WYLIE NORTHEAST SPECIAL UTILITY DISTRICT

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RATE ORDER

CERTIFICATES OF CONVENIENCE AND NECESSITY NOS. 10192 AND 21056

COLLIN COUNTY, TEXAS

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ARTICLE 1.

ADOPTION & AUTHORITY

1.01 Date of Enactment. This Rate Order was originally adopted by the board of directors of the Wylie Northeast Special Utility District on October 11, 2005, pursuant to Ordinance No. 2005-001, and has subsequently been amended from time to time. This comprehensively amended and republished Rate Order adopted by the board of directors on July 6, 2015, pursuant to Ordinance No. 2015-004, supersedes all service policies, rules, regulations and tariffs adopted by the board prior to the date of adoption of this comprehensively amended Rate Order.

1.02 Preexisting Penalties and Vested Rights. The adoption of this Rate Order shall not affect any offense or act committed or done, or any penalty or forfeiture incurred, or any contract or vested right established or accrued prior to the effective date of the adoption of this Rate Order.

1.03 Official Rate Order; Copies.

(a) Location and Maintenance. The official Rate Order approved by the board of directors shall be maintained by the assistant secretary in the District's regular office. The assistant secretary will clearly enter and delineate all additions, deletions and amendments to the Rate Order adopted from time to time by the board of directors.

(b) Copies Available. An official copy of the Rate Order, as amended from time to time, shall be available to the public for examination at the district's regular office during regular office hours. A copy of this Rate Order shall be made available upon request and payment of a $17.00 reproduction charge.

1.04 Conflicts. The rules and regulations of a state or federal regulatory agency of competent jurisdiction shall supersede in the event of a direct conflict with any term or provision of this Rate Order. Each paragraph, sentence, subdivision, section, clause and phrase of this Rate Order is deemed severable and, should any such paragraph, sentence, subdivision, section, clause or phrase be declared unconstitutional or in violation of the law for any reason, such declaration of invalidity or unconstitutionality shall not be construed to affect the validity of those provisions of this Rate Order left standing.

ARTICLE 2.

STATEMENTS

(Amended by Ord. 2016-001, July 12, 2016; Amended by Ord. 2022-003, Sept. 12, 2022)

2.01 Organization. The district was organized by converting the Wylie Northeast Water Supply Corporation to the Wylie Northeast Special Utility District under the terms and conditions of Article XVI, Section 59 of the Texas Constitution and Texas Water Code, Chapters 49 and 65, pursuant to an Order issued by the TCEQ on June 15, 2005 (Docket No. 2005-0002-DIS). The District operates pursuant to Texas law and the regulations and authority of the Texas Commission on Environmental Quality and the Public Utility Commission. The district exists for the purpose of furnishing potable water and wastewater utility service for domestic use. The District is managed by a board of directors. Members of the board are elected by qualified voters residing within the political boundaries of the district.

2.02 Non-discrimination Policy. Service is made available to all applicants that comply with the provisions of this Rate Order regardless of race, creed, color, national origin, sex, disability or marital status.

2.03 Policy and Rule Application. These policies, rules and regulations contained in this Rate Order apply to service provided by the district. Failure on the part of a customer or applicant to observe these policies, rules and regulations gives the district the authority to deny or discontinue service.

2.04 Fire Protection. The District's water system provides potable water primarily for domestic consumption and will provide additional capacity to meet reasonable local demand characteristics. It is not a primary responsibility of the District to provide "fire flows" from the District's water system. However, it is district policy to design and construct the water system with sufficient capacity to provide fire flows and, following the construction of such facilities, the district will use its best efforts to maintain and operate the water system in accordance with applicable fire flow standards adopted by any governmental authority with subject matter jurisdiction. However, the district's water system does not provide sufficient quantities of water in all areas for fire fighting purposes. Therefore, the district does not guarantee or warrant that fire protection is available on the water system. All hydrants or flush valves are for the operation and maintenance of the system and are intended to be used for refill only by authorized fire departments. The district reserves the right at all times to remove any hydrant due to improper use or detriment to its water system, as determined by the district, without notice, refund, or compensation to its contributor unless the hydrant was installed pursuant to the terms of a nonstandard service contract, in which event the terms and conditions of the contract shall apply.

2.05 Damage Liability. Pursuant to State Law, the District is not liable for damages caused by service interruptions due to waterline breaks or equipment failure, tampering by third persons or customers of the District, system failures, system maintenance or repairs, or other events beyond the District's control. The limits of liability of the District are the extent of the cost of

service provided. Notwithstanding anything herein to the contrary, nothing in this Rate Order shall be construed as a waiver of immunity by the District or its elected and appointed officers and officials.

2.06 Public Information. District records shall be kept and maintained at the District's regular office located at 745 Parker Road, Wylie, Texas 75098. Unless excepted from disclosure by state law, any public information collected, assembled or maintained by or for the District shall be disclosed to the public upon written request in accordance with the Texas Public Information Act, Chapter 552, Texas Government Code. The District shall charge a fee for providing a copy of public information as permitted under the act.

2.07 Confidential Customer Records. Except as provided by Section 182.054 of the Texas Utilities Code, the district may not disclose personal information in a customer's account record, or any information relating to the volume or units of utility usage or the amounts billed to or collected from the individual for utility usage, unless the customer requests that the government-operated utility disclose the information. Upursuant to Section 182.054, the district is not prohibited from disclosing personal information in a customer's account record to: (i) an official or employee of the state, a political subdivision of the state, or the federal government acting in an official capacity; (ii) an employee of a utility acting in connection with the employee's duties; (iii) a consumer reporting agency; (iv) a contractor or subcontractor approved by and providing services to the utility or to the state, a political subdivision of the state, the federal government, or an agency of the state or federal government; (v) a person for whom the customer has contractually waived confidentiality for personal information; or (vi) another entity that provided water, wastewater, sewer, gas, electricity, or drainage service for compensation.

2.08 Notice of Change in Rates. The district will give written notice of a change to monthly water rates by publication, mail or hand delivery to all affected customers at least thirty (30) days prior to the effective date of the new rate. The notice shall state the old rates, the new rates, the effective date of the new rates, the date of Board approval, and the name and telephone number of the district representative designated to address inquiries about the rate change. Failure of the district to give the notice shall not invalidate the changed rates or any change based on the changed rate.

2.09 Customer Service Inspections. A customer service inspection is an examination of private water distribution facilities for the purpose of providing, denying, or terminating water service. The district requires that a customer service inspection certificate be completed prior to providing continuous water service to new construction and for all new customers as part of the activation of standard and some non-standard service. The district may also require customer service inspections of existing service connections 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 private water distribution facilities. Under the foregoing conditions, the customer service inspection shall be limited to the identification and prevention of cross connections, potential contaminant hazards, and illegal lead materials. [30 TAC §

290.46(j)]. A customer service inspection is not a plumbing inspection as defined and regulated by the Texas State Board of Plumbing Examiners (TSBPE).

2.10 Public Works Standards. The district adopts applicable sections of the *Standard Specifications for Public Works Construction* (4th Edition), as amended, promulgated by the North Central Texas Council of Governments (NCTCOG), as guidance in the design, installation and maintenance of line extensions and service facilities.

2.11 Submetering Responsibility. Submetering and non-submetering by master metered accounts may be allowed in the district's water distribution or sewer collection system provided the master metered account customer registers with the Texas Commission on Environmental Quality (TCEQ) and complies with its rules on submetering at Title 30, Chapter 291, Subchapter H of the Texas Administrative Code. The district has no jurisdiction over or responsibility to tenants receiving water under a master metered account, and such tenants are not considered customers of the district. Any interruption or impairment of water service to the tenants is the responsibility of the master metered account customer. Any complaints regarding submetering should be directed to the TCEQ. From time to time the district may check on the master metered account customer to:

(a) verify that the master metered account customer is registered with the TCEQ (Water Code, Chapter 13, Subchapter M);

(b) verify that the master metered account customer charges tenants no more than the total amount of charges 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 it will be required to comply with all TCEQ regulations); or

(c) protect the District's CCN area. Should the master metered account customer continue to violate these or other state regulations, the district will apply to the TCEQ for a cease and desist order (Water Code § 13.252 and 30 TAC § 291.118).

2.12 District Forms Policy. The District has created official forms for various administrative and customer service purposes. Official forms must be used when applicable. The District reserves the right to amend, revise and discontinue the use of any official form, and to create and use new forms, for any reason including compliance with federal and state laws and regulations, improving administrative efficiency, preparing for future system demands, and meeting the unique service needs of developers and non-standard service applicants or customers. ***(Amended by Ord. 2016-001, July 12, 2016)***

ARTICLE 3.

DEFINITIONS

3.01 Definitions. The following words and terms, when used in this Rate Order, shall have the following meanings unless the context clearly indicates otherwise:

(a) **AWWA:** An abbreviation of American Water Works Association.

(b) **Applicant:** A person, corporation, organization, government or governmental subdivision or agency, business trust, estate, trust, partnership, association, or any other legal entity applying to the district for service. A person must have reached the age of majority (18 years) in Texas to apply for service. (Civil Practice & Remedies Code § 129.001).

(c) **Board of directors** (or) **board:** The governing body of the district elected by qualified voters residing within the district's boundaries in accordance with applicable election laws.

(d) **Business manager**: The person hired to the position of business manager of the district by the board of directors and given charged with full authority to manage and operate the administrative affairs of the district subject only to orders of the general manager or board of directors. The terms "business manager" and "office manager" may be used interchangeably in this Rate Order or when conducting district business.

(e) **CCN**: An abbreviation of Certificate of Convenience and Necessity.

(f) **Certificate of convenience and necessity:** A certificate issued by the TCEQ or its predecessor entities that authorizes and obligates a retail public utility to furnish, make available, render, or extend continuous and adequate retail water or sewer utility service to a specified geographic area. [See Article 4 and Appendix A].

(g) **Customer:** Any person receiving service from the district.

(h) **Customer service inspection:** An examination of private water distribution facilities by the district for the purpose of providing, denying, or terminating water service. [See Section 2.09].

(i) **Deposit:** A non-interest bearing refundable fee as set by the board of directors based upon the size of the water meter or customer class, which is held by the district as security for service being rendered.

(j) **Designated representative** (or) **district representative:** The general manager of the district or a representative or employee of the district engaged in carrying out the terms of or performing services prescribed by this Rate Order pursuant to either general or specific authorization by the general manager or the board of directors.

(k) **Developer:** Any person that subdivides land, requests two or more water or wastewater service connections on a single contiguous tract of land, or who is developing a non-residential project with a water demand that cannot be served through a standard residential water meter (⅝" x ¾"). [See Texas Water Code § 13.2502(e)(1)].

(l) **Disconnection of service:** The discontinuance of water service to a customer of the district.

(m) **District:** Wylie Northeast Special Utility District.

(n) **Easement:** A private perpetual dedicated right-of-way for the installation of water or wastewater service lines and facilities that allows the district access to property for purposes of operating, maintaining, replacing, upgrading, or installing one or more pipelines and appurtenant facilities, and may include restrictions to limit installation of structures or obstacles that may interfere with the district's intended use of the easement. [See 16 TAC § 24.85]

(o) **Final plat:** A complete and exact plan for the subdivision or development of a tract of land which has been approved by all local governments having jurisdiction pursuant to Chapters 212 or 232, Texas Local Government Code. The district shall determine if a plat submitted under this Rate Order qualifies as a final plat.

(p) **General Manager:** The person Appointed to the position of general manager of the district by the board of directors and given full authority to manage and operate the affairs of the district subject only to orders of the board.

(q) **Grinder pump station:** The individual lift stations located at each commercial building or residence that are installed by a licensed plumber to connect the property to the district's Low pressure wastewater system. Following installation, the grinder pump station shall be owned and maintained by the owner of the property designated to receive service. The grinder pump station includes a pump, tank, controls, control panel, valves, piping, electric wiring and related facilities.

(r) **Hazardous condition:** A condition that jeopardizes the health and welfare of district customers or employees as determined by the district or any other regulatory authority with jurisdiction.

(s) **Mobile Home Park:** A property on which spaces are rented for the occupancy of manufactured or mobile homes for non-transient residential use and for which rent is paid at intervals of one month or longer.

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

(u) **Public Utility Commission** a/k/a **PUC:** A Texas state regulatory agency having certain jurisdictional authority over water and wastewater service utilities.

(v) **Recreational Vehicle:** A motor vehicle primarily designed as temporary living quarters for recreational. camping or travel use, which includes a travel trailer, camping trailer, truck camper, and motor home. (See Transportation Code § 522.0044(b))

(w) **Recreational Vehicle Park:** A commercial property that is designated primarily for recreational vehicle transient guest use for which fees for site service connections are paid daily or longer. (See Water Code § 13.087)

(x) **Re-service:** Providing service to an applicant at a location where service previously existed and at which there is an existing connection for a meter. Re-service costs shall be charged as specified in this Rate Order or based on justifiable expenses in connection with such re-servicing.

(y) **Service:** Any act performed, anything furnished or supplied, and any facilities or lines committed or used by the district in the performance of its duties under the Texas Water Code, the Texas Administrative Code, or applicable municipal ordinance or Commissioner's Court Order to its customers, employees, other retail public utilities and the public, as well as the interchange of facilities between the district and one or more retail public utilities.

(z) **Service application and agreement** (or) **service agreement:** A written agreement between a customer and the district defining the type or level of service requested and the responsibilities of each party regarding the service to be provided. A service agreement generally relates to the provision of standard service but, at the discretion of the General Manager, may also relate to nonstandard service.

(aa) **Service area:** The geographic areas in which the District furnishes water and wastewater service as described in CCN No. 10192 and CCN No. 21056. [See Article 4 and Appendix A].

(bb) **Service classification:** The type of water or wastewater service required by an applicant as may be determined by the district based on specific criteria such as estimated or actual usage, meter size, demand, nature of use, and other relevant factors related to the applicant's request.

(cc) **Service investigation fee:** The fee paid by a developer simultaneous with filing a nonstandard service application for the purpose of determining the feasibility of providing service to a proposed subdivision or development project. This fee covers administrative, legal fees and engineering expenses incurred by the District. [See Sections 6.06(c) and 7.02]

(dd) **Service Unit:** The base unit of service used in facilities design and rate making. For the purpose of this Rate Order the base or standard service unit is a ⅝" x ¾" water meter.

Sewer facilities are designed and rates are based on the basis of population served or demand.

(ee) **Subdivide:** To divide the surface area of land into lots or tracts. [See Local Gov't Code § 232.021(11)].

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

(gg) **Temporary service:** A classification of nonstandard, non-permanent water service that the district may provide to an applicant for use during inspection and clean-up following construction of a residential or commercial structure. The district may also provide temporary service for other non-permanent uses including road construction, watering crops or livestock under drought conditions, or for drilling purposes. The district may provide temporary water service for no more than 90 days from the date temporary service is installed. Temporary service may be extended for one additional 90-day period upon request and approval by the General Manager on a case-by-case basis. As a prerequisite to receiving temporary service, an applicant must complete and execute a Temporary Service Agreement and pay the temporary service fee required under Section 7.19 of this Rate Order.

(hh) **Texas Commission on Environmental Quality** a/k/a **TCEQ:** A Texas state regulatory agency having certain jurisdictional authority over water and wastewater service utilities.

(ii) **Usage:** The amount billed or to be collected based on the meter reading.

(jj) **Wastewater system:** The wastewater collection, disposal and treatment facilities operated by or constructed by or for the District, and any wastewater system extensions, improvements or facilities that may be built within the District's boundaries or service area in the future. The terms "wastewater" and "sewer" may be used interchangeably in this Rate Order or when conducting District business.

(kk) **Water system:** The water production, treatment, supply, storage and distribution facilities constructed and/or operated by or on behalf of the District, and any water system line extensions, improvements and facilities built within the District's boundaries or service area in the future.

3.02 Construction. Words used in the present tense shall include the future tense; words in the singular number include the plural; and words in the plural number include the singular, except where the natural construction of the writing expressly indicates otherwise. The word "shall" is mandatory and not discretionary.

ARTICLE 4.

GEOGRAPHIC AREA SERVED

4.01 Water Service Area.

(a) Certificate Holder. The district has been granted Certificate of Convenience and Necessity (CCN) No. 10192 for the purpose of providing retail water service to the public. The water service CCN was transferred from the Wylie Northeast Water Supply Corporation to the district under TCEQ Docket No. 2005-0002-DIS subject to district compliance with applicable state law and the regulations and orders of the TCEQ and PUC. The CCN is valid until amended or revoked by the TCEQ. Appendix A contains a copy of CCN No. 10192 together with a copy of the district's water service area map.

(b) General Location of Water Service Area. The district's water service area is located in Collin County, Texas, with portions located inside the corporate boundaries of the City of Wylie, the City of Lucas, and the Town of St. Paul. The water service area is generally bounded on the west by Collin County Road 1378, on the south by the corporate limits of the City Wylie, Texas, on the north by the shores of Lake Lavon, and on the east by the flood plane created by Lake Lavon overflow drainage area.

(c) Service Area Map. The district is authorized to provide water service within the area indicated as CCN No. 10192 on the TCEQ's official water service area map WRS-34 maintained in the offices of the TCEQ at 12015 Park 35 Circle, Austin, Texas.

4.02 Wastewater Service Area.

(a) Certificate Holder. The district has been granted Certificate of Convenience and Necessity (CCN) No. 21056 for the purpose of providing retail wastewater service to the public. The wastewater service CCN was issued by the TCEQ, pursuant to an application filed by the district, and is subject to the rules and orders of the TCEQ and PUC, applicable state law, and any conditions contained in the CCN. The CCN is valid until amended or revoked by the TCEQ. Appendix A contains a copy of CCN No. 21056 together with a copy of the district's wastewater service area map.

(b) General Location of Wastewater Service Area. The district's wastewater service area is located in Collin County, Texas, with portions located inside the corporate boundaries of the City of Wylie, the City of Lucas, and the Town of St. Paul. The wastewater service area is generally bounded on the south by Parker Road 1378, on the west by Country Club Road, on the north by the southern boundary of the Brockdale Park Estates subdivision, and on the east by the shores of Lake Lavon.

(c) Service Area Map. The district is authorized to provide wastewater service within the area indicated as CCN No. 21056 on the TCEQ's official wastewater service area map WRS-34 maintained in the offices of the TCEQ at 12015 Park 35 Circle, Austin, Texas.

ARTICLE 5.

SERVICE RULES AND REGULATIONS

(Amended by Ord. 2022-003, Sept. 12, 2022; Amended by Ord. 2026-001, May 11, 2026)

5.01 Service Entitlement. An applicant requesting service to real property located within the district's service area shall be considered qualified and entitled to water and wastewater service when proper application has been made, the terms and conditions of service have been met and continue to be met, and all fees have been paid as prescribed. An applicant requesting service to real property located outside the boundaries of the district's service area shall be considered for service in accordance with current district policies on providing service outside the district's service area.

5.02 Service Location and Classification. Service requested by an applicant shall be furnished to the real property designated to receive such service by the district. The district shall provide water service through a meter located on the designated property designated to receive service unless another location is approved by the board of directors. Service shall be divided into the following two (2) classes:

(a) Standard Service. Standard service is defined as service from an existing district service line where line or service facility extensions are not required and special design and/or engineering considerations are not necessary. Standard water service is provided through a ⅝" x ¾" meter set by the district on an existing waterline. Standard wastewater service is provided via minimum 4" gravity wastewater taps, with pressure collection facilities installed or connected to collection lines no more than five feet (5') in depth. The district may classify applications for service to commercial or industrial uses or for service requiring a one inch (1") or larger meter as non-standard pursuant to subsection (b).

(b) Nonstandard Service. Non-standard service is defined as service to a subdivision or high-density development, service that requires a larger than one inch (1") meter, service to a master-metered account, or service that requires an addition to the district's supply, storage or distribution facilities. Except for temporary service applicants, a nonstandard service applicant must comply with the service requirements prescribed by Article 6 of this Rate Order prior to receiving service. The district shall determine the appropriate size and type of meter to serve non-standard service applicants.

5.03 Service Requirements. Applicants requesting service from the district shall comply with the following requirements:

(a) Prior to receiving service, an applicant requesting residential or standard service shall complete and sign a Service Application and Agreement form. Prior to receiving service, an applicant requesting nonstandard service shall complete and sign a Nonstandard Service Application form and otherwise comply with the requirements for nonstandard service in Article 6 of this Rate Order.

(b) As a condition for service, the applicant shall complete and execute an easement and right-of-way, sanitary control easement and any additional easement form(s) required by the district to obtain a dedicated easement(s) to allow the district a right of access to construct, install, maintain, replace, upgrade, inspect or test any facility necessary to serve the applicant as well as the district's purposes in providing system-wide service. [See Water Code § 49.218]. This requirement may be delayed for non-standard service applicants. New meters shall be located within a utility easement at or near the boundary line of the property designated for service.

(c) The applicant shall provide proof of ownership, control or possession of the real property designated to receive service by deed, lease or other reliable documentation.

(d) At the request of a property owner or an owner's authorized agent, the district shall install individual meters owned by the district in an apartment house, manufactured home rental community, multiple use facility, or condominium on which construction begins after January 1, 2004, unless the district determines that the installation of individual meters is not feasible. If the district determines that installation of individual meters is not feasible, the property owner or manager shall install a plumbing system that is compatible with the installation of submeters or individual meters. The district shall be entitled to the payment of reasonable costs to install individual meters pursuant to 16 TAC § 24.122(d) and Article 6 of this Rate Order. The cost of individual meter installations shall be prepaid by the property owner as well as the cost of any additional facilities or system improvements required to satisfy the total water service demand of the property at full occupancy, as determined under applicable provisions of Article 6. The district shall consider master metering and/or non-standard service to apartments, condos, trailer/RV parks, or business centers and other similar type enterprises at an applicant's request provided the total number of units to be served are all:

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

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

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

(e) The district shall install a master meter for recreational vehicle and mobile home parks, and charge the same rate as other commercial businesses. (See Water Code § 49.2122(a-1), 49.351(m))

(f) Notice of application approval and costs of service as determined by the district shall be presented to the applicant in writing and shall remain in effect for a period not to exceed thirty (30) days. After that time the applicant must re-apply for service. [16 TAC § 24.81(a)(1).

(g) If a water main has been located in the public right-of-way and is adjacent to applicant's property due to the current or previous landowner's refusal to grant an easement to the district for the purpose of installing service lines, and the district has documentation of such refusal, the applicant, prior to receiving service, shall grant an easement to the district and, in addition to the normally required fees for new service, shall pay such sums as are reasonably necessary to remove or cap the existing water main in the public right-of-way and to construct the appropriate lines within that easement for the district's system-wide service.

(h) If an applicant fails to provide all documentation or information required at the time of application, the district will issue written notice that the applicant must provide the documentation and/or information within ten (10) days or service will be terminated. This provision applies to both standard and non-standard service requests.

(i) If the property to which the applicant has applied for water service or a transfer of service is located outside of the political boundaries of the district, then the applicant shall file with the district an application to annex such property into the district by filing a request for annexation on a form provided by the district.

5.04 Activation of Standard Service.

(a) New Service Connection. The district shall charge a deposit, non-refundable connection fee, and other applicable fees as required under Article 7 of this Rate Order. The fees shall be quoted in writing to the applicant. An applicant must pay all required fees prior to installation of the new service connection.

(b) Re-service. On property where service previously existed, the district shall charge a deposit, reconnection fee, activation fee, and any other charges applicable to restoring service to the property.

(c) Performance of Work. All tap, meter and equipment installations specified by the district shall be performed and completed by district employees or designated representatives after all application requirements have been met. The district shall install all taps, meters and equipment necessary to provide standard service after all application and service requirements have been met. The tap for a standard service request shall be completed within five (5) work days whenever practicable, but not later than ten (10) work days after approval and receipt of payment of quoted fees for the property designated to receive service. This time may be extended for installation of facilities and equipment necessary to serve a request for nonstandard service. [See Article 6; 16 TAC § 24.85].

(d) Customer Service Inspections. The District shall perform a customer service inspection of an applicant's property and private water distribution facilities to insure compliance with state required Minimum Acceptable Operating Practices For Public Drinking Water Systems as promulgated by the TCEQ or its successor agency. [See Section 2.09]. As

a result of such an inspection the District may require that an applicant or customer, at his or her own expense, properly install a backflow prevention device and subsequently inspect, test and maintain the device, and provide all required documentation to the District. [30 TAC § 290.46(j)].

5.05 Activation of Nonstandard Service.

(a) Activation of Nonstandard Service. Activation of nonstandard service shall be conducted pursuant to Article 6 of this Rate Order.

(b) Re-service. The provisions applicable to standard re-service requests under Section 5.04(b) shall also apply to nonstandard re-service requests.

5.051 Line Extension Reimbursement. An approved applicant may have to pay on a pro-rated basis a line reimbursement fee to the district for the purpose of reimbursing the district or a third-party that made the capital outlay to extend service to that area.

5.06 Changes in Service Classification. If at any time the district determines that the service classification of a customer has changed from that originally applied for and that additional or different facilities are necessary to provide adequate service, the district shall require the customer to re-apply for service under the terms and conditions of this Rate Order. Customers failing to comply with this provision shall be subject to disconnection with notice under Section 5.14(a) below.

5.07 Landlords and Tenants.

(a) In cases of landlord/tenant relationships, the district may require both parties to sign an agreement specifying which party is responsible for monthly bills, deposits and other fees. This agreement may be included as a provision of the district's approved service application form. The district shall not require the landlord to guarantee the tenant's customer deposit or monthly service bill as a condition of service. However, if the landlord signs a guarantee of payment for deposits, monthly service bills and fees, the guarantee shall remain in full force and effect until the guarantee is withdrawn in writing by the landlord and copies are provided to both the district and the tenant.

(b) The owner of property designated to receive service under this Rate Order shall be solely responsible for payment of service extension fees if the facilities will remain in service to the property after the tenant vacates the premises.

5.08 Refusal of Service. The district may refuse to serve an applicant for the following reasons:

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

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

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

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

(e) failure of an applicant to comply with all rules and regulations of the district which are in this Rate Order on file with the state regulatory agency governing the service applied for by the applicant;

(f) failure of an applicant to provide proof of ownership, control or possession of the property designated to receive service to the satisfaction of the district (e.g., presenting a deed, lease or other reliable documentation);

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

(h) failure of applicant to comply with applicable regulations for on-site sewage disposal systems if the District has been requested to deny service by the TCEQ or the TCEQ's designated representative under Chapter 366 of the Texas Health and Safety Code; or

(i) failure of the applicant to pay any previous outstanding delinquent account(s) with the district in full.

5.09 Applicant's Recourse. In the event the district refuses to serve an applicant under the provisions of this article, the district shall inform the applicant in writing of the basis of its refusal and that the applicant may file a written complaint with the board of directors.

5.10 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 owner or tenant of the property designated to receive service;

(b) failure to pay a bill to correct previous underbilling 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;

(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; or

(f) failure to comply with regulations or rules for anything other than the type of utility service specifically requested including failure to comply with septic tank regulations or wastewater hook-up requirements.

5.11 Deferred Payment Agreement. The district may enter into a deferred payment or installment agreement, not to exceed a term of one (1) year, with a customer who cannot pay an outstanding balance in full and is willing to pay the balance at a deferred date or in reasonable installments as determined by the district, including any late payment penalties and interest on the monthly balance not to exceed an annual rate of ten percent (10%) simple interest. Finance charges must be clearly stated in the agreement.

5.12 Charge Distribution and Payment Application.

(a) Base Rate. The applicable base rate shall be charged from the first day to the last day of each billing cycle. The base rate shall be prorated if service is initiated or terminated during a billing cycle. All active service connections shall be assessed a monthly base rate charge whether or not there is use of service.

(b) Gallonage Charge. A gallonage charge shall be billed at the rate specified in Section 7.07 and will be calculated in one thousand (1000) gallon increments. Charges for water and wastewater usage are based on monthly meter readings and are calculated from reading date to reading date. The district will take all meter readings used in calculating billing.

(c) Posting of Payments. All payments shall be posted against previous balances prior to posting against current billings.

(d) Forms of Payment. The district will accept the following forms of payment: cash, personal check, cashier's check, money order, credit card, automatic debit on customer's bank account, or draft on bank. The district will not accept two-party checks, pay checks, or any other instrument of payment that is not made out to the district. The district reserves the right to require exact change and may refuse to accept payments made using more than $1.00 in coins. For credit card charges, the district may collect a reasonable fee to recoup the costs incurred by the district to process the credit card payment.

5.13 Due Dates, Delinquent Bills and Service Disconnection Date.

(a) The district will mail all bills on or about the first (1st) day of each month. Each person that signs a service agreement shall be responsible, individually and collectively, for paying all bills for service provided under the agreement. All bills shall be due and payable upon receipt and are past due beyond the due date indicated on the bill, allowing approximately fifteen (15) days to pay, after which time a penalty shall be applied pursuant to Article 7. Final notices shall be mailed allowing a minimum ten (10) additional days for payment prior to disconnection. The ten (10) additional days shall begin on the day the final notice is deposited with the U.S. Postal Service with sufficient postage. If the past due date for a regular or final bill falls 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.

(b) Upon written request, any residential customer sixty five (65) years of age or older who occupies the entire premises of a dwelling receiving water utility service from the district shall receive an extension of the past due date, without penalty. The extension shall not exceed ten (10) days beyond the usual fifteen (15) day payment period, for a total of no more than twenty-five (25) days from the date the bill is issued.

(c) Payment of a water bill by check, electronic check (a/k/a eCheck), or money order that has been rejected for insufficient funds, closed account, or for which a stop payment order has been issued will be deemed delinquent, as if no payment was received, and the meter is subject to disconnection with notice on the regular disconnection day.

5.14 Rules for Disconnection of Service. Below are the rules and conditions for disconnection of service. For the purpose of disconnecting wastewater service under these policies, water service will be terminated in lieu of disconnecting wastewater service. In instances of nonpayment of wastewater service charges or other wastewater service violations by a customer that does not receive water service from the district, the district has the option to disconnect the wastewater tap or take other appropriate actions as determined by the district.

(a) Disconnection with Notice. Water service may be disconnected after proper notice for any of the following reasons:

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

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

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

(4) failure to comply with the terms of a service agreement, non-standard service contract, the district's drought contingency plan or this Rate Order provided the district has given notice of said failure to comply, and the customer has failed to comply within a specified amount of time after notification;

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

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

(7) failure to re-apply for service upon notification by the district that customer no longer meets the service classification originally applied for under the original service application; or

(8) failure to pay a delinquent account for sewer utility service provided by a retail public utility pursuant to an interlocal agreement between the district and such other retail public utility.

(b) Disconnection Without Notice. Water service may be disconnected without prior notice for the following reasons:

(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 public health nuisance as defined in Sections 341.011 or 343.011 of the Texas Health and Safety Code and regulations adopted pursuant thereto. If the district has reason to believe a dangerous or hazardous condition exists, the District may conduct a customer service inspection (CSI) to verify the hazardous condition and may notify the local county health office. The district will disconnect without notice if the customer refuses to allow access to the property for the purpose of confirming the existence of such condition and/or removing the dangerous or hazardous condition. [See Section 5.04(d); 30 TAC § 290.46(i), (j)]. Service will be restored when a CSI confirms no health hazard exists, the health hazard has been removed or repaired, pr the health hazard has been isolated from the district's water system by the installation of the appropriate backflow prevention device.

(2) Where service is connected without district authority by a person who has not made application for service.

(3) Where service has been reconnected without authority following termination of service for nonpayment.

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

(c) Disconnection Prohibited. Utility service may not be disconnected for any of the following reasons:

(1) failure to pay for merchandise or charges for non-utility service provided by the district, unless there is an agreement whereby the customer guaranteed payment of non-utility service as a condition of service or the district has a contract with another governmental unit to collect for services rendered to the customer by the other government unit such as water, wastewater, or solid waste services;

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

(3) failure to pay charges arising from an underbilling due to any misapplication of rates more than six (6) months prior to the current billing;

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

(5) failure of the customer to pay charges arising from an underbilling due to a faulty meter, unless the meter has been tampered with or unless such underbilling charges are due under Section 5.21 (Inoperative Meters); or

(6) failure of the customer 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.

(d) Disconnection on Holidays and Weekends. Unless a dangerous condition exists or the customer requests disconnection, service shall not be disconnected on a day, or on a day preceding a day, when district personnel 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 customer or certificated service area without TCEQ approval following written notice to affected customers and similar neighboring utilities.

(f) Disconnection Due to Illness or Disability. The district may not discontinue service to a delinquent residential customer permanently residing in an individually metered dwelling unit when that customer establishes that discontinuance of service will result in some person at that residence becoming seriously ill or more seriously ill if service is discontinued. To avoid disconnection under these circumstances, the customer must provide a written statement from a physician to the district prior to the stated date of disconnection.

Service may be disconnected in accordance with Section 5.14(a) if the next month's bill and the past due bill are not paid by the due date of the next month's bill.

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

(1) The district shall send a notice to the customer as required. This notice shall also inform the customer that notice of possible disconnection will be provided to the customer's tenants or occupants of the master-metered property in five (5) days if payment is not rendered before that time.

(2) At least five (5) days after providing notice to the customer, and at least five (5) days prior to disconnection, the district shall post notices, stating "Termination Notice," in public areas of the master-metered property to notify tenants or occupants of the scheduled date for disconnection of service.

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

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

(i) Disconnection of Temporary Service. The district may disconnect temporary service with notice to a customer who fails to comply with applicable provisions of this Rate Order or conditions stated in the customer's Temporary Service Agreement.

(j) Service Restoration. In addition to any other condition of service restoration, every customer whose service has been discontinued for nonpayment of bills, meter tampering, bypassing of meter, or failure to comply with district regulations may be required, before service is resumed, to pay all amounts due the district and to pay a deposit if the district does not currently have a deposit from the customer in the full amount required under Section 7.03.

5.15 Returned Check Policy. Payment by a check or electronic check (a/k/a eChecks) that has been rejected for insufficient funds, closed account, or for which a stop payment order has been issued is not deemed to be payment to the district. The district shall mail, via the U.S. Postal Service, notice that the rejected check or electronic check must be redeemed and an additional returned check fee paid at the district office within ten (10) days of the date of the notice. Redemption of the rejected check or electronic check and payment of the returned check fee must be made by cash, money order, or certified check. Failure to meet these terms shall result in disconnection of service. A customer shall be considered a bad credit risk for having a check or electronic check rejected as insufficient or non-negotiable for any reason for any two billing

periods within a 12-month period, and may be placed on a "cash-only" basis for a 12-month period during which the district will only accept payment by means of a certified check, money order, or cash.

5.16 Credit Charge-back Policy. Payment by credit card which has been charged-back to the district's deposit account for any reason is not deemed to be payment to the district. The district shall mail, via the U.S. Postal Service, notice that the charged-back amount and an additional credit card charge-back fee must paid by cash, money order, or certified check at the district office within ten (10) days of the date of the notice. Failure to meet these terms shall result in disconnection of service. A customer shall be considered a bad credit risk for having two (2) charge-backs within a 12-month period and may be removed from the automatic debit program and placed on a cash only basis for a 12-month period in accordance with the preceding Section 5.15.

5.17 Billing Cycle Changes. The district reserves the right to change its billing cycle(s) at any time and for any reason.

5.18 Back-billing. The district may back-bill a customer for up to 4 years (48 months) of service charges which the district failed to bill due to meter error, misapplied meter multiplier, incorrect meter readings, or error in computing the customer's monthly bills or bills.

5.19 Disputed Bills. In the event of a dispute between a customer and the district regarding any monthly bill, the dispute shall be resolved or disposed of in accordance with the grievance procedures set forth in Section 5.20 below, except as follows:

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

(b) The customer shall not be required to pay the disputed portion of a bill which exceeds the amount of that customer's average monthly usage at current rates pending final determination of the dispute. For purposes of this subsection, the customer's average monthly usage shall be the average of the customer's usage for the preceding 12-month period. Where no previous usage history exists, consumption for calculating the average monthly usage shall be estimated on the basis of usage levels of similar customers under similar conditions.

(c) Notwithstanding any other section of this Rate Order, a customer's service shall not be subject to discontinuance for nonpayment of that portion of a bill under dispute pending final determination of the dispute. However, service may be discontinued in accordance with Section 5.14 (Disconnection of Service) for failure to pay undisputed charges.

5.20 Grievance Procedures. Any customer of the district or person demonstrating an interest under the policies of this Rate Order in becoming a customer shall have an opportunity to voice grievances to the district by the following procedures:

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

(b) If the general manager does not resolve the grievance to the satisfaction of the aggrieved party, the party may appeal the general manager's decision, in writing, to the president of the board of directors for determination. The notice of appeal must be submitted to the district within seven (7) days after the date of the general manager's written response to the notice of grievance.

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

(d) If under this section an aggrieved party disputes a charge or fee as sole or partial basis of a grievance, the contested charge or fee shall be suspended until such time as the grievance is satisfactorily resolved by the general manager, the deadline for delivering an appeal to the president of the board of directors has passed, or the board of directors has rendered its final determination of the dispute. This provision does not apply to disputed monthly bills pursuant to Section 5.19.

5.21 Inoperative Meters. Water meters found inoperative will be repaired or replaced by the district within a reasonable time. If a meter is found not to register for any period, unless by-passed or tampered with, the district 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.

5.22 Bill Adjustment Due to Meter Error. The district shall test any customer's meter upon written request of the customer. In the event the meter tests within the accuracy standards of the AWWA, a meter test fee as prescribed in Section 7.17 shall be imposed. In the event 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. The billing adjustment shall be made to the degree of the meter's inaccuracy as determined by the

test. The customer must complete and sign a Meter Test Authorization and Test Report form prior to the test.

5.23 Leak Adjustment Policy. In the event that the amount of a customer's monthly bill is higher than normal due to leakage, the customer may submit a written request to the district to have the amount of water used billed at the district's leak adjustment rate minus one average monthly bill for the subject property based on the previous twelve (12) months useage. The request must include a statement that the customer has corrected the source of the leak and documentary evidence of the repair. On behalf of the district, the general manager may grant an adjustment provided that:

(a) the customer has submitted documentary evidence that the leak has been repaired, such as a statement from a plumber and/or receipt(s) for parts purchased to repair the leak; and

(b) the customer has not requested a leak adjustment during the previous thirty-six (36) months regardless of the number of meters serving the customer's property or properties.

5.24 Meter Tampering and Diversion of Service.

(a) Without the express consent or authorization of the district, it is prohibited for any person to knowingly tamper with, connect to, or alter any component of the district's water system including valves, meters, meter boxes, lids, hydrants, lines, pump stations, ground storage tanks and elevated storage tanks. It is also prohibited for any unauthorized person to impair, interrupt or divert the district's public water supply in any manner, including direct or indirect efforts to initiate or restore water service without district authorization or to knowingly misrepresent or falsely report the reading of a district meter.

(b) For purposes of this section, it shall be presumed that a person who is receiving the economic benefit of public water has knowingly tampered with, connected to, or altered a component of the district's water system if the supply has been:

(1) diverted from passing through a metering device; or

(2) prevented from being correctly registered by a metering device; or

(3) activated by any device installed to obtain public water without a metering device.

(c) If the district determines under subsection (a) above that tampering or diversion of service has occurred, the district shall disconnect service without notice pursuant to Section 5.14(b)(4), and charge the person who committed the tampering or diversion the

total loss to the district, including costs of repair, replacement of damaged facilities, and lost water revenue.

(d) In addition to disconnection and any other remedies available under Texas law or this Rate Order, the district may refer persons suspected of violating this section to law enforcement authorities for possible prosecution under Texas Penal Code §§ 28.03 and 12.21.

5.25 Meter Relocation. The district may relocate a meter at any time at no cost to the customer. The district may relocate a at the request of a customer provided that:

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

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

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

(d) the customer pays a meter relocation fee and any additional costs that may be incurred by the district to relocate the meter. [See Section 7.18].

5.26 Prohibition of Multiple Connections to a Single Tap. No more than one (1) residential or commercial service connection is allowed per meter. The district may require the owner of an apartment building, mobile home/RV park or other commercial account to apply for a single meter as a "master-metered account" pursuant to Section 5.03(d) above. For purposes of this section a master meter for a multiple use facility is considered a commercial meter. 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 in Section 5.14(a) above.

(a) For purposes of this section, the following definitions shall apply:

(1) A "multiple connection" is the connection to any portion of a customer's water or sewer lines that is connected to a primary delivery point already serving one residence, one commercial or industrial facility for the purpose of diverting service to another residence, one commercial or industrial facility. Water or sewer lines to outbuildings, barns or other accessory structures shall not be considered a multiple connection if: (i) those structures are located on the same tract as the primary delivery point, and (ii) such structures are not used as a residence or as a commercial or industrial facility.

(2) "Primary delivery point" means·the physical location of a meter or sewer tap that is installed in accordance with this Rate Order and applicable law, and which

provides water or sewer service to the residence, one commercial or industrial facility of a district customer.

(3) "Residence" means any structure used for human habitation that includes kitchen and bathroom facilities or other evidence of habitation as defined by the district.

(4) "Commercial" facility means any structure or combination of structures at which any business trade, occupation, profession or other commercial activity is conducted. A business conducted within a customer's residence or property that does not require water in addition to that provided to the customer's residence shall not be considered a separate commercial facility.

(b) The District agrees to allow customers in good standing to share water usage with a visitor on their property housed in a recreation vehicle (RV) or travel trailer for a period of no longer than three months. If the recreation vehicle or travel trailer is being used as a permanent residence, this service policy requires an additional meter installation. The district may require the installation of an additional meter for a customer who routinely has more than one visitor at a time residing in recreation vehicles or travel trailers, or has multiple visitors throughout the year. The customer must submit a written request to the district's business office at least five (5) business days prior to sharing district water with a visitor. The district has the right to refuse or deny the shared usage for any reason. The district also has the right to inspect the premises for any potential cross-contamination issues as outlined in the Customer Service Inspection requirements and to ensure that the meter is properly sized for the additional usage at the time of total peak water demand. These requirements pertain to visitors ONLY. No commercial usage where fees for water are charged is allowed. If a customer is found to violate these conditions, the customer will be sent a letter of notice stating that water service will be cut off in ten (10) days if the situation is not corrected.

5.27 Customer Responsibilities.

(a) District Access to Meters. Customers shall allow district employees and designated representatives access to meters for the purpose of reading, testing, installing, disconnecting, maintaining and removing meters and using utility cutoff valves If access to a meter is hindered so that the district is prevented from the reading of the meter, an estimated bill shall be rendered to the customer for the month and a notice of the hindrance shall be sent to the customer. If access is denied for three (3) consecutive months after notice to the customer, then service shall be discontinued and the meter removed with no further notice.

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

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

(2) It is prohibited to use pipe and pipe fittings that contain more than 8.0% lead, or solder or flux that contains more than 0.2% lead, in private water distribution facilities installed on or after July 1, 1988. It is prohibited to use pipe and pipe fittings that contain more than 0.25% lead in private water distribution facilities installed on or after January 4, 2014. Customer service pipelines shall be installed by the applicant. [30 TAC § 290.46].

(3) All pipe and fittings used by the customer to convey wastewater from its source to a wastewater line must be a minimum of D-3034, SDR-35 or equivalent, 4" diameter pipe. No DWV (drain waste and vent) pipe or fittings will be allowed. All joints must be watertight and pipe must be installed to recommended grade. All non-household wastewater customers who have potential for dirt, grit, sand, grease, oil, or similar substances must install and maintain a trap ahead of their entrance to the district's wastewater collection piping. A single cleanout is required at the property line and a double cleanout is required at the house. The district may impose other site-specific requirements. All wastewater and potable water service pipeline installations must be a minimum of nine feet (9') apart and meet all applicable regulations for line separation and crossing.

(4) Requirements for Traps:

(A) Discharges requiring a trap include but are not limited to:

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

(ii) oil, flammable wastes;

(iii) sand; and

(iv) other harmful materials.

(B) Any person responsible for discharges requiring a trap shall, at his own expense, and as required by the approving authority:

(i) provide equipment and facilities of a type and capacity approved by the approving authority;

(ii) locate the trap in a manner that provides ready and easy accessibility for cleaning and inspection; and

(iii) maintain the trap in effective operating condition.

(C) Approving authority review and approval (by the district board or TCEQ):

(i) if pretreatment or control is required, the approving authority shall review and approve design and installation of equipment and processes;

(ii) the design and installation of equipment and processes must conform to all applicable statutes, codes, ordinances, and other laws; and

(iii) any person responsible for discharges requiring pretreatment, flow equalizing or other facilities shall provide and maintain the facilities in effective operating condition at his own expense.

(5) Service shall be discontinued without further notice when the installation of new facilities or repair of existing facilities are found to be in violation of this section until such time as the violation is corrected.

(c) Backflow Prevention Assembly Requirements for Septic.

(1) Chapter 344 of the Texas Water Code, the Landscape Irrigation Program Regulations, applies to all irrigation systems. These regulations require the use of a Reduced Pressure Principle Backflow Prevention Assembly (RPZ) on irrigation systems that are installed on property which also has an On-Site Sewage Facility (OSSF). This is due to the significant increase in the contamination hazard posed by the OSSF.

(2) Prior to the adoption of the current Landscape Irrigation Rules in 2009, a double-check valve assembly (DCVA) was an acceptable form of backflow prevention for irrigation systems installed on property which also has an OSSF. After 2009, the new rules an RPZ is required. As a result, many currently installed irrigation systems lack the appropriate, required backflow prevention. To remedy this the district will implement the following policy: If an irrigation system is connected to a potable water supply and requires major maintenance, alteration, repair, or service, the system must be connected to the potable water supply through an approved, properly installed backflow prevention method as defined in this title before any major maintenance, alteration, repair, or service is performed.

(d) Payment on Multiple Accounts. A customer owning more than one service connection shall keep all payments current on all accounts. Failure to maintain current status on all accounts shall be enforceable in accordance with the customer's service agreement or the terms of this Rate Order.

(e) Extent of District Ownership and Maintenance. The district's ownership and maintenance responsibility of water system facilities and equipment shall end at a customer's 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 pursuant to this Rate Order.

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

5.28 Excluded Flow and Waste.

(a) No waste material, which is not biologically degradable, will be permitted to be discharged into the district's facilities, including mud and debris accumulated during service line installation.

(b) Only domestic sewage may be discharged into the district's wastewater system. It is prohibited to discharge industrial wastes into the wastewater system without prior written approval of the board of directors. Discharging toxic wastes that may damage the wastewater collection or treatment facilities, or wastes that may interfere with the wastewater treatment process, may not be discharged into the district's wastewater system.

(c) Industrial wastes shall not be diluted by unnecessary use of process water, or by adding unpolluted water, before being discharged into the district's wastewater system. Cooling water may not be discharged into the district's wastewater system.

(d) Connecting downspouts, yard or street drains, or gutters to the district's wastewater system is prohibited.

(e) Connecting ground water drains, foundation drains, or other subsurface drains to the district's wastewater system is prohibited.

(f) No effluent drains from existing or abandoned septic tanks or field lines will be permitted to remain in service.

5.29 Prohibited Plumbing Practices.

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

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

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

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

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

5.30 Water Service Connections.

(a) Applications for water service connections shall be filed with the district on approved forms. Applicants shall meet all district requirements for service, including the grant of any necessary water or wastewater easements (as determined by the district) and the installation of a cut-off valve at the expense of the service applicant.

(b) No person, other than district employees or designated representatives, shall be permitted to tap or make any connection with the mains or service lines of the district's water system, or make any repairs or additions to or alterations to any tap, meter, pipe, valve or other fixture connected to a district water main or service line.

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

(d) The customer must, at the customer's expense, properly install a backflow prevention device if the district finds or has reason to believe that a cross-connection or other health hazard exists. [30 TAC § 290.38(17), (31)].

(e) All costs to extend or upsize district water mains or service lines to serve any customer or user, or any undeveloped area within the district, shall be the sole responsibility of the property owner and/or developer requesting service.

5.31 Standards for Water Service Lines. The following standards govern the installation of customer service lines for water service to residences or commercial buildings within the district:

(a) All new residential or commercial connections to the district's water system shall be made in accordance with Section 5.30 above and the Rules and Regulations for Public Water Systems issued by the TCEQ as set forth in Subchapter D, Chapter 290, Title 30 of the Texas Administrative Code. In the event of a conflict between the provisions of Section 5.30 and the TCEQ's Rules and Regulations for Public Water Systems, the more stringent shall apply.

(b) Water pipe and fittings shall be of polyvinyl chloride (PVC) brass, copper, cast iron, or other materials approved by the district. No pipe which has been used for any purpose other than the conveyance of drinking water shall be accepted or relocated for use in any public drinking water supply.

(c) District owned water service lines and wastewater service lines may be no less than three feet (3') apart horizontally and shall be separated by undisturbed or compacted earth.

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

(1) The bottom of the water service line at all points shall be at least two feet (2') above the top of the wastewater line.

(2) The water service line shall be placed on a solid shelf excavated at one side of the common trench and the two lines shall be separated by a minimum of four feet (4').

(3) The water service line shall be installed with water tight joints tested to a minimum of 150 PSI.

(e) A minimum of four feet (4') of type "L" polyethylene pipe shall be installed at the end of the water service line at the connection to the water meter.

(f) Acceptable embedment material shall be placed around all district lines. Extraneous debris will not be permitted in any service line trench

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

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

(i) Lawn sprinkling systems shall be equipped with an approved vacuum breaker installed in the discharge side of each of the last valves. The vacuum breaker shall be

installed at least six inches (6") above the surrounding ground and above a sufficient number of heads so at no time will the vacuum breaker be subjected to back pressure or drainage.

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

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

(l) Service line trenches shall be back-filled within twelve hours (12) hours of district inspection and approval.

5.32 Wastewater Service Connections.

(a) Applications for wastewater service connections shall be filed with the district on approved forms. All applicants for wastewater service must grant an easement to the district which shall own, install and maintain the grinder pump station and discharge piping from the pump station to the wastewater main or service line. The property owner shall be required to construct the customer service line from the foundation of the residence or commercial building to the grinder pump station.

(b) The property owner shall construct all wastewater service facilities from the grinder pump station of a residence or commercial building to the district's wastewater service line, which installation shall include the low pressure wastewater system, all sanitary wastewater piping, and all electrical services requirements.

(c) The applicant shall grant an easement to the district and such access to the property designated to receive service as may be reasonably necessary for the district to install and maintain the grinder pump station and low pressure wastewater system to serve the residential or commercial building thereon. The district shall designate the locations of the low pressure wastewater system on the property.

(d) The district may remove all grass, bushes, shrubs, soil and other fixtures necessary to install the low pressure wastewater system. The district shall have no obligation to repair, replace or replant any grass, bushes, shrubs, soil or fixtures removed or damaged during installation of the low pressure wastewater system.

(e) The district may use any soil removed during installation to backfill over existing wastewater lines and facilities, and the balance of such fill material may be utilized by the property owner for other requirements. The district shall not be obligated to remove or dispose of any fill material removed and not used for backfill in the installation of the low pressure wastewater system or otherwise used by the owner.

(f) A licensed plumber hired by the property owner shall make all physical connections of a residence or commercial building to the district's wastewater system. Pursuant to this Rate Order, a property owner or developer requesting service shall be responsible for payment of the following fees and charges relative to the connection of sewer lines:

(1) all costs for the acquisition and/or installation of the low pressure wastewater system from the grinder pump station located at each property to the district's main wastewater line, located within an easement granted by the property owner to the district, including but not limited to wastewater pumps, tanks, fittings, valves, piping and electrical service;

(2) the monthly electrical service costs to provide electrical service to the grinder pump station located at the residence or commercial building of a property; and

(3) a tap fee for connection of the low pressure wastewater system to the district's main wastewater line, which connection shall be made solely by the district, at such costs as may be assessed from time-to-time by the district.

(g) Grinder pump stations shall be placed within fifty feet (50') of the foundation of the residence or commercial building to be served. The district shall make a reasonable attempt to consult with each property owner about locations for the grinder pump station; however, the final location of a grinder pump station shall be made solely by the district based on the practical limitations of construction.

(h) All costs to extend or oversize district wastewater mains or service lines to serve any residential or commercial user or any undeveloped area within the district shall be the sole responsibility of the property owner and/or developer requesting service.

(i) A property owner that has already installed an on-site wastewater holding or treatment facility on land within the district's service area may be required to connect to the district's wastewater collection system when the district's wastewater collection system is contiguous or adjacent to the property owner's property line.

5.33 Standards for Wastewater Service Lines. The following standards govern the installation customer service lines for wastewater service to residences or commercial buildings located within the district's wastewater service area:

(a) All new residential or commercial connections to the district's wastewater system shall be made in accordance with the previous Section 5.32, and shall provide for the installation of a low pressure wastewater system and the granting of an easement by the property owner for installation by the district.

(b) The following types of piping and fitting material are approved for constructing service lines from the foundation of a residence or commercial building to the grinder pump station:

(1) Service pipe extending from the foundation of a residence or commercial building to the grinder pump station shall be Polyvinyl Chloride (PVC) Pipe, SDR 35/150 psi, as defined in ASTM D-3034, push-on type with factory pre-molded gasketed joints. All fittings shall be PVC scheduled 40 solvent weld joints.

(2) Minimum size of service lines should be as follows:

Residential . . . . . minimum 4" internal diameter
Commercial . . . . . minimum 6" internal diameter

(3) Minimum grades for services lines shall be as follows:

4" pipe . . . . . 1 foot drop per 100 feet (1%)
6" pipe . . . . . 6 inch drop per 100 feet (0.5%)
8" pipe . . . . . 4 inch drop per 100 feet (0.33%)

(4) Maximum grades for service lines shall be as follows:

4" pipe . . . . . 2½ foot drop per 100 feet (2.5%)
6" pipe . . . . . 1½ foot drop per 100 feet (1.5%)
8" pipe . . . . . 1 foot drop per 100 feet (1%)

(c) Service lines shall be constructed to true alignment and grade, and warped and sagging lines will not be permitted.

(d) Water-tight adapters of a type compatible with the materials being joined shall be used at the point of connection of the service line to the residence or commercial building plumbing. No cement grout materials shall be permitted.

(e) Fittings and cleanouts for service lines shall be as follows:

(1) No bends or turns at any point shall be greater than 45 degrees.

(2) Each horizontal service line shall be provided with a cleanout at its upper terminal; and each such run of piping which is more than ninety (90) feet in length shall be provided with a cleanout for each ninety (90) feet or fraction thereof, in length of such piping.

(3) Each cleanout shall be installed so that it opens in a direction opposite to the flow of the waste and, except in case of "wye" branch and end-of-the-line

cleanouts, cleanouts shall be installed vertically above the flow line of the pipe at ground level.

(4) Each cleanout shall be made with an airtight mechanical plug.

(f) All residential or commercial building drains and pipes leading to the district's wastewater system shall be maintained so as to exclude any ground or surface water from entering the wastewater system. The district shall require the owner of these facilities to immediately correct at his own cost and expense any leaks or other conditions allowing the entry of ground water into the wastewater system. This provision shall apply whether such leaks or conditions existed prior to or after the effective date of this Rate Order.

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

(h) Back-filling of service line trenches must be accomplished within twenty-four (24) hours of inspection and approval, and no debris will be permitted in any service line trench.

(i) As stated herein above, the district shall make all physical connections to district owned wastewater service lines.

5.34 Authority to Tap or Repair District Facilities. No person other than a duly authorized employee or agent of the district is authorized to tap or make any connection to a district owned water distribution line, except for emergency fire-fighting purposes, or to make any repairs or alterations to any meter, meter box, tap, pipe, cock or other fixture connected to the district's water system, or to any manhole, main, trunk or appurtenance of the district's wastewater system. The district reserves the right, immediately and without notice, to:

(a) remove the meter or disconnect water service to any customer whose meter has been tampered with; and

(b) to repair any damage to the district's water and wastewater facilities; and

(c) to assess an equipment damage fee to the customer under Section 7.15 of this Rate Order.

5.35 Standard Details for Service Facilities. All water and wastewater service facilities shall be constructed in accordance with the district's approved water standard details and wastewater standard details. In the event of a conflict between the approved standard details and any other provision of this Rate Order, the standard details shall control.

5.36 Service Outside District Boundaries. It is the general policy of the district to provide service to users or customers located outside the district's service area only after annexation of the property designated to receive service with approval of the board of directors. At the discretion of the board, the district may enter into contracts with other political subdivisions of this state to provide service to users or customers located outside the district's service area.

5.37 Enforcement and Civil Penalties.

(a) Enforcement.

(1) *Civil Penalties.* Any person violating any provision of this Rate Order may be subject to a civil penalty of not more than $2,000.00 for each violation. Each day that a violation of this Rate Order is permitted to exist shall constitute a separate violation. A penalty under this section is in addition to any other penalty or remedy provided by the laws of the State of Texas or this Rate Order. A penalty under this section may be enforced by complaint filed in the appropriate court of jurisdiction in the county in which the district's principal office or meeting place is located.

(2) *Liability for Costs.* Any person violating any provision of this Rate Order shall be liable to the district for any expense, loss or damage incurred by the district by reason of such violation and the district's enforcement thereof. If the district prevails in any legal action to impose a civil penalty or otherwise enforce this Rate Order, it may, in the same action, recover any reasonable fees for attorneys, expert witnesses, and other costs incurred by the district before the court.

(b) No Waiver. The failure on the part of the district to enforce any article, section, clause, sentence, or provision of this Rate Order shall not constitute a waiver of the right of the district later to enforce any section, clause, sentence, or provision of this Rate Order.

5.38 Reimbursement Requirement and Civil Penalty for Damage Caused by Excavation. The following reimbursement requirement and civil penalty apply to any person who excavates or digs more than 16 inches deep within the District's certificated water and sewer service areas as defined by Certificate of Convenience and Necessity Nos. 10192 and 21056, to wit:

(a) Reimbursement for Repairs. Any person who excavates or digs more than 16 inches deep and damages or ruptures a District owned water line, sewer line or facility shall be charged an amount sufficient to reimburse the District for lost water and for the cost of all labor, materials, and equipment necessary to repair or replace the damaged line or facility.

(b) Civil Penalty. In addition to a reimbursement charge, and subject to subsection (c) below, the District shall assess a civil penalty of $3,000.00. The civil penalty under this subsection is in addition to any other penalty or remedy provided by the laws of the State of Texas or the District's service policies.

(c) Waiver for Timely Line Locate Request. The District reserves the right to waive the civil penalty if the person who caused the damage or rupture contacted the District to request a line locate in the excavation area at least two business days, but no more than 14 days, before commencing the excavation.

ARTICLE 6.

SUBDIVISION SERVICE EXTENSION POLICY AND NON-STANDARD SERVICE REQUIREMENTS

6.01 District Premise; Limitations. The district recognizes its obligation to provide service to all existing and future customers located with its service area and will attempt to anticipate increases in demand on its water and wastewater systems. However, the district must comply with state and federal laws and regulations, and with covenants of indebtedness. The district shall also have no obligation to serve any person requesting standard service to a lot or tract in a subdivision where the developer responsible for the subdivision has failed to comply with this policy and requirements of this Article 6. If a developer has failed to pay any district charges related to a development or subdivision, the district shall have 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 service to the subdivision. In addition, the district may elect to pursue any remedies provided by a nonstandard service contract applicable to the development or subdivision and/or the laws of the State of Texas.

6.02 Purpose. It is the purpose of this article to state the general terms and conditions pursuant to which the district will process non-standard service requests. Specific terms and conditions by which the district will provide non-standard service will depend upon the nature of such request and shall be set forth in a contract between the district and applicant. Applications and requests for service that are subject to this article shall be defined as "non-standard."

6.03 Application of Policy. This article is applicable to subdivisions, additions to subdivisions, and any single-tract commercial, industrial, governmental or residential development where the installation of additional or oversized service facilities is required to accommodate the applicant's intended use of the property. Notwithstanding anything herein to the contrary, the district's general manager shall interpret, on an individual basis, whether or not an applicant's service request shall be subject to all or part of the conditions of this article. This article does not apply to facilities constructed by the district at its expense. For purposes of this article, the term "project" includes subdivisions, additions to subdivisions, and commercial, industrial and governmental developments.

6.04 Preliminary Development Review.

(a) Prior to submitting a formal application for nonstandard service to the district or a preliminary plat to a local governmental entity with jurisdiction for approval, an applicant that intends to develop and request service to a subdivision may contact the district to initiate a preliminary development review in accordance with the following schedule:

(1) The applicant shall submit a proposed preliminary or preliminary/final plat of the project for initial review by the district's consulting engineer, together with

payment of a preliminary development review fee in the amount of $500.00 plus $10.00 for each lot or service connection in excess of fifty (50) lots as reflected on the proposed plat.

(2) The applicant shall also schedule a meeting with the district's general manager and consulting engineer allowing approximately twenty (20) days after submission to discuss the project and availability of water at the project location, to review any plat revisions required by the district's consulting engineer for preliminary approval of the project, and to receive all necessary application forms.

(3) The applicant shall be notified upon preliminary approval of the original or revised preliminary plat by the district's consulting engineer and the applicant may submit a formal request for service from the district at any time.

6.05 Applicants. For purposes of this article, the term "applicant" shall refer to a developer or person 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 pursuant to which non-standard service will be furnished to property. An applicant other than the property owner must furnish evidence acceptable to the district that the applicant has authority to request non-standard service on behalf of a property owner.

6.06 Nonstandard Service Application. Applicants shall meet the following requirements prior to entering into a non-standard service contract with the district:

(a) Submission of Application. The applicant shall complete and submit three (3) copies of a non-standard service application to the district.

(b) Attachments.

(1) *Subdivisions.* The applicant must submit three (3) copies of the proposed final plat for approval by the district showing the applicant's requested service area for approval by the district. The final plat must be approved by all governmental authorities exercising jurisdiction over lot sizes, sewage control, drainage, right-of-way, and other infrastructure. Plans, specifications, and special requirements of such governmental authorities shall be submitted with the plat.

(2) *Single-tract Developments.* An applicant for a single connection that requires a line extension or oversized facilities shall be required to submit 3 sets of maps or plans detailing the location of the requested extension or service connection and anticipated demand requirements.

(3) *Notice of Plat Approval Delay*. In the event a local governmental entity with jurisdiction intends to withhold approval of the final plat until construction of all roads, drainage facilities, service facilities and other infrastructure is completed and approved,

a letter from the entity stating said intent shall accompany the applicant's nonstandard service application.

(c) Service Investigation Fee. The applicant shall pay a Service Investigation Fee to the district, in the amount stated in Section 7.02, to cover the initial administrative, legal and engineering costs incurred by the district to process the applicant's service request. However, the general manager is authorized to charge a lessor amount if determined likely to cover the district's expected costs. The district shall refund any balance that remains after completing the service investigation. If the initial fee is not sufficient to pay all expenses incurred by the district, the applicant shall pay to the district all remaining expenses that have been or will be incurred by the district, and the district shall have no obligation to complete processing the request until all remaining expenses have been paid.

(d) Property Outside Service Area. If after completing its service investigation the district determines that the applicant's service request is for property located wholly or partially outside the district's certificated service area, the district may still extend service provided that:

(1) the requested service area is not in an area receiving similar service from another retail utility;

(2) the requested service area is not within another retail utility's certificated service area; and

(3) the district's CCN shall be amended to include the entirety of the applicant's property for which service is requested and the applicant shall pay all costs incurred by the district to amend the CCN, including legal, surveying and engineering fees. If the service location is contiguous to or within one-fourth (¼) mile of the district's service area, the district may extend service prior to completing the CCN amendment but will do so only upon applicant entering into a written agreement to fully support such amendment, including payment of all legal, surveying, and engineering fees incurred by the district to obtain TCEQ approval.

(e) Property Outside District Boundaries. If the property to which the applicant has applied for water service is located outside of the political boundaries of the district, then the applicant shall file with the district an application to annex such property into the district by filing a request for annexation on a form provided by the district.

6.07 Facilities Design and Approval. Upon receipt of the completed non-standard service application and Service Investigation Fee, the district shall study the design requirements of the applicant's required facilities before preparing a non-standard service contract in accordance with the following:

(a) All service facilities shall be designed by a Texas registered professional engineer in compliance with the district standards and specifications. If the service facilities are designed by the district's consulting engineer, the consulting engineer shall submit two (2) sets of detailed plans and project cost estimates to the district. Otherwise, the applicant shall submit three (3) sets of detailed plans and project cost estimates for review, comment and approval by the district's consulting engineer.

(b) The district's consulting engineer shall ensure all service facilities meet the demands for service according to the plat and application for service submitted by the applicant. The district's engineer will also determine the fire-flow design for any non-standard service request including new subdivisions, based on density, type of structure, and other factors.

(c) The size and location of pipelines and other service facilities shall be determined by the district's consulting engineer, whose determination is final. The district also reserves the right to upgrade and/or upsize the planned service facilities to meet future customer demands on the condition that the applicant shall be reimbursed the additional expense of such upgrading and/or upsizing in excess of the applicant's service facility requirements.

(d) All water line material fittings shall conform to American National Standards Institute/National Sanitation Foundation (ANSI/NSF) standard 61 and must be certified by an organization accredited by ANSI and not less than ASTM-D2241 Class 200.

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

(f) The water system shall be designed to afford effective circulation of water with a minimum of dead ends. All dead end mains shall be provided with acceptable flush valves and discharge piping. Where dead ends are necessary as a stage in the growth of the system, they shall be located and arranged to ultimately connect the ends to provide circulation. [See 30 TAC § 290.44(d)(6)].

(g) The district's consulting engineer's fees shall be paid out of the Service Investigation Fee paid by applicant under Section 6.04 above. However, if the engineering fees exceed the initial Service Investigation Fee, the applicant shall pay the balance of the engineering fees to the district prior to commencing construction of water distribution facilities.

6.08 ***[Reserved for Future Use]***

6.09 Nonstandard Service Contract. Applicants shall execute a written nonstandard service contract prepared by the district's attorney before commencing the construction of service

facilities. The contract shall define the terms and conditions of service to a project prior to the construction of service facilities and shall be presented to the applicant within a reasonable time after application as determined by the complexity of the project. The nonstandard service contract may include, without limitation, provisions for the following:

(a) Payment of all costs associated with the administration, design, construction, and inspection of facilities for water and wastewater service to the applicant's property and terms by which these costs are to be paid.

(b) Procedures by which the applicant shall accept or deny a contractor's bid, thereby committing to continue or discontinue the project.

(c) Payment of connection fees required by the district in addition to the other costs required under this article.

(d) Reservation of service capacity for the applicant and duration of reserved service with respect to the impact the applicant's service demand will have upon the district's water system capability to meet other service requests.

(e) Terms by which the applicant shall indemnify the district from all third-party claims or lawsuits arising from or related to the project.

(f) Terms by which the district may administer the applicant's project with respect to: (i) design of the applicant's service facilities; (ii) securing and qualifying bids; (iii) selection of a qualified bidder for construction; (iv) dispensing advanced funds for construction of service facilities; (v) inspecting construction of facilities; (vi) testing facilities and closing the project; and (vii) execution of the non-standard service contract and any related agreements.

(g) Terms by which the applicant shall dedicate, assign and convey to the district all constructed service facilities and related rights (including contracts, easements, rights-of-way, deeds, warranties, and so forth) and by which the district shall assume operation and maintenance responsibility for the service facilities.

(h) Terms by which the board of directors shall review and approve any applicable non-standard service contract or any other contract related to the project pursuant to current regulations and policies of the district.

(i) The terms and conditions, if any, under which the applicant will annex the property to be provided water service into the district.

If an applicant constructs any water or wastewater service facilities prior to executing a nonstandard service contract, the district may refuse to provide service to the applicant and require that all facilities be uncovered by the applicant for inspection by the district. In addition, and at the district's sole discretion, the district may require that any facilities not approved by the district be replaced, require payment of the full cost of replacing or repairing any facilities

constructed prior to execution of the contract from any person buying a lot or home from applicant, or take any other lawful action determined appropriate by the board of directors.

6.10 Easement and Property Acquisition. In accordance with the following conditions, applicants shall acquire and assign or dedicate to the district all easements, rights-of-way and private property necessary for the construction, operation and maintenance of project service facilities:

(a) Easements and rights-of-way shall be located across lots along front or side lot lines, as determined by the district, and shall be a minimum of fifteen feet (15') wide. The applicant shall dedicate all easements and rights-of-way to the district by plat or separate legal instrument, properly recorded, in a form approved by the district's attorney. All easements, rights-of-way and property titles shall be researched, validated, and recorded by the district at the applicant's expense.

(b) All costs associated with facilities that must be installed in public right-of-ways 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 the district secures such private easements or facility sites through eminent domain proceedings. Any request by applicant to the district to commence eminent domain proceedings shall be made in writing. The district reserves the right to secure right-of-way easements or facility sites by eminent domain on its own initiative.

(c) Easements and service facility sites shall be prepared for the construction of pipeline and service facilities in accordance with district requirements and at the applicant's expense.

6.11 Contractor Selection and Qualification. Applicants shall select a qualified contractor to construct water and wastewater facilities required by the district to serve a project. The district reserves the right to reject any contractor selected by the applicant. Alternatively, the district may agree to construct the service facilities provided the applicant pays all estimated constructions costs prior to the commencement of construction.

6.12 Construction.

(a) Applicants shall complete all road work prior to construction of water and wastewater service facilities to avoid damage that may result from right-of-way excavation and road construction. However, subject to approval by the requisite authority, the district may permit the applicant to install road sleeves prior to road construction to avoid damage during construction of applicant's service facilities.

(b) Construction plans and specifications shall be strictly adhered to, but the district reserves the right to revise any specifications by change-order due to unforeseen

circumstances during the design phase or to better facilitate construction or operation of the project service facilities. The district shall inspect the service facilities during construction at the applicant's expense to ensure compliance with district standards and specifications. All change-order amounts shall be charged to the applicant.

(c) After completing construction of the service facilities, the applicant shall deliver three (3) copies of as-built drawings to the district plus one copy in electronic format as prescribed by the district's consulting engineer. The as-built drawings shall verify that all facilities have been properly located within the easements or rights-of-way conveyed or dedicated to the district. The district's receipt of the as-built drawings shall be a condition of acceptance of the service facilities.

6.13 Dedication of Service Facilities. After completing construction of the service facilities, obtaining the district's approval of the service facilities after final inspection, and paying all required fees and charges to the district in connection therewith, the applicant shall dedicate the service facilities to the district by an appropriate legal instrument approved by the district's attorney. The district shall accept the dedication provided the applicant has tendered the required as-built drawings. The district shall thereafter own the service facilities subject to applicant's maintenance bond in an amount of not less than twenty percent (20%) of the total construction cost of the service facilities and for a term of not less than one (1) year. The maintenance bond is subject to prior approval by the district's attorney.

6.14 Service within Subdivisions. The district's objective to provide service to any customer located within a subdivision governed by this article is strictly limited to the non-standard service specified by an applicant. The applicant is responsible for paying for all costs necessary to provide non-standard service to a subdivision as determined by the district under the provisions of this Rate Order, and in particular, the provisions of this article. Should the applicant fail 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 service to the subdivision. In addition, the district may elect to pursue any remedies provided by the non-standard service contract and the laws of Texas.

6.15 Pro Rata Reimbursement. The district may from time to time negotiate and enter into a pro rata reimbursement agreement with a project applicant on condition that the following factors must be present:

(a) the project applicant (or "constructing applicant") must construct off-site service facilities to the district's water or wastewater system;

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

(c) the district shall assess a five percent (5%) administrative fee for the administration of pro rata fees collected by the district from subsequent connecting applicants, which shall be deducted from pro-rata reimbursements before remittance to the constructing applicant; and

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

(1) the term of the agreement shall not exceed ten (10) years;

(2) reimbursement shall not be for more than eighty percent (80%) of the actual cost of the off-site improvement constructed; and

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

$$\frac{\text{Acres in connecting applicant's project}}{\text{Total potential acres served by off-site facilities of constructing applicant. } \textit{(less)} \text{ Total acres in constructing applicant's project.}} \textbf{(x)} \text{ Actual cost of off-site facilities } \textbf{(=)} \text{ Pro-Rata Fee}$$

EXAMPLE:

$$\frac{100\textbf{(a)}}{500\textbf{(b)} (-) 100\textbf{(c)}} \quad (x) \quad \$50{,}000.00\textbf{(d)} \quad (=) \quad \$12{,}500.00\textbf{(e)}$$

Where:

- **(a)** Acres in connecting applicant's project.
- **(b)** Total potential acres served by the off-site facilities constructed by the constructing applicant as determined by the district's consulting engineer.
- **(c)** Total acres in the constructing applicant's project.
- **(d)** Actual cost of the off-site facilities.
- **(e)** Pro-rata fee to be collected from any water or wastewater service applicant that connects or desires to connect to the off-site facilities.

ARTICLE 7.

RATES AND SERVICE FEES

(Amended by Ord. 2016-001, July 12, 2016; Amended by Ord. 2016-004, Sept. 13, 2016; Amended by Ord. 2018-003, Sept. 11, 2018; Amended by Ord. 2019-004, Sept. 10, 2019; Amended by Ord. 2022-003, Sept. 12, 2022; Amended by Ord. 2023-003, Sept. 11, 2023; Amended by Ord. 2024-004, Sept. 9, 2024; Amended by Ord. 2025-003, Sept. 8, 2025; Amended by Ord. 2026-001, April 13, 2026; Amended by Ord. 2026-004, Sept. 14, 2026)

7.01 Classes of Users. All users of the district's water and wastewater services shall be grouped into the following classes:

(a) Residential users or customers: Persons located within the district's service area who receive district service to a single-family residential unit for domestic purposes only.

(b) Commercial users or customers: Persons located within the district's service area who receive district service to a commercial, industrial or other nonresidential establishment, or who receive district service for commercial, industrial, recreational or other non-domestic purposes. An apartment building or mobile home park may be considered by the district to be a single commercial facility.

(c) Outside users or customers: Persons located outside the district's service area who receive district service.

All classes of users may be grouped into sub-classes according to meter size. Water charges will be assessed in such a manner that each class of users generally pays its share of debt service and operation and maintenance expenses for water service. Outside customers may be assessed additional charges for service to reflect the additional costs associated with serving outside customers or the risk that such customers may have other options for receiving service and may elect to discontinue being district customers. The district may create additional classes of users in the future at its discretion.

7.02 Service Investigation Fee. The district shall conduct a service investigation for each service application submitted to the district. An initial determination shall be made by the district, without charge, as to whether the request is for standard or nonstandard service. An investigation shall then be conducted by the district and the results reported under the following terms:

(a) Standard Service Requests. All standard service requests shall be investigated without charge and all applicable costs for providing service shall be quoted in writing to the applicant within ten (10) working days of application.

(b) Nonstandard Service Requests. All nonstandard service requests shall be subject to a service investigation fee in the amount of $3,200.00 or $100.00 for each requested residential (⅝" x ¾") meter or meter equivalent, whichever amount is greater, unless the general manager determines that another amount to be appropriate for the

project and sufficient to cover all administrative, legal and engineering costs associated with an investigation of the district's ability to provide service to the applicant's project, which may include:

(1) providing cost estimates of the project;

(2) presenting detailed plans and specifications as per final plat;

(3) advertising and accepting bids for the project;

(4) preparing a nonstandard service contract between the district and applicant; and

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

7.03 Deposits.

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

(1) Residential Service Applicants.

(A) The deposit is $200.00 for each water service unit.

(B) The deposit is $50.00 for a sewer service connection.

(2) Commercial Service Applicants. The deposit for commercial and other nonresidential water and wastewater service, including master metered accounts, shall not exceed an amount equal to one-sixth (1/6) of the estimated annual billings as determined by the general manager of the district.

(b) Adjustment of Commercial Deposit. If actual monthly billings of a commercial or nonresidential customer are more than twice the amount of the estimated billings at the time service was established, a new deposit amount may be calculated and an additional deposit may be required to be made within fifteen (15) days after the issuance of written notice.

(c) Re-establishment of Deposit. Every service applicant who has previously been a customer of the district and whose service has been discontinued for nonpayment of bills, meter tampering, bypassing of meter or failure to comply with applicable state regulations or regulations of the district shall be required, before service is resumed, to pay

all amounts due the district and shall be required to pay a deposit if the district does not currently have a deposit from the customer.

(d) Refund of Deposit. The district shall refund a service applicant's deposit if service is not connected. The district shall refund the balance of a customer's deposit, if any, after applying it to any unpaid fees or charges on the customer's account following the discontinuance of service. The deposit balance shall be paid to the customer within thirty (30) days of the customer requesting discontinuance by telephone or completing and submitting a completed Request for Discontinuance form to the district. Requests for discontinuance of service must be made or received by the district prior to termination of service. The district is prohibited from applying any amount of a deposit to an account except when service is discontinued. In the event that an outstanding balance exists after the deposit is applied, the district may attempt to collect the outstanding balance by all lawful means available.

(e) Failure to Provide Forwarding Address for Refund. If the District is not provided with a valid forwarding address in writing to send the balance of a deposit, or if after mailing the balance to the address provided it is returned by the postal service, then the District will hold the deposit balance for the customer to claim for a period of **one (1) year**. After the one-year holding period expires, the district will turn the money over to the Texas Comptroller's office. The customer may still claim the deposit balance from the Texas Comptroller.

7.04 Easement Fee. When the district determines that a private right-of-way easement, sanitary control easement, or other easement for facilities is necessary to provide service to an applicant, the applicant shall be required to make a good faith effort to secure such easement on behalf of the district or pay all costs incurred by the district to validate, clear, and obtain such easements, including but not limited to legal fees and court costs for condemnation. [See Sections 5.03(b) and 6.07].

7.05 Connection and Capacity Fees. In addition to a deposit and any other applicable fees, the district shall charge connection and capacity fees, as applicable, to establish service as follows:

(a) Standard Residential and Non-standard Commercial Service.

(1) The water connection fee for standard residential and non-standard commercial service shall include all labor, materials for construction, installation, and inspection of a service connection to the district's water system and a standard ⅝" x ¾" meter. The connection fee shall be charged on a per connection basis in the following amounts:

Meter Size	***Connection Fee***
⅝" x ¾"	$3,000.00

Larger than ⅝" x ¾"	$3,000.00 plus additional costs of the larger meter, parts and labor for installation.

(2) The wastewater capacity fee for standard residential and non-standard commercial wastewater service (4-inch line) is $2,500.00 plus the actual costs of all labor, materials for construction, installation, or inspection of a tap or connection to the district's wastewater system.

(b) Non-standard Service to Subdivision Projects. The connection and capacity fees for non-standard service to land being developed or subdivided as follows:

(1) The water connection fee is $3,000.00 for each standard service connection and meter installed by the district. For larger service connections and meters under this section, the applicant shall pay $3,000.00 plus the additional costs of the larger meter, materials and parts, and labor for installation.

(2) The water connection fee is $2,700.00 for each standard service connection if the applicant or developer agrees to install the meter box or vault, tap, meter riser with appurtenances, and service line for each proposed service connection in conjunction with the construction of approved water distribution facilities on the land. This fee amount includes the cost of a ⅝" x ¾" meter to be installed by the district in a meter box or vault following inspection and approval of same. For larger service connections and meters under this section, the applicant shall pay $2,700.00 plus the additional costs of the larger meter and related materials and parts.

(3) The wastewater capacity fee for non-standard sewer service to each single family residence situated in an area developed or being developed for single family residential use that at the time of platting did not receive wastewater service from the district shall be:

Service Line Size	***Capacity Fee***
4-inch	$2,500.00
6-inch	$5,000.00

When appropriate, the general manager, with board approval, may set a capacity fee based on all relevant factors including sewer lines, pumping, storage, and treatment capacity required for the development compared to the amount of unrestricted capacity available in the district's existing wastewater system.

(c) Extraordinary Expenses. In addition to the connection fee, the district may charge the applicant for extraordinary costs related to providing service including the cost

of road bores, street crossings, line extensions and system improvements, and pipeline relocations under Section 5.03(f).

7.06 Activation Fee. When service is requested by a new customer to an existing meter located on property previously served by the district, the district will charge a fee of $75.00 prior to activating service. In addition, the applicant shall pay a deposit and any other applicable fees required under this Rate Order. [See Section 5.04(b)].

7.07 Monthly Service Charges.

(a) Water Service. The District shall assess the following monthly charges for water service at the following rates:

(1) *Base Rate.* The base rate is that portion of a customer's monthly bill which is paid for the opportunity of receiving utility service, excluding standby fees, which does not vary due to changes in service consumption. The standard service unit is a ⅝" x ¾" meter (as per AWWA maximum continuous flow specifications), which is used as a base multiplier for the monthly base rate amount. Therefore, a customer's water service base rate charge is based on the number of ⅝" x ¾" meters equivalent to the size of that customer's meter. The district's monthly base rates for water service and meter size equivalents are as follows:

METER SIZE	5/8" x 3/4" METER EQUIVALENTS	MONTHLY RATE
⅝" x ¾"	1.0	$ 35.00
¾" x ¾"	1.5	50.00
1"	2.5	90.00
1½"	5.0	175.00
2"	8.0	250.00
3"	16.0	500.00
4"	25.0	775.00
6"	50.0	1,550.00
8"	80.0	2,450.00

(2) *Gallonage Rates*. In addition to the base rate, customers shall be assessed water usage charges at the following rates for water metered during a single billing period:

0 to 5,000 gallons . . . . . $7.67 per 1,000 gallons
5,001 to 10,000 gallons . . . . . $8.65 per 1,000 gallons
10,001 to 15,000 gallons . . . . . $10.63 per 1,000 gallons
15,001 to 20,000 gallons . . . . . $11.78 per 1,000 gallons
>20,000 gallons. . . . . $12.92 per 1,000 gallons

(3) *Leak Adjustment Rate*. Leak adjustments under Section 5.23 will be billed at $5.75 per 1,000 gallons.

(b) Wastewater Service. The District shall assess the following monthly charges for wastewater service at the following rates:

(1) *Residential Service. Customers receiving wastewater service at a residence shall be charged a monthly flat fee of $65.00.*

(2) *Commercial Service.*

(A) *Base Rate.* The district's monthly base rate for commercial wastewater service is $36.00 per connection to the District's sewer system.

(B) *Monthly Usage Rate.* In addition to the base rate, commercial customers shall pay a sewer usage charge for water metered during a single billing period at the following rate: $2.72 per 1,000 gallons.

(c) Regulatory Assessment. In accordance with TCEQ regulations, the district shall collect from each customer a regulatory assessment equal to 0.5% of the monthly charges collected by the district for water and sewer service. [See 16 TAC § 24.76 and Water Code § 5.701(n)]. State agencies, wholesale customers and purchasers of non-potable water are exempt from the regulatory assessment. [See TCEQ Publ. RG-199].

7.08 Standby Fee. Upon adoption by the board of directors and approval by the TCEQ, the district will charge a standby fee to owners of undeveloped property for the availability of water and wastewater facilities and services.

7.09 Late Payment Fee. Except for bills to political subdivisions and state agencies, a one time penalty shall be applied to delinquent monthly water bills in the amount of $10.00 or five percent (5%) of the total bill, whichever is larger. 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. Political subdivisions and state agencies shall be assessed a late penalty of 1% on any amount unpaid on the 46th day after a bill or statement for service furnished is received by the state agency or political subdivision and an additional 1% shall be assessed for each month thereafter that the bill remains unpaid. [See Gov't Code, Chapter 2251].

7.10 Owner Notification Fee. The district may, at the expense of the customer, notify said customer of a tenant's delinquent account status prior to disconnection of service. The district shall charge $15.00 per notification.

7.11 Returned Check Fee. In the event a check, draft, or any other similar instrument is given by any person for payment of services provided for in this Rate Order, and the instrument

is returned by the bank or other similar institution as insufficient or non-negotiable for any reason, the account for which the instrument was issued shall be assessed a return check fee of $25.00.

7.12 Credit Card Charge-back Fee. A $25.00 charge will be assessed to an account on the district's automatic debit program for each payment charged back to the district's deposit account for any reason.

7.13 Service Trip Fee. The district shall charge a fee of $50.00 for any service call or trip to a customer's meter or property at the request of the customer or at the district's own initiative for any service related purpose including inspection or disconnection of service.

7.14 Reconnect Fee. The district shall charge a fee of of $50.00 to restore or reconnect service after disconnection for any reason stated in this Rate Order or at the request of a customer, except for re-service under Sections 5.04(b) or 5.05(b).

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

7.16 Customer History Report Fee. The district shall charge a fee of $2.00 to provide a copy of a customer's record of past water purchases in response to a customer's request for such a record.

7.17 Meter Test Fee. When required by Section 5.22 (Bill Adjustment Due to Meter Error) of this Rate Order, the District will assess a meter test fee in the amount of $50.00.

7.18 Meter Relocation Fee. The fee charged to relocate a meter under the terms of Section 5.25 shall be the actual relocation costs incurred by the district plus administrative charges, or a minimum fee of $150.00, whichever is greater. While removing the existing meter the district will also remove the existing service tap.

7.19 Temporary Service Fee. Prior to providing temporary water service, the district shall charge a non-refundable temporary service fee of $50.00 plus actual installation charges for temporary water service. Temporary service customers shall subsequently pay monthly base rate and gallonage charges as stated in Section 7.07(b) for water usage.

7.20 Hydrant Meter Service. Prior to receiving hydrant meter service, the applicant shall pay a $5,000.00 deposit and a $100.00 user fee to the district. Hydrant meter service customers

will also pay for all water used at the gallonage rates set forth in Section 7.07(a)(2). After the first month of use, the District will charge $25.00 on the first day of each week that the customer retains possession of the hydrant meter. The deposit will be refunded upon (i) return of the hydrant meter to the district in an undamaged condition and (ii) payment of all outstanding gallonage and use charges.

7.21 Information Disclosure Fee. All public information 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 Publication Information Act, Chapter 552, of the Texas Government Code.

7.22 Additional Assessments. In the event any federal, state or local government imposes on the district a "per meter" fee or an assessment based on a percent of water or wastewater charges, this fee or assessment will be billed and collected as a "pass through" charge to the customer.

7.23 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 shall be charged to the recipient based on the cost of providing such service.

7.24 Fees Non-refundable. All fees, rates and charges contained in this Rate Order are non-refundable unless expressly stated otherwise.

7.25 Free Service Prohibited. All customers receiving service from the district shall be subject to the provisions of this Rate Order and shall be charged the rates established in this Rate Order, and no free service shall be furnished to any customer.

7.26 Backflow Prevention Assembly Inspection and Testing Fee. The district shall charge $50.00 to test or inspect a customer's backflow prevention assembly.

ARTICLE 8.

[RESERVED FOR FUTURE USE]

ARTICLE 9

CROSS-CONNECTION CONTROL PROGRAM

9.01 Customer Service Inspections.

(a) A customer service inspection shall be completed prior to providing continuous water service to all new construction and to any existing service connection when the district finds or has reason to believe that a cross-connection or other contaminant hazard exists at the property, or after any material improvement, correction, or addition to the customer's private water distribution facilities. [See Section 2.09.] It is the responsibility of the customer to report to the district any such improvements, corrections or additions.

(b) Only individuals with the following credentials shall be recognized as capable of conducting a customer service inspection:

(1) plumbing inspectors and water supply protection specialists that have been licensed by the Texas State Board of Plumbing Examiners (TSBPE); and

(2) Certified waterworks operators and members of other water related professional groups who have completed a training course, passed an examination administered by the TCEQ or its designated agent, and hold a current endorsement issued by the TCEQ.

(c) The customer service inspector must certify that:

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

(2) No cross-connection between the public water supply and a private water source exists. Where an actual properly installed air gap is not maintained between the public water supply and a private water supply, an approved reduced pressure-zone backflow prevention assembly is properly installed and a service agreement exists for annual inspection and testing by a recognized backflow prevention assembly tester.

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

(4) It is prohibited to use pipe and pipe fittings that contain more than 8.0% lead in private water distribution facilities installed on or after July 1, 1988. It is prohibited to use pipe and pipe fittings that contain more than 0.25% lead in private

water distribution facilities installed on or after January 4, 2014. Customer service pipelines shall be installed by the applicant. [30 TAC § 290.46].

(5) It is prohibited to use solder or flux that contains more than 0.2% lead in private water distribution facilities installed on or after July 1, 1988. A minimum of one (1) lead test shall be performed for each inspection

(d) No water service connection shall be made to any establishment where a potential or actual contamination hazard exists unless the water supply is protected in accordance with TCEQ Rules and Regulations for Public Water Systems ("TCEQ Rules") and the provisions of this article. The district shall discontinue water service if a required backflow prevention assembly is not installed, maintained and tested in accordance with the TCEQ Rules and this article. The required assembly shall be installed at the customer's expense.

9.02 Backflow Prevention Assembly Installation; Testing and Maintenance.

(a) All backflow prevention assemblies shall be installed, tested, and certified to be operating within specifications by a backflow prevention assembly tester that has registered with the district. Backflow prevention assemblies which are installed to provide protection against health hazards must also be tested and certified to be operating within specifications at least annually by a registered backflow prevention assembly tester and at the expense of the customer. Customers shall pay the fee set forth in Section 7.26 to the Rate Order when a backflow prevention assembly inspection and test is performed by district personnel.

(b) All backflow prevention assemblies shall be installed and tested in accordance with the manufacturer's instructions, the AWWA's Recommended Practice for Backflow Prevention and Cross-Connection Control (Manual M14), current addition, or The University of Southern California Manual of Cross-Connection Control, current addition.

(c) Assemblies shall be repaired, overhauled or replaced at the expense of the customer whenever said assemblies are found to be defective. Original forms of the test, repairs and over-haul shall be kept and submitted to the district within five (5) working days of the test, repairs or overhaul of each backflow prevention assembly. These forms shall Include the test gauge's serial number and date of last certification.

(d) No backflow prevention assembly or device shall be removed from use, relocated, or other assembly or device substituted without the approval of the district. Whenever the existing assembly or device is moved from the present location or cannot be repaired, the backflow assembly or device shall be replaced with a backflow prevention assembly or device that complies with this section, the AWWA's Recommended Practice for Backflow Prevention and Cross-Connection Control (manual M14), current addition, University of Southern California Manual of Cross Connection Control, current addition, or the current plumbing policies and regulations of the district, whichever is more stringent.

(e) Test gauges used for backflow prevention assembly testing shall be calibrated at least annually in accordance with the AWWA's Recommended Practice for Backflow Prevention and Cross-Connection Control (Manual M14), current addition, or The University of Southern California's Manual of Cross-Connection Control, current addition. The original calibration form must be submitted to the district within five (5) working days after calibration.

(f) Registered backflow prevention assembly testers must hold a current endorsement from the TCEQ and have a valid certificate on file with the district.

APPENDIX A

CERTIFICATE OF CONVENIENCE AND NECESSITY NOS. 10192 AND 21056