396 in Allens Chapel, Texas. 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 their name, address, telephone number, or social security number be kept confidential. Such confidentiality does not prohibit the utility from disclosing this information to an official or employee of the state or a political subdivision of the state acting in an official capacity or an employee of the District acting in connection with the employee's duties. Further, such confidentiality does not prohibit the District from disclosing the name and address of each consumer on a list to be made available to the District's customers, or their agents or attorneys, in connection with a meeting of the District's consumers. The District shall give its applicants and customers notice of rights to confidentiality under this policy and all prevailing associated fees for such request.
8. **Grievance Procedures.** Any Consumer of the District or individual demonstrating an interest under the policies of this Tariff in becoming a Consumer of the District shall have an opportunity to voice concerns or grievances to the District by the following means and procedures:
- a. By presentation of concerns to the District's manager authorized staff member. If not resolved to the satisfaction of the aggrieved party then,
 - b. By presenting a letter to the Board of Directors stating the individual's grievance or concern and the desired result.
 - c. The Board of Directors shall respond to the complaint by communicating the Board's decision in writing.
 - d. Any charges or fees contested as a part of the complaint in review by the District under this policy shall be suspended until a satisfactory review and final decision has been made by the Board of Directors.

9. **Customer Service Inspections.** The District requires that a customer service inspection certification be completed prior to providing continuous water service to new construction and for all new applicants 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 consumer's water distribution facilities. This inspection is limited to the identification and prevention of cross-connection, potential contaminant hazards and illegal lead materials. (30 TAC 290.46 (i-j))

10. **Lien for Unpaid Water Utility Services.** The Bois D' Arc MUD reserves the right to impose a lien on property in accordance with the law and the enabling Tariff to collect any outstanding unpaid Water Utility Services due on an account or a meter location.

11. **Submetering Responsibility.** Submetering and Non-Submetering by Master Metered Accounts may be allowed in the District's Water Distribution system provided the Master Metered Account customer complies with the Texas Commission on Environmental Quality Chapter 291 Subchapter H rules pertaining to Submetering. The District has no jurisdiction over or responsibility to the tenants. Tenants receiving water under a Master Metered Account 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.

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

1. See if they have registered with the TCEQ (Chapter 13 Texas Water Code Subchapter M.)

2. See that they do not charge their tenants more than the total amount of charges that you have billed. If the aggregate bill is greater than the District's charge, the Master Metered Account Customer is considered by the TCEQ to be a separate Public Water System and will be required to comply with all TCEQ regulations.

3. Protect the System's CCN. Should the Master Metered Account Customer continue to violate these or other State regulations, the District will need to request a Cease and Desist Order from the TCEQ. (Texas Water Code Chapter 13.252 and 30 TAC Chapter 291.118)

12. **Penalty for Violations.** Any violation of the District Services Tariff may result in a penalty or fine of up to \$500.00 per violation or up to \$2000.00 per violation where health and safety issues are concerned in accordance with law and the enabling Tariff.

**BOIS D' ARC
MUNICIPAL UTILITY DISTRICT**

CREATION ACT

*HOUSE BILL # 2171, PASSED BY THE 66TH LEGISLATURE, REGULAR SESSION,
1979, SIGNED BY THE GOVERNOR ON JUNE 6, 1979.*

AN ACT creating and establishing the Bois D' Arc Municipal Utility District of Fannin County, Texas, under Article XVI, Section 59, of the Texas Constitution; prescribing the powers of the district and its governing body; making certain findings in connection therewith; providing a severability clause; and declaring an emergency.

BE ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Under and pursuant to the provisions of Article XVI, Section 59, of the Texas Constitution, a conservation and reclamation district is hereby created and established, the Bois D' Arc Municipal Utility District of Fannin County, Texas, hereinafter called the "district," which shall be a governmental agency and a body politic and corporate. The creation and establishment of the district is hereby declared to be essential to the accomplishment of the purposes of Article XVI, Section 59, of the Texas Constitution.

SECTION 2. The district shall comprise the territory within Fannin County, Texas, contained within the following described area:

Beginning at the intersection of the north line of the Robert E. Beasley Survey (Abstract No. 87, G.L.O. File Number 3-347) with the east line of Lamar County, Texas;

THENCE S 1 degree 30' W along said Fannin County line a distance of 63,360 feet to a point on said Fannin County line;
 THENCE N 88 degrees 30' W a distance of 31,680 ft. to a point;
 THENCE S 1 degree 30' W a distance of 13,200 ft. to a point;
 THENCE N 88 degrees 30' W a distance of 24,288 ft. to a point;
 THENCE N 1 degree 30' E a distance of 34,320 ft. to a point;
 THENCE N 88 degrees 30' W a distance of 5280' to a point;
 THENCE N 1 degree 30' E parallel to the aforementioned east line of Fannin County a distance of 31,680' to a point;
 THENCE N 88 degrees 30' W a distance of 29,040' to a point;
 THENCE N 1 degree 30' E a distance of 19,536' to a point,
 THENCE N 88 degrees 30' E a distance of 10,560' to a point,
 THENCE N 1 degree 30' E a distance of 4,224 ft to a point;
 THENCE S 88 degrees 30' E a distance of 42,240' to a point;
 THENCE N 1 degree 30' E a distance of 8976' to a point;
 THENCE S 88 degrees 30' E a distance of 32,208' to a point;
 THENCE S 1 degree 30' W a distance of 22,176' to a point;

THENCE S 88 degrees 30' E a distance of 5280' back to the point of beginning, and enclosing 132,300.8 acres of land more or less, all in Fannin County, Texas.

SECTION 3. It is determined and found that the boundaries and field notes of the district form a closure. If any mistake is made in copying the field notes in the legislative process or otherwise a mistake is made in the field notes, it shall in no way affect the organization, existence, and validity of the district, or the right of the district to issue any type of bonds or refunding bonds for the purposes for which the district is created or to pay the principal and interest thereon, or the right to assess, levy, and collect taxed, or in any other manner affect the legality or operation of the district or its governing body. A confirmation election shall be required in accordance with Chapter 54 of the Water Code.

SECTION 4. It is determined and found that all of the land and other property included within the area and boundaries of the district will be benefited by the works and projects which are to be accomplished by the district pursuant to the powers conferred by the provisions of Article XVI, Section 59, of the Texas Constitution, and that said district is created to serve a public use and benefit. No exclusion hearing shall be required.

SECTION 5. The district is hereby vested with and shall have and exercise all of the rights, power, privileges, authority and functions conferred and imposed by the general laws of this state now in force or hereafter enacted, applicable to municipal utility districts created under authority of Article XVI, Section 59, of the Texas Constitution, including without limitation those conferred by Chapter 54, Title 4, Water Code, with all amendments and additions thereto; but if any provisions of such general laws shall be in conflict or inconsistent with the provisions of these Act, the provisions of this Act shall prevail. All such general laws not in conflict or inconsistent with the provisions of this Act are hereby adopted and incorporated by reference with the same effect as if copied in full in this Act. The rights, powers, privileges, authority, and functions herein granted to the district shall be subject to the continuing right of supervision of the State of Texas, to be exercised by and through the Texas Department of Water Resources.

SECTION 6. The district shall have and is given the specific power and authority to acquire any existing water and sewer system, either or both, which serves all or part of the territory situated within its boundaries and the district may improve and extend such system or systems of the district may

construct a water and sewer system, either or both, to serve the inhabitants of the county in which the area of the district is situated. Construction contracts shall be subject to competitive bids (as provided by laws applicable to municipal utility districts)., but contracts for the acquisition of an existing water or sewer facility may be made on terms approved by the contracting parties.

The district shall have no power to levy taxes unless the same has been approved by the election called for the purpose.

SECTION 7. The district shall be governed by a board of seven directors. four directors shall constitute a quorum and a concurrence of four shall be sufficient in all matters pertaining to the business of the district. Immediately after this Act becomes effective, the following named persons shall be the directors of the district: W. W. Huggins, president, W.T. Alford, John W. Welch, Mable Whitlock, secretary, Billy Wayne Ryser, Bill Keene, and Brenda Magness.

Such persons shall qualify to serve as directors by execution of the constitutional oath of office. Should any of the above named directors fail to qualify for any reason, the remaining named directors shall appoint someone to fill such vacancy or vacancies; provided, however, that if at any time the number of qualified directors shall be less than four because of the failure or refusal of one or more directors to qualify or serve or because of his or their death or incapacitation, or for any other reason, the Commissioners Court of Fannin County shall appoint the necessary number of directors to fill all vacancies on the board. The terms of office of the first three directors named shall end in 1980, and the terms of office of the last four directors named shall end in 1981; thereafter, successors in office shall be elected for a term of two years. No public official's bond shall be required of directors.

SECTION 8. The legislature specifically find and declares that the requirements of Article XVI, Sections 59(d) and 59(e), of the Texas Constitution have been performed and accomplished in due course and time and order, and that the legislature has the power and authority to enact this Act.

SECTION 9. If any word, phrase, clause, paragraph, sentence, part, portion, or provision of this Act or the application thereof to any person or circumstances shall be held to be invalid or unconstitutional, the remainder of the Act shall nevertheless be valid; and the legislature hereby declares that this Act would have been enacted without such invalid or unconstitutional word, phrase, clause, paragraph, sentence, part, portion, or provision.

SECTION 10. The fact that the district's works, projects, and conservation measures are immediately and urgently needed in the district hereby establishes and creates an emergency and an imperative public necessity that the constitutional rule requiring bills be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

SECTION C. **DEFINITIONS**

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

Applicant -- A person, partnership, cooperative corporation, corporation, agency, public or private organization of any type applying for service with the Bois D' Arc Municipal Utility District.

Board of Directors -- The governing body elected by the Qualified Voters of the District of the Bois D' Arc Municipal Utility District. (Article 1396- 1.02 (7))

Bylaws -- The rules pertaining to the governing of the Bois D' Arc municipal Utility District adopted by District. (Article 1396-1.02 (5))

Certificate of Convenience and Necessity (CCN) -- The authorization granted under Chapters 5 and 13 subchapter G of the Texas Water Code for Bois D' Arc Municipal Utility District to provide water utility service within a defined territory. The Bois D' Arc MUD has been issued Certificate Number 11753. Territory defined in the CCN shall be the Certificated Service Area. (see Section D. Certificated Service Area Map)

Consumer-- Any person, partnership, cooperative corporation, corporation, agency, or public or private organization that has qualified for service in accordance with this Tariff.

Deposit -- A refundable fee paid by the consumer as a condition of service to guarantee payment for service rendered.

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

Disconnection of Service -- The discontinuance of water service by the District to a Customer.

District -- The Bois D' Arc Municipal Utility District. (Section B. 4 of this Tariff)

Easement -- A private perpetual dedicated right-of-way for the installation of water pipelines and necessary facilities which allows access to property for future operation, maintenance, facility replacement, facility upgrades, and/or installation of additional pipelines (if applicable). This may also include restrictions on the adjacent area to limit the installation of sewer lines or other facilities that would restrict the use of any area of the easement. (See Sample Application Packet, FmHA Form 442-8 or FmHA Form 442-9)

Final Plat -- A complete plan for the subdivision of a tract of land. The Bois D' Arc MUD shall determine if a plat submitted for the purpose of this Tariff shall qualify as a final plat. (30 TAC 291.85)

Front-End Capital Contribution (Also referred to as Impact Fee) -- A fee assessed of new Applicants for water service for the purpose of acquiring capital to defray the costs of expanding the system facilities in order to meet the customer growth needs of the District. This fee is charged for each meter equivalent or Service Unit for which service has been requested.

Hazardous Condition -- A condition, that jeopardizes the health and welfare of the Consumers of the District as, determined by the District or regulatory authority.

Indication of Interest Fee -- A fee paid by a potential Consumer of the District for the purpose of determining the feasibility of a construction and /or expansion project. The Indication of Interest Fee may be converted to a Consumer Fee upon determination that service to the Applicant is feasible and available. This also applies to applicants applying for, or receiving, Temporary Service.

Lock/Unlock -- The disconnection and/or reconnection of service due to non-payment of bill.

Person -- Any natural person, partnership, cooperative corporation, association, private corporation, agency, or public or private organization of any character.

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

Renter -- A consumer who rents or leases property or who may otherwise be termed a lessee/ tenant. (Section E. 7.)

Re-Service -- Providing service to an Applicant at a location for which service previously existed. Costs of such re-servicing shall be based on justifiable expenses. (See Tariff Section E. 3. b., E. 4. b.)

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

Service Application and Agreement -- A written agreement between the Consumer/Applicant and the District defining the specific type of service requirements requested on the current service application and agreement form, and the responsibilities of each party required before service is furnished.

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

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

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

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

Tariff -- The operating policies, service rules, service extension policy, service rates, rationing policies, sample application packet, and miscellaneous transaction forms adopted by the Board of Directors. A copy of the Board approved tariff is on file at the District's office.

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

Texas Commission of Environmental Quality (TCEQ) -- State regulatory agency having jurisdiction of water and sewer service utilities and appellate jurisdiction over the rates and fees charged by Non-Profit Water and Sewer Service Water Utilities. (30 TAC - Texas Administrative Code)

Transfer -- The transfer of service from an existing consumer to a new consumer.

Transferee -- An Applicant receiving a Bois D' Arc Municipal Utility District meter by legal means from a person or entity desiring to forfeit and transfer current rights of service to another person or entity. (See Tariff Section E. 6 c., Miscellaneous Transaction Forms.)

Transferor -- A Customer who transfers Ownership by legal means to another person or entity desiring to qualify for service at a property for which the customer is currently issued or to the District. (Texas Water Code, Chapter 67.016)

SECTION D.
GEOGRAPHIC AREA SERVED

The Bois D' Arc MUD is located in Fannin County.

The service area is further defined by Certificate of Convenience and Necessity (CCN) # 11753.

SECTION E.
SERVICE RULES AND REGULATIONS

1. **Service Entitlement.** An Applicant shall be considered qualified and entitled to water utility service when proper application has been made, terms and conditions of Service and Deposit have been met and continue to be met, and all fees have been paid as prescribed. (30 TAC 291.85 (a))
2. **Application Procedures and Requirements.** For the purposes of this Tariff, service requested by an Applicant shall be for real estate designated to receive the service provided by the District and shall be divided into the following two classes:
 - a. **Standard Service** is defined as service on an existing pipeline where pipeline or service facility extensions are not required and special design and/or engineering considerations are not necessary. Typically, this would include 5/8" X 3/4" or 3/4" sized water meter services set on existing pipelines.
 - b. **Non-Standard Service** is defined as any service request, which requires a larger meter service, service to a Master Metered Account (see E. 2.(4) of this section), or an addition to the supply, storage and/or distribution system. The service requirements as prescribed by Section F of this Tariff shall be required of the Non-Standard Service Applicant prior to providing service.
 - c. **Requirements for Standard and Non-Standard Service.**
 - 1) The District's Service Application and Agreement Form shall be completed in full and signed by the Applicant.
 - 2) A Right-of-Way Easement Form, Sanitary Control Easement, or other such easement forms, required by the District as a condition for service, must be completed by the Applicant for the purpose of allowing future facility additions. (30 TAC 290.47 Appendix C., Water Code Section 49.218) **NOTE:** This requirement may be delayed for Non-Standard Service requests.
 - 3) The Applicant shall provide proof of ownership to property for which service has been requested in a manner acceptable to the District. Proof of ownership shall consist of warranty deed; deed of trust or other recordable documentation of fee simple title to the real estate designated to receive service. (Texas Water Code 67.016 (e), and 13.002 (11)).
 - 4) On the request by the property owner or owner's authorized agent, the District shall install individual meters owned by the District in an

apartment house, manufactured home or rental community, multiple use facility, or condominium on which construction begins after January 1, 2003, unless the District determines that installation of individual meters are not feasible. If the District determines that installation of meters is not feasible, the property owner or manager shall install a plumbing system that is compatible with the installation of submeters or individual meters. The District shall be entitled to the payment of costs, including the costs of individual meter installations, as provided in Section F.4. The cost of individual meter installation shall be prepaid by the property owner as well as the cost of any additional facilities or supply occasioned by the total water demand represented by full occupancy of the property, as determined under applicable provisions of Section F. It shall be the responsibility of the property owner to obtain the applications and contract for each individual meter.

- 5) Notice of application approval and costs of service determined by the District shall be presented to the Applicant and shall remain in effect for a period not to exceed thirty (30) days. After that time the Applicant must re-apply for service. (30 TAC 291.81 (a) (1))
- 6) If the water main has been located in the public right-of-way and is adjacent to Applicant's property due to the current or previous landowner's refusal to grant easement to the District for the purpose of installing the water main and appurtenances, and the District has documentation of such refusal. The Applicant, prior to receiving the requested service, shall grant easement Required under this Tariff and, in addition to the normally required fees for new customer service, shall pay such sums as are reasonably necessary to cap the existing line in the ROW and construct the appropriate line or lines within that easement for the District's system wide service. (see Miscellaneous Transaction forms)
- 7.) If an Applicant/Transferee fails to provide all documentation required at the time of application, the District will issue written notice informing the applicant they have 10 days in which to provide the proper information or the service will be terminated. This will apply to Standard or Non-Standard Service Requests.

3. Activation of Standard Service.

- a. **New Tap** -- The District shall charge a non-refundable service installation fee as required under Section G of this Tariff. The service installation fee shall be quoted to the Applicant. All fees shall be paid in advance of installation. (30 TAC 291.86 (a)(1)(A))
- b. **Re-Service** -- On property where service previously existed, the District shall charge the Re-Service Fee, where the Deposit Fee has been liquidated, and costs necessary to restore service.
- c. **Performance of Work** -- After approval is granted by proper authorities, all tap and equipment installations specified by the District shall be completed by the District staff or designated representative. The tap shall be completed within five (5) working days after approval and receipt of payment of quoted fees. This time may be extended for installation of equipment for Non-Standard Service Request. (see Section F., 30 TAC 291.85)
- d. **Inspection of Customer Service Facilities** -- The property of the Applicant/Consumer shall be inspected to insure compliance with state required Minimum Acceptable Operating Practices For Public Drinking Water Systems as promulgated by the Texas Commission of Environmental Quality or successor agency. This Customer Service inspection may be performed by the Districts employees, an inspector on behalf of the District (if allowed) by an inspector secured by the Applicant/Consumer. (30 TAC 290.46(j))

4. Activation of Non-Standard Service.

- a. **Activation of Non-Standard Service** shall be conducted as prescribed by terms of Section F of this Tariff.
- b. **Re-Service** - The same terms which apply under the Activation of Standard Service Sub-Section on Re-Servicing shall be applied to Non-Standard Re-Service requests. (Section E. 3. b)

- 5. Changes in Service Classification.** If at any time the District determines that the customer service needs changed from those originally applied for to a different service classification and the District determines that additional or different facilities are necessary to provide adequate service, the District shall require the Applicant/Consumer to

re-apply for service under the terms and conditions of this Tariff. Applicant/Consumers failing to comply with this provision shall be subject to the Disconnection with Notice Provisions of this Tariff, Sub-Section 15.a.

6. **Deposits,** All District meters require a deposit to guarantee final water payment. The District will promptly refund the customer's deposit or the balance upon disconnection or transfer of service, if any, in excess of the unpaid bills for service furnished.
7. **Owners and Renters.** Any Consumer, renting or leasing real estate property designated to receive service according to the terms of this Tariff to other parties, is responsible for all charges due the District. The District may bill the renter or lessee for utility service (at property owners Request) as a third party, but the owner is fully responsible for any and all unpaid bills left by the renter/lessee. The owner shall be required to sign an Alternate Billing Agreement. The District may notify the consumer of the renter's past due payment status subject to service charges.
8. **Denial Of Service.** The District may deny service for the following reasons:
 - a. Failure of the Applicant or Transferee to complete all required easements, forms and pay all required fees and charges;
 - b. Failure of the Applicant or Transferee to comply with rules, regulations, policies, and bylaws of the District;
 - c. Existence of a hazardous condition at the Applicant's property which would jeopardize the welfare of the Consumers of the District upon connection;
 - d. Failure of Applicant or Transferee to provide representatives or employees of the District reasonable access to property, for which service has been requested;
 - e. Failure of Applicant or Transferee to comply with all governmental rules and regulations of the District's Tariff on file with the state regulatory agency governing the service applied for by the Applicant;
 - f. Failure of Applicant or Transferee to provide proof of ownership, to the satisfaction of the District, of property for which the tap has been requested, and/or
 - g. Applicant's service facilities are known to be inadequate or of such character, that satisfactory service cannot be provided.

9. ***Applicant's or Transferee's Recourse.*** In the event, the District refuses to serve an Applicant under the provisions of these rules, the District must notify the Applicant, of the basis of its refusal. The Applicant may file for an appeal, in writing, with the Board of Directors of the District.
10. ***Insufficient Grounds for Refusal of Service.*** The following shall not constitute sufficient cause for the refusal of service to an Applicant:
- a. Delinquency in payment for service by a previous occupant of the premises to be served;
 - b. Failure to pay a bill to correct previous underbilling due to misapplication of rates more than six (6) months prior to the date of application;
 - c. Violation of the District's rules pertaining to operation of non-standard equipment or unauthorized attachments which interferes with the service of others, unless the customer has first been notified and been afforded reasonable opportunity to comply with said requirements;
 - d. Failure to pay a bill of another customer as guarantor thereof unless the guarantee was made in writing to the District as a condition precedent to service;
 - e. Failure to pay the bill of another customer at the same address except where the change of customer identity is made to avoid or evade payment of a utility bill;
 - f. Failure to comply with regulations or rules for anything other than the type of utility service specifically requested.
11. ***Deferred Payment Agreement.*** The District may offer a deferred payment plan to a Consumer who cannot pay an outstanding balance in full and is willing to pay the balance in reasonable installments as determined by the District, including any Late Penalty Fees or interest on the monthly balance to be determined as per agreement.
12. ***Charge Distribution and Payment Application.***
- a. ***The Service Availability Charge*** is for the billing period from the first day of the month to the last day of the month. Charges shall be prorated for meter installations and service termination's falling during the billing period. Billings for this amount shall be mailed on or about the first of the month preceding the month for which this charge is due. All services shall be subject to this charge whether or not the service is in use by the Consumer.

- b. **Gallonage Charge** shall be billed at the rate specified in Section G and billing shall be calculated in hundred (100) gallon increments. Water charges are based on monthly meter readings and are calculated from reading date to reading date. Readings used in all billing calculations will be taken by the District's employees or designated representative.
- c. **Posting of Payments** -- All payments shall be posted against previous balances prior to posting against current billings.

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

The District shall mail all bills on or about the first day of the month. All bills shall be due and payable upon receipt and are past due beyond the date indicated on the bill (allowing approximately fifteen (15) days to pay), after which time a penalty shall be applied as described in Section G. A bill is delinquent if not paid on or before the past due date. Payments will be considered late if postmarked after the past due date. Final notices shall be mailed after the past due date allowing approximately ten (10) additional days for payment prior to disconnection. Water Utility service is subject to disconnection if not paid by the last day of the month. If the past due date for the regular or final billing is on a weekend or holiday, the past due date for payment purposes shall be the next day the District office is open for business after said weekend or holiday. For all disputed payment deadlines, the date postmarked on each bill will be determined by the disconnect date posted on all bills.

- a. Upon written request, any residential customer 60 years of age or older who occupies the entire premises of a dwelling receiving water service from the District shall receive extension of the past due date, without penalty. The extension shall not exceed 10 days beyond the usual 15 day payment period for a total of no more than 25 days from the date the bill is issued. The request may specify extension of the late payment periods for current and subsequent billings. (HB 670 Effective August 30, 1993)

14. Rules for Disconnection of Service. The following describes the rules and conditions for disconnection of service.

- a. **Disconnection With Notice** -- Water utility service may be disconnected for any of the following reasons after proper notification has been given.
- 1) Returned Checks -- The District shall mail, via the U.S. Postal Service, a notice requiring redemption of the returned instrument within ten (10) days of the date of the notice to be made in the District office. Redemption of the returned instrument shall be made by cash, money order, or certified check. Failure to meet these terms shall initiate disconnection of service. Any such instruments returned as insufficient or non-negotiable for any reason for any two billing periods within a 12-month period shall be considered evidence of bad credit risk by the District. The Consumer in violation shall be placed on a "cash-only" basis for a period of 12 months. **NOTE:** "cash only," means certified check, money order, or cash.
 - 2) Failure to pay a delinquent account for utility service or failure to timely provide a deposit or failure to comply with the terms of a deferred payment agreement;
 - 3) Violation of the District's rules pertaining to the use of service in a manner which interferes with the service of others or the operation of non-standard equipment if a reasonable attempt has been made to notify the Consumer and or the Consumer is provided with a reasonable opportunity to remedy the situation;
 - 4) Failure of the Consumer to comply with the terms of the District's Service Agreement, Tariff, Bylaws, or Special Contract provided that the District has given notice of said failure to comply, and Consumer has failed to comply within a specified amount of time after notification. (Including but not limited to Failure to provide an Easement properly completed documents, etc.)
 - 5) Failure to provide access to the meter under the terms of this Tariff or to property at which water service is received when there is reason to believe that a hazardous condition or policy violation exists for which access is necessary to verify.
 - 6) Misrepresentation by any Applicant or Transferee of any fact on any form, document, or other agreement required to be executed by the District.
 - 7) Failure of Consumer to re-apply for service upon notification by the District that Consumer no longer meets the terms of the service classification originally applied for under the original service application.

- b) **Disconnection Without Notice** -- Water utility service may be disconnected without notice for any of the following conditions:
- 1) A known dangerous or hazardous condition exists for which service may remain disconnected for as long as the condition exists, including but not limited to a violation of the Texas Sanitation and Health Protection Law 4477-1, or there is reason to believe a dangerous or hazardous condition exists and the Consumer refuses to allow access for the purpose of confirming the existence of such condition and/or removing the dangerous or hazardous condition (Section E. 3. d., E. 24., 30 TAC 290.46 (j));
 - 2) Service is connected without authority by a person who has not made application for service or who has reconnected service without authority following termination of service for nonpayment; and
 - 3) In instances of tampering with the District's meter or equipment, bypassing the meter or equipment, or other diversion of service.
- NOTE:** Where reasonable, given the nature of the reason for disconnection, a written statement providing notice of disconnection and the reason therefore shall be posted at the place of common entry or upon the front door of each affected residential unit as soon as possible after service has been disconnected.
- c. **Disconnection Prohibited** -- Utility service may not be disconnected for any of the following reasons:
- 1) Failure of the Consumer to pay for merchandise or charges for non-utility service provided by the District, unless an agreement exists between the Applicant and the District whereby the Consumer guarantees payment of non-utility service as a condition of service. (TCEQ 291.88. (c) (3)).
 2. Failure of the Consumer to pay for a different type or class of utility service unless a fee for such service is included in the same bill;
 3. Failure of the Consumer to pay charges arising from an underbilling occurring due to any misapplication of rates more than six (6) months prior to the current billing;
 4. Failure of the Consumer to pay the account of another Consumer as guarantor thereof, unless the District has in writing the guarantee as a condition precedent to service;
 5. Failure of the Consumer to pay charges arising from an underbilling due to any faulty metering, unless the meter has been tampered with or unless such underbilling charges are due under the Inoperative Meters subsection E. 19. of this Tariff.

6. Failure of the Consumer to pay 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;
7. In response to a request for disconnection by an Owner/Consumer of rental property where the renter 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 Tariff.
- d. **Disconnection on Holidays and Weekends** -- Unless a dangerous condition exists or the Consumer requests disconnection, service shall not be disconnected on a day, or on a day preceding a day, when personnel of the District are not available to the public for the purpose of making collections and reconnecting service.
- e. **Disconnection Due to Utility Abandonment** -- The District may not abandon a Consumer or a Certificated Service Area without written notice to its Consumers and all similar neighboring utilities and approval from the Texas Commission of Environmental Quality.
- f. **Disconnection for Ill and Disabled** -- The District may not discontinue service to a delinquent residential Consumer permanently residing in an individually metered dwelling unit when that Consumer establishes that discontinuance of service will result in some person at that residence becoming seriously ill or more seriously ill if service is discontinued. Each time a Consumer seeks to avoid termination of service under this Sub-section, the Consumer must have the attending physician call or contact the District within sixteen (16) days of issuance of the bill. A written statement must be received by the District from the physician within twenty-six (26) days of the issuance of the utility bill. The prohibition against service termination shall last sixty-three (63) days from the issuance of the utility bill or such lesser period as may be agreed upon by the District and Consumer's physician. The Consumer shall enter into a Deferred Payment Agreement.
- g. **Disconnection of master-metered Accounts** --When a bill for water utility services is delinquent for a master-metered service complex (defined as a complex in which a single meter serves two (2) or more residential dwelling units), the following shall apply: (30 TAC SUBCHAPTER H. 291.126)
- 1) The District shall send notice to the customer as required. This notice shall also inform the customer that notice of possible disconnection will be provided to the tenants of the service complex in five (5) days if payment is not rendered before that time.

2) At least five (5) days providing notice to the customer and at least five (5) days prior to disconnection, the District shall post at notices, stating "Termination Notice" in public areas of the service complex notifying the residents of the scheduled date for disconnection of service.

3) The tenants may pay the District for any delinquent bill in behalf of the owner to avert disconnection or to reconnect service to the complex.

h. **Disconnection of Temporary Service** -- When an applicant with a Temporary service fails to comply with the conditions stated in the Service Application and Agreement Form or other rules of this Tariff service may be terminated with notice.

i. **Cancellation and Re-assignment of service as results of Bankruptcy proceedings** When the District is notified that a customer has filed bankruptcy, the District shall cancel the service for that property and require the receiver or current owner to qualify for service in accordance with the terms of this tariff. Notice will be provided to the customer filing for bankruptcy allowing 20 days to provide a completed application packet and payment of the required application fee to the District or service will be disconnected according to the terms of this tariff.

15. **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, the billings shall be sent on the new change date unless otherwise determined by the District.

16. **Back-billing.** The District may back-bill a Consumer for up to four (4) years (48 months) for meter error, misapplied meter multiplier, incorrect meter readings, or error in computing a Consumer's bill. Failure to pay the most recent six- (6) months billing will result in disconnection of service. Back-billing shall not extend beyond current ownership except in cases involving the transfer of ownership conditioned upon payment of delinquent obligations by the Transferee, as provided in Section E. Sub-Section 6.h.

17. **Disputed Bills.** In the event of a dispute between the Consumer and the District regarding any bill, the District shall forthwith make and conduct an investigation as shall be required by the particular case, and report the results thereof to the Consumer. All disputes under this Subsection must be submitted to the District, in writing, prior to the due date posted on said bill except in cases involving the transfer of a Ownership conditioned on payment of delinquent obligations by the Transferee, as provided under Sub-Section 6.h.

18. **Inoperative Meters.** Water meters found inoperative will be repaired or replaced within a reasonable time. If a meter is found not to register for any period, unless by-passed or tampered with, the District shall make a charge for units used, but not metered, for a period not to exceed three (3) months, based on amounts used under similar conditions during the period preceding or subsequent thereto, or during corresponding periods in previous years.
19. **Bill Adjustment Due To Meter Error.** The District shall test any Consumer's meter upon written request of the Consumer. In the event, the meter tests within the accuracy standards of The American Water Works Association, a test fee as prescribed in Section G of this Tariff shall be imposed. In the event, the test results indicate that the meter is faulty or inaccurate, the test fee shall be waived, the meter shall be calibrated or replaced, and a billing adjustment may be made as far back as six (6) months but not extending beyond current Consumer except in cases involving the transfer of a Deposit conditioned on payment of delinquent obligations by the Transferee, as provided under Sub-Section 6.h. The billing adjustment shall be made to the degree of the meter's inaccuracy as determined by the test. The Consumer shall complete a Meter Test Request Form prior to the test.
20. **Meter Tampering and Diversion-CRIMINAL MISCHIEF.** For purposes of these Sections, meter-tampering, by-passing, or diversion shall all be defined as tampering with the District's service equipment, by-passing the same, or other instances of diversion, such as:
- a. removing a locking or shut-off device used by the District to discontinue service,
 - b. physically disorienting the meter,
 - c. attaching objects to the meter to divert service or to by-pass,
 - d. inserting objects into the meter,
 - e. and other electrical and mechanical means of tampering with, bypassing, or diverting service.
 - f. the use of unauthorized taps or connections to any District pipe(s) or appurtenances to acquire water or service. (Flush Valves, tanks, wells, treatment plants and main or service lines.)

The burden of proof of meter tampering, bypassing, or diversion is on the District. Photographic evidence or any other reliable and credible evidence may be used; however, any evidence shall be accompanied by a sworn affidavit by the District's staff when any action regarding meter-tampering as provided for in these Sections is initiated.

A court finding of meter tampering may be used instead of photographic or other evidence, if applicable. Unauthorized users of services of the District shall be prosecuted to the extent allowed by law under the Texas Penal Code 28.03. (Is a Misdemeanor)

21. **Meter Relocation.** Relocation of services shall be allowed by the District provided

that:

- a. No transfer of Ownership is involved;
- b. An easement for the proposed location has been granted to the District;
- c. The Consumer pays the actual cost of relocation plus administrative fees.
- d. The meter relocation must use the original existing tap for service.

22. **Prohibition of Multiple Connections To A Single Tap.** No more than one (1) residential, commercial or industrial service connection is allowed per meter. The District may consider allowing an apartment building or mobile home/RV park to apply as a "Master Metered Account" and have a single meter (This refers to Section E. 2. c. (4)). Any unauthorized submetering or diversion of service shall be considered a Multiple Connection and subject to disconnection of service. If the District has sufficient reason to believe a Multiple Connection exists, the District shall discontinue service under the Disconnection with Notice provisions of this Tariff.

23. **Consumer's Responsibility.**

- a. The Consumer shall provide access to the meter as per the easement and service agreement. If access to the meter is hindered or denied preventing the reading of the meter, an estimated bill shall be rendered to the Consumer for the month; and a notice shall be sent to the effect that access could not be gained. If access is denied for three (3) consecutive months after proper notification to the Consumer, then service shall be discontinued and the meter removed with no further notice. (Section E. 3. d.)
- b. The Consumer shall be responsible for compliance with all utility, local, and state codes, requirements, and regulations concerning on-site service and plumbing facilities.

- 1) All connections shall be designed to ensure against back-flow or siphonage into the District's water supply. In particular, livestock water troughs shall be plumbed above the top of the trough with air space between the discharge and 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)
- c. A Consumer having more than one (1) Deposit shall keep all payments current on all accounts. Failure to maintain current status on all accounts shall be enforceable as per Service Application and Agreement executed by the Consumer.
 - d. The District's ownership and maintenance responsibility of water supply and metering equipment shall end at the meter or other service equipment. Therefore, all water usage registering upon and/or damages occurring to the metering equipment owned and maintained by the District shall be subject to charges as determined by the District's Tariff as amended from time to time by the Board of Directors.
 - e. The District shall require each Consumer to have a cut-off valve on the Consumer's side of the meter for purposes of isolating the Consumer's service pipeline and plumbing facilities from the District's water pressure. The valve shall meet AWWA standards (a ball valve is preferred). The Consumer's use of the District's curb stop or other similar valve for such purposes is prohibited. Any damage to the District's equipment shall be subject to service charges. (This additional cut-off valve may be installed as a part of the original meter installation by the District.)
 - f. If the application packet and other information is not completed on the day transfer of service is requested the District will give the transferee written notice of 10 additional days to produce completed documentation to the District office. Service will be disconnected on the day following the 10th day according to disconnection with notice requirements. Additional time may be allowed at the directions of the manager or board.

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

1. ***District's Limitations.*** All Applicants shall recognize that the District must 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 an applicant in subdivision where the responsible party (Applicant/Developer) of the applicable property (subdivision) has failed to comply with the terms of this policy. 13.2502 of the Texas Water Code requires that notice be given herein or by publication or by alternative means to the Developers/Applicants. (also, see Section F. 11.)

2. ***Purpose.*** It is the purpose of this Section to define the process by which the specific terms and conditions for service to subdivisions and other kinds of Non-Standard Service are determined, including the Non-Standard Service Applicant's and the District's respective costs.

For purposes of the Section, the term "Applicant" shall refer to the individual or entity that desires to secure Non-Standard Service from the District. The Applicant must be the same person or entity that is authorized to enter into a contract with the District setting for the terms and conditions pursuant to which Non-Standard Service will be furnished to the property. In most cases, the Applicant shall be the owner of real property for which Non-Standard Service is sought. In the event that the Applicant is other than the owner of real property, the Applicant must furnish evidence to the District that it is authorized to request Non-Standard Service on behalf of such owner, or that is otherwise has authority to request Non-Standard Service for the real property.

3. ***Application of Rules.*** This Section is applicable to subdivisions, additions to subdivisions, developments, or when ever additional service facilities are required for a single tract of property. Examples of non-standard services for a single tract of land can include, but are not limited to, road bores, extensions to the distribution system, service lines exceeding 2" diameter and service lines exceeding 500 feet. Non-residential service applications

typically will be considered non-standard. For the purpose of this Tariff, Applications subject to this Section shall be defined as Non-Standard. This section may be altered or suspended for planned facility expansions when the District extends its indebtedness. The Board of Directors of the District shall interpret on an individual basis whether or not the Applicant's service request shall be subject to all or part of the conditions of this Section.

This Section sets forth the general terms and conditions pursuant to which the 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 may be set forth in a legally enforceable, contractual agreement to be entered into by the District and the service Applicant. The agreement may not contain any terms or conditions that conflict with this Section.

4. ***Non-Standard Service Application.*** The Applicant shall meet the following requirements prior to the initiation of a Service Contract by the District:
- a. The Applicant shall provide the District a completed Service Application And Agreement giving special attention to the item(s) on SPECIAL SERVICE NEEDS OF THE APPLICANT.
 - b. A final plat approved by the District must accompany the Application showing the Applicant's requested service area. The plat must be approved by all governmental authorities having jurisdiction over lot sizes, sewage control, drainage, right-of-way, and other service facilities. Plans, specifications, and special requirements of such governmental authorities shall be submitted with the plat. Applicant's for single taps involving extension or upsizing of facilities shall be required to submit maps or plans detailing the location of the requested extension and details of demand requirements.
 - c. **A Non-Standard Service Investigation Fee shall be paid to the District in accordance with the requirements of Section G for the purposes of paying initial administrative, legal, and engineering fees. The District shall refund any balance that remains after it has completed its service investigation, and has further completed all legal and engineering services associated with processing a request. In the event such a fee is**

not sufficient to pay all expenses incurred by the District, the Applicant shall pay to the District and District shall have no obligation to complete processing of the request until all remaining expenses have been paid.

- d. If after the service investigation has been completed, the District determines that the Applicant's service request is for property located, in whole or in part, outside the area described in the District's Certificate of Convenience and Necessity, service may be extended provided that:
- 1) The service location is not in an area receiving similar service from another retail utility;
 - 2) The service location is not within another retail utility's Certificate of Convenience and Necessity; and

The District's Certificate of Convenience and necessity shall be amended to include the entirety of Applicant's property for which service is requested. Applicant shall pay all costs incurred by District in amending its CCN, including but not limited to engineering and professional fees. if the service location is contiguous to or within one-fourth (1/4) mile of District's Certificate of Convenience and Necessity, 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 (including but not limited to payment of all professional fees, including legal, surveying and engineering fees incurred by District in securing the amendment).

5. **Design.** The District shall study the design requirements of the Applicant's required facilities prior to initiation of a Non-Standard Service Contract by adopting the following schedule:
- a. The District's Consulting Engineer shall design, or review and approve plans for, all on-site and off-site service facilities for the Applicant's requested service within the District's specifications incorporating any applicable municipal or other governmental codes and specifications.
 - b. The Consulting Engineer's fees shall be paid out of the Non-Standard Service Investigation Fee, under Section 4.

- c. The Consulting Engineer shall submit to the District a set of detailed plans, specifications, and cost estimates for the project.
- d. The District's Engineer shall ensure all facilities for any Applicant meet the demand for service as platted and/or requested in the plans or plat submitted in application for service. The District reserves the right to upgrade design of service facilities to meet future demands provided however, that the District shall pay the expense of such upgrading in excess of the Applicant's facility requirements.

6. **Non-Standard Service Contract.** All Applicants requesting or requiring Non-Standard Service shall enter into a written contract, drawn up by the District's Attorney, in addition to submitting the District's Service Application and Agreement. Said contract shall define the terms of service prior to construction of required service facilities. The service contract may include, but not limited to:

- a. All costs associated with required administration, design, construction, and inspection of facilities for water service to the Applicant's service area and terms by which these cost are to be paid.
- b. Procedures by which the Applicant shall accept or deny a contractor's bid, thereby committing to continue or discontinue the project.
- c. Impact Fee (Front-end Capital Contributions) required by the District in addition to the other costs required under this Section.
- d. Monthly Reserved Service Charges as applicable to the service request.
- e. Terms by which service capacity shall be reserved for the Applicant and duration of reserved service with respect to the impact the Applicant's service demand will have upon the District's system capability to meet other service requests.
- f. Terms by which the Applicant shall be reimbursed or compensated for fees duplicated in assessments for monthly rates and impact fees.
- g. Terms by which the District shall administer the Applicant's project with respect to:
 - 1.) Design of the Applicant's service facilities;
 - 2.) Securing and qualifying bids;
 - 3.) Execution of the Service 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; and
- 7.)Testing facilities and closing the project.
- h. Terms by which the Applicant shall indemnify the District from all third party claims or lawsuit in connection with the project.
- i. Terms by which the Applicant shall deed all constructed facilities to the District and by which the District shall assume operation and maintenance responsibility, including any enforcement of warranties in connection with construction of the Applicant's project.
- j. Terms by which the Applicant shall grant title or easement for right-of-ways, constructed facilities, and facility sites and/or terms by which the Applicant shall provide for the securing of required right-of-ways and sites.
- k. Terms by which the Board of Directors shall review and approve the Service Contract pursuant to current rules, regulations, and bylaws.

The District and the Applicant must execute a Non-Standard Service Contract prior to the initiation of construction of facilities by the Applicant. In the event that the Applicant commences construction of any such facilities prior to execution of a Contract with the District, then the District may refuse to provide service to the Applicant (or require full costs of replacing/repairing any facilities constructed without prior execution of 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 of the District.

7. ***Property and Right-of-Way Acquisition.*** With regard to construction of facilities, the District shall require private right-of-way easements or private property 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 shall secure easements or title to facility sites in behalf of the District. All right-of-way easements and property titles shall be

researched, validated, and filed by the District at the expense of the Applicant.

- b. All costs associated with facilities that must be installed in public right-of-way on behalf of the Applicant, due to the inability of the Applicant to secure private right-of-way easements, shall be paid by the Applicant. Alternatively, Applicant shall pay all costs, including legal and other professional fees, and the condemnation award in the event District secures such private easements or facility sites through eminent domain proceedings.
- c. The District shall require an exclusive dedicated right-of-way on the Applicant's property (as required by the size of the planned facilities and as determined by the District) and title to property required for other on-site facilities.
- d. Easements and facilities sites shall be prepared for the construction of the District's pipeline and facility installations in accordance with the District's requirements and at the expense of the Applicant.

8. **Bids For Construction.** Plans and specifications shall be made available, with or without charge, to prospective bidders. Although the District reserves the right to reject any bid or contractor, the District shall generally award the contract to the lowest and best bidder in accordance with the following criteria:

- a. The Applicant shall sign the Service Contract noting willingness to proceed with the project and shall pay all costs in advance of construction associated with the project;
- b. The Contractor shall provide an adequate bid bond under terms acceptable to the District;
- c. The Contractor shall secure adequate performance and payment bonding for the project under terms acceptable to the District;
- d. The Contractor shall supply favorable references acceptable to the District;
- e. The Contractor shall qualify with the District as competent to complete the work, and
- f. The Contractor shall provide adequate certificates of insurance as required by the District.

9. **Pre-Payment For Construction And Service.** After the Applicant has executed the Service Agreement, the Applicant shall pay to the District all costs necessary for completion of the project prior to construction and in accordance with the terms of the Non-Standard Service Contract.
10. **Construction.**
- a. All roadwork pursuant to county and/or municipal standards (as applicable) shall be completed prior to facility construction to avoid future problems resulting from road right-of-way completion and excavation. Subject to approval of the requisite authority, road sleeves may be installed prior to road construction to avoid road damage during construction of Applicant's facilities.
 - b. The District shall, at the expense of the Applicant, inspect the facilities to ensure compliance with District standards.
 - 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 the design phase, to better facilitate construction or operation of the Applicant's facility. All change-order amounts shall be charged to the Applicant.
11. **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 the Applicant. The Applicant is responsible for paying for all costs necessary for non-standard service to a subdivision as determined by the District under the provisions of this tariff 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 service. In addition, District may elect to pursue any remedies provided by the Non-Standard Service Contract. Applicant is advised that purchasers of lots also may have legal recourse to the Applicant under Texas Law.

**SECTION G.
RATES AND SERVICE FEES**

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

1. **Service Investigation Fee.** The District shall conduct a service investigation for each service application submitted at the District office. An initial determination shall be made by the District, without charge, as to whether the service request is Standard or Non-Standard. An investigation shall then be conducted and the results reported under the following terms:
 - a. All Standard Service requests shall be investigated without charge and all applicable costs for providing service shall be quoted to the Applicant within ten (10) working days of application.
 - b. All Non-Standard Service requests shall be subject to a non refundable \$2,500.00 fee to cover all administrative, legal, and engineering fees associated with investigation of the District's ability to deliver service to the Applicant to;
 - 1) provide cost estimates of the project,
 - 2) to present detailed plans and specifications as per final plat,
 - 3) to advertise and accept bids for the project,
 - 4) to present a Non-Standard Service Contract to the Applicant, and
 - 5) to provide other services as required by the District for such investigation. A Non-Standard Service Contract shall be presented to the Applicant within a suitable amount of time as determined by the complexity of the project. (See Section F.)
2. **Deposit Fee.** At the time the application for service is approved, a refundable Deposit Fee must be paid before service shall be provided or reserved for the Applicant by the District. All deposit fees shall be non-interest bearing.
 - a. **The Deposit Fee for water service is \$ 100.00 for each service unit.** (Except as required under a 15 day temporary service, under the terms of this tariff.)
 - b. Refund of deposits after disconnection of service, the District will promptly refund the Customers deposit or the balance, if any, in excess of unpaid bills for district service. The district may refund the deposit at any time prior to termination of service for any customer (except third party rental property) who has paid 18 consecutive billings without being delinquent.

- c. If the customer fails to pay his bill and his meter is locked due to non payment after a refund of deposit, the customer will be required to re-issue the deposit in full.
 - d. Deposit Fee for oversized or Master Metered Accounts shall be based multiples of the size equivalence or actual connections served.
3. **Easement Fee.** When the District determines that private right-of-way easements and/or facilities sites are necessary to provide service to the Applicant, the Applicant shall be required to make good faith efforts to secure easements in behalf of the District and/or pay all costs incurred by the District in validating, clearing, and retaining such right-of way in addition to tap fees otherwise required pursuant to the provisions of this Tariff. The costs may include all legal fees and expenses necessary to attempt to secure such right of-way and/or facilities sites in behalf of the Applicant. (see Section E. 2. c. (2), Section F. 7. a.)
4. **Connection Fee.** The District shall charge a connection fee for service as follows:
- a. Standard Service shall include all current labor, materials, engineering, legal, customer service inspection, and administrative costs necessary to provide individual metered water service and shall be charged on a per tap basis as computed immediately prior to such time as metered service is requested and installed. Standard Service Connection Fee per meter installation is **\$2,700.00** plus the cost difference of a meter larger than 5/8 x 3/4.
 - b. Non-Standard Service shall include any and all construction labor and materials, inspection, administration, legal, and engineering fees, as determined by the District under the rules of Section F of this Tariff; and
 - c. Standard and Non-Standard Service Installations shall include all costs of any pipeline relocations as per Section E.I.c. (6) of this Tariff or other system improvements; and
 - d. Non-standard service connection fee is **\$2,100** per meter (1/2) one-half of which must be paid by the Applicant at the time the Non-Standard Service Contract is executed and the balance paid prior to the installation of any meters, plus a meter installation fee of **\$600.00** and required deposit must be paid prior to the time the installation of any specific meter.
5. **Line Extensions and Road Bores.**
- a. All line extensions in excess of 10 feet to establish standard service are \$3.50 per foot for water lines up to 2" I.D.

- b. The cost of line extensions for pipe sizes larger than 2" I.D. will be established by a bid procedure plus 15% administration fee. All bids are valid for 30 days.
- c. The cost to bore a county road to accommodate up to a 2" pipe is \$500.00.
- d. The cost of all other road bores will be established by a bid procedure plus a 15% administration fee.

6. **Damage Repair.** The cost to repair damage caused to the District's water lines will be charged at the rate of \$25.00 per hour per employee, plus \$75.00 an hour for the use of a backhoe plus materials at actual cost plus 15% administration fee.

7. **Monthly Charges.**

- a. **Service Availability Charge (Monthly Minimum)** Water Service - The monthly charge for metered water service, which may or may not include allowable gallonage, is based on demand by meter size. Each charge is assessed based on the number of 5/8" X 3/4" meters as per American Water Works Association maximum continuous flow specifications equivalent to the size indicated and is used as a base multiplier for the Service Availability Charge and allowable gallonage. Rates and equivalents are as follows:

METER SIZE	5/8" X 3/4" METER EQUIVALENTS	MONTHLY RATE
5/8" X 3/4"	1.0	\$ 25.00
3/4"	1.5	\$ 37.50
1"	2.5	\$ 62.50
1 1/2"	5.0	\$ 125.00
2"	8.0	\$ 200.00
3" DISP.	9.0	\$ 225.00
3" CMPD.	16.0	\$ 400.00
3" TURB.	17.5	\$ 437.50
4" CMPD.	25.0	\$ 625.00
4" TURB.	30.0	\$ 750.00
6" CMPD.	50.0	\$1,250.00

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

(1) **Water** - \$6.00 per 1000 gallons for usage from 2,000 gallons to 5,000 gallons

per billing period

\$7.00 per 1000 gallons for usage from 5,000 gallons to 10,000 gallons per billing period

\$10.00 per 1000 gallons for usage in excess of 10,000 gallons per billing period

- (2) The District shall, as required by Section 5.235, Water Code of the State of Texas, collect from each of its retail customers a regulatory assessment equal to one half of one percent of the charge for retail water service. This charge shall be collected in addition to other charges for utility service. This fee is collected on all charges pertaining to Section G.6.
8. **Late Payment Fee.** Once per billing period, a penalty of \$10.00 shall be applied to delinquent bills. This late payment penalty shall not be applied to any balance to which the penalty was applied in a previous billing, but shall be applied to any unpaid balance during the current billing period.
9. **Returned Check Fee.** In the event a check, draft, or any other similar instrument is given by a person, firm, corporation, or partnership to the District for payment of services provided for in this Tariff, and the instrument is returned by the bank or other similar institution as insufficient or non-negotiable for any reason, the account for which the instrument was issued shall be assessed a return check charge of \$35.00
10. **Reconnect Fee.** The District shall charge a fee of \$25.00 for reconnecting service after the District has previously disconnected the service for any reason provided for in this Tariff except for activation of service under Section E.3.b.
11. **Re-service Fee.** The District shall charge a fee of \$25.00 for reconnecting service after the District has previously disconnected the service for any reason provided for in this tariff except for disconnection of service under Section E.13.
12. **Temporary Service Fee.** A Temporary Service Applicant (determined by the temporary time desired, 15 day or 30 day.) will be charged a flat rate fee of \$12.00 for 500 gallons of water, any additional water will be charged \$1.00 per 100 gallons thereafter. On a 15-day temporary service, a deposit of \$50.00 will be required. On a 30-day temporary service, a \$100.00 deposit will be required. After 30 days, a temporary service will be re-evaluated for classification.
13. **Transfer Fee.** An Applicant for service who is a Transferee shall complete all required application forms, etc., and pay a Transfer Fee of \$25.00
14. **Service Trip Fee.** The District may charge a trip fee of \$50.00 for any service call

or trip to the Consumer's tap as a result of a request by the Consumer (unless the service call is in response to damage of the District's or another Consumer's facilities) or resident or for the purpose of disconnecting or collecting payment for services.

15. **Equipment Damage Fee.** If the District's facilities or equipment have been damaged by tampering, by-passing, installing unauthorized taps, reconnecting service without authority, or other service diversion, a fee shall be charged equal to the actual costs for all labor, material, and equipment necessary for repair, replacement, and other District actions. This fee shall be charged and paid before service is re-established. If the District's equipment has not been damaged, a fee equal to the actual costs for all labor, material, equipment, and other actions necessary to correct service diversions, unauthorized taps, or reconnection of service without authority shall be charged. All components of this fee will be itemized, and a statement shall be provided to the Consumer. If the District's facilities or equipment have been damaged due to negligence or unauthorized use of the District's equipment, right-of-way, or meter shut-off valve, or due to other acts for which the District incurs losses or damages, the Consumer shall be liable for all labor and material charges incurred as a result of said acts or negligence.
16. **Meter Test Fee.** The District shall test a Consumer's meter upon written request of the Consumer. Under the terms of Section E of this Tariff, actual charges of the meter test including shipping will be imposed on the affected account, if the meter tests accurate.
17. **Information Disclosure Fee.** All public information except that which has been individually requested as confidential shall 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, but not to be inconsistent with the terms of the Texas Open Records Act: Chapter 552, Texas Government Code.
18. **Meter Relocation Fee.** The District shall charge all applicable cost to move any meter.
19. **Meter Replacement Fee.** The District shall charge a fee of the District's cost plus 15% to replace a meter for a Consumer at Consumers request.
20. **Meter Reading Verification Fee.** The District shall charge a fee of \$50.00 if meter reader is asked to return to a customer's meter for a reading recheck. The customer will be charged this fee if the reading was found to be correct. If the meter is found to be accurate within AWWA standards, the meter is considered acceptable for service. If the meter is faulty, there will be no charge and the customer will pay an average of the last three (3) monthly bills.
21. **Owner Notification Fee.** The District shall charge a fee of \$5.00 per notification to

notify said Owner of a renter/lessee delinquent account status prior to the disconnection of service.

22. **Customer History Report Fee.** A fee of \$5.00 shall be charged to provide a copy of the customer's record of past water purchases in response to the customer's request for such record.
23. **Non-Disclosure Fee.** No fee shall be charged any customer requesting in writing that personal information under the terms of this tariff not be disclosed to the public.
24. **Customer Service Inspection Fee.** A fee of \$35.00 will be assessed each Applicant for a customer service inspection before permanent continuous service is provided to new construction.
25. **Regulatory Assessment.** A fee of 0.5% of the amount billed for water services will be assessed each customer; this assessment is required under Texas law and TCEQ regulations.
26. **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 or consumer shall be charged to the recipient based on the cost of providing such service.

SECTION H.
EMERGENCY WATER DEMAND MANAGEMENT PLAN
AND EMERGENCY RATIONING PROGRAM

A. ***INTRODUCTION***

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

A Conservation Committee consisting of two Board Members and the System Manager will monitor usage patterns, public education efforts and make recommendations to the Board of Directors on future conservation efforts. The Committee will develop public awareness notices, bill stuffers, and other methods that will begin and continue as a constant type of reminder that water should be conserved at all times, not just during an emergency. This Committee will review and evaluate any needed amendments or major changes due to changes in the District service area population, distribution system or supply. This review and evaluation will be done on a regular basis of five years unless conditions necessitate more frequent amendments. The plan will be implemented according to the three stages of rationing as imposed by the Board of Directors. The next section describes the conditions, which will trigger these stages.

B. ***TRIGGER CONDITIONS***

2. **Stage I - Mild Condition:** Stage I may be implemented when one or more of the following conditions exist:
- a. Water consumption has reached 80 percent of daily maximum supply for three (3) consecutive days.
 - b. Water supply is reduced to a level that is only 20 percent greater than the average consumption for the previous month.
 - c. There is an extended period (at least eight (8) weeks) of low rainfall and daily use has risen 20 percent above the use for the same period during the previous year.

2. **Stage II - Moderate Conditions:** Stage II rationing condition may be implemented when one of the following conditions exist:
 - a. Water consumption has reached 90 percent of the amount available for three consecutive days.
 - b. The water level in any of the water storage tanks cannot be replenished for three (3) consecutive days.

3. **Stage III - Severe Conditions:** Stage III rationing conditions may be implemented when one of the following four conditions exist:
 - a. Failure of a major component of the system or an event which reduces the minimum residual pressure in the system below 20 psi for a period of 24 hours or longer.
 - b. Water consumption of 95 percent or more of the maximum available for three (3) consecutive days.
 - c. Water consumption of 100 percent of the maximum available and the water storage levels in the system drop during one 24-hour period.
 - d. Other unforeseen events which could cause imminent health or safety risks to the public.

C. **STAGE LEVELS OF RATIONING**

The stage levels of rationing are to be placed in effect by the triggers in Section B. The System shall institute monitoring and enforce penalties for violations of the Rationing Program for each of the Stages listed below. The rationing measures are summarized below.

1. **Stage I - Mild Conditions**

- a. Alternate day, time of day, or limiting of time restrictions for outside water usage allowed.
(System will notify Customers which restriction is in effect)
- b. The system should reduce flushing operations.
- c. Encourage reduction of water use through the notice on bills or other method.

2. **Stage II - Moderate Conditions**

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

3. Stage III - Severe Conditions

- a. All outside watering prohibited and the system may also prohibit livestock watering by notice.
- b. Water use will be restricted to a percentage of each consumer's prior month's usage. This percentage may be adjusted as needed according to demand on the system. Notice of this amount will be sent to each customer.
- c. The District shall continue enforcement and educational efforts.

NOTE:

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

D. INITIATION AND TERMINATION PROCEDURES

Once a trigger condition occurs, the District, or its designated responsible representative, shall, based on recommendation from the Chairperson of the Conservation Committee, decide if the appropriate stage of rationing shall be initiated. The initiation may be delayed if there is a reasonable possibility the water system performance will not be compromised by the condition. If rationing is to be instituted, written notice to the customers shall be given. Written notice of the proposed rationing shall be mailed or delivered to each affected customer. The customer notice shall contain the following information:

- 1) The date rationing shall begin,
- 2) The expected duration,
- 3) The stage (level) of rationing to be employed,
- 4) Penalty for violations of the rationing program, and
- 5) Affected area to be rationed.

If the rationing period extends 30 days then the Chairperson of the Conservation Committee or manager shall present the reasons for the rationing at the next scheduled Board of Directors Meeting and shall request the concurrence of the Board to extend the rationing period. When the trigger condition no longer exists then the

responsible official may terminate the rationing provided that such an action is based on sound judgment. Written notice of the end of rationing shall be given to customers. A rationing period may not exceed 60 days without extension by action of the Board.

E. ***PENALTIES FOR VIOLATIONS***

For the first violation of a rationing provision a written warning shall be issued. The District may install a flow restrictor in the customer's service line for the second violation. The cost of this shall be the actual cost to do the work and not exceed \$50.00.

For subsequent violations, the District may terminate service for up to 7 days and charge for the service call to restore service. These provisions apply to all customers of the District.

F. ***EXEMPTIONS OR WAIVERS***

The System may grant exemptions or waivers for individuals that can demonstrate just cause for outside or other use of water other than permitted by this Rationing Program. Some examples may include no other source for livestock, for business purposes, for other planned construction or improvement already in progress, etc.

G. ***IMPLEMENTATION***

The Board shall establish a Conservation Committee by Resolution, the chairperson, of which, will be the responsible representative to make Emergency Water Management actions. This committee should also review the procedures in this plan annually so that modifications can be made to accommodate system growth. The provisions, which affect customers in this Plan, were adopted by the Board. These procedures will be put into effect by the Board or its designated representative.

SECTION I.
DROUGHT CONTINGENCY PLAN
FOR BOIS D' ARC MUNICIPAL UTILITY
IN COOPERATION WITH THE
CITY OF BONHAM

SECTION I: Declaration of Policy, Purpose, and Intent

In order to conserve the available water supply and/or to 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, Bois D' Arc Municipal Utility District adopts the following Drought Contingency Plan.

SECTION II: Wholesale Water Customer Education

The Bois D' Arc Municipal Utility District will periodically provide wholesale water customers 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 providing a copy of the Plan.

SECTION III: Coordination with Regional Water Planning Groups

The water service area of the Bois D' Arc Municipal Utility District is located within the Region C regional water planning area.

SECTION IV: Authorization

The District Manager or his/her designee, of Bois D' Arc Municipal Utility District, 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 District Manager or his/her designee, shall have the authority to initiate or terminate drought or other water supply emergency response measures as described in this Plan.

SECTION V: Application

The provisions of this plan shall apply to all customers utilizing water provided by the Bois D' Arc Municipal Utility District. The term's "person" and "customer" as used in the Plan include individuals, corporations, partnerships, associations, and all other legal entities.

SECTION VI: Triggering Criteria for Initiation and Termination of Drought Response Stages

The District Manager or his/her designee, shall monitor water supply an/or demand conditions on a monthly basis until Stage 1 exists then, and shall determine when conditions warrant initiation or termination of each stage of the Plan. Customer notification of the initiation or termination of drought response stages will be made by mail or telephone. The news media will also, be informed.

The triggering criteria described below are based on daily production demands.

(a) Stage 1 - Mild Water Shortage Conditions

Requirements for initiation - The City of Bonham will recognize that a moderate water shortage condition exists when the total daily water demand equals or exceeds 2.5 million gallons for 7 consecutive days.

Requirements for termination - Stage 1 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 3 consecutive days. The City of Bonham will notify the Bois D' Arc Municipal Utility District and the media of the termination of Stage 1 in the same manner as the notification of initiation of Stage 1 of the Plan.

(b) Stage 2 - Moderate Water Shortage Conditions

Requirements for initiation - The City of Bonham will recognize that a moderate water shortage condition exists when the total daily water demand equals or exceeds 2.5 million gallons for 14 consecutive days.

Requirements for termination - Stage 2 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 3 consecutive days. Upon termination of Stage 2, Stage 1 becomes operative. The City of Bonham will notify its wholesale customers and the media of the termination of Stage 2 in the same manner as the notification of initiation of Stage 1 of the Plan.

(c) Stage 3 - Severe Water Shortage Conditions

Requirements for initiation - The City of Bonham will recognize that a severe water shortage condition exists when the total daily water demand equals or exceeds 2.7 million gallons for 7 consecutive days.

Requirements for termination - Stage 3 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 2 consecutive days. Upon termination of Stage 3, Stage 2 becomes operative. The City of Bonham will notify the Bois D' Arc Municipal Utility District and the media of the termination of Stage 2 in the same manner as the notification of initiation of Stage 3 of the Plan.

(d) Stage 4 - Emergency Water Shortage Conditions

Requirements for initiation - The City of Bonham will recognize that an emergency water shortage condition exists when

1. Major water line breaks, or pump or system failures occur, which cause unprecedented loss of capability to provide water service, and or
2. Natural or man-made contamination of the water supply source.

Requirements for termination - Stage 4 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 1 day. The City of Bonham will notify the Bois D' Arc Municipal Utility District and the media of the termination of Stage 4.

