ORDER ESTABLISHING WATER, WASTEWATER, SERVICE RATES, CHARGES AND TAP FEES, AND ADOPTING GENERAL POLICIES WITH RESPECT TO THE DISTRICT'S WATER, WASTEWATER AND DRAINAGE SYSTEMS

(Amended September 18, 2026)

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

WHEREAS, Travis County Municipal Utility District No. 18 (the "*District*") furnishes retail water, wastewater, solid waste and other facilities and services to its residents;

WHEREAS, pursuant to Section 49.212 Texas Water Code, the Board of Directors of the District is authorized to adopt and enforce all necessary rates, charges, fees and deposits for providing District facilities or services;

WHEREAS, the Board of Directors has previously adopted an Order establishing rates, fees, charges, deposits and policies for retail water and wastewater services;

WHEREAS, the Board of Directors of the District desires to amend certain rates, fees and charges for District services; and

WHEREAS, this Order shall be effective for services furnished by the District commencing the November 2026 service period (for which bills are sent to customers in December 2026);

IT IS, THEREFORE, ORDERED BY THE BOARD OF DIRECTORS OF TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 18 AS FOLLOWS:

I. General Policies.

A. Definitions. For purposes of this Order, the following terms shall have the meanings indicated:

(1) "Connection" shall mean and refer to each residential unit occupied by a separate family, including separate apartments located within a single building, and each business unit occupied by a separate business, including separate establishments within a single building.

(2) "District's representative" shall mean and refer to the operator of the District or another representative or employee of the District acting pursuant to the direction of the operator or the Board of Directors of the District.

(3) "Erosion Control Inspection" shall mean verification of proper silt fencing, inlet protection and trash contamination.

(4) "Living Unit Equivalent" or "LUE" shall mean one single family equivalent connection. The number of LUEs needed for a Connection shall be determined in accordance with

the methodology, calculations and procedures of the West Travis County Public Utility Agency or its successors ("WTCPUA") in effect at the time a connection is made.

(5) "Non-Residential Customer/Connection" means any customer that is not receiving service for a single-family residence or dwelling and is not included as a Multi-Unit Residential Facility.

(6) "Residential Customer" means a customer that desired or receives service for or to a single-family residence or dwelling.

(7) "Rules" shall mean and refer to such rules and regulations as the District may adopt pursuant to Section 54.205, Texas Water Code.

(8) "Systems" shall mean and refer to the water, wastewater and drainage systems located within the District.

B. All Services Required. Except as otherwise approved by the Board of Directors, no service shall be provided by and through the District's System unless the applicant agrees to receive both water and wastewater service from the District.

C. All Services Charged. At no time shall the District render water or wastewater service without charge to any person, firm, corporation, organization or entity.

D. Other Utilities. Prior to installing underground cables in the area of District water supply or wastewater collection lines, representatives of utility companies shall meet with the District's representative to file such companies construction plans and schedules and to review the engineering plans illustrating the location of the District's lines.

E. Review of Utility and Drainage Plans; Construction Inspection. Any person desiring to install or construct drainage or water quality facilities or water and wastewater facilities to be connected to the District System shall obtain the approval of the construction plans for such facilities by the District prior to construction. Prior to the District Engineer's review of the plans, the person requesting review shall make a deposit of $5,000 with the District to pay plan review and inspection costs. Should the estimated cost of such review exceed $5,000, the District Engineer and the person requesting review shall present the request for review of the plans to the Board of Directors for a determination of an adequate deposit. The cost of review of the plans and construction inspections shall be on a time and materials basis. Upon payment of invoices of the District Engineer from any deposit made under this Section, the person requesting review shall replenish the deposit equivalent to the original balance of the required deposit. The balance of the required deposit shall be returned to the party that made the deposit within thirty days after final completion of construction.

F. Review of Plans for Facilities to be Owned by District; Construction Inspection. Any person intending to transfer or sell any facilities to the District shall obtain the approval of construction plans for such facilities by the District prior to construction. Prior to the District Engineer's review of the plans, the person requesting review shall make a deposit of $5,000 with the District to pay plan review and inspection costs. Should the estimated cost of such review exceed $5,000, the District Engineer and the person requesting review shall present the request for

review of the plans to the Board of Directors for a determination of an adequate deposit. The cost of review of the plans and construction inspections shall be on a time and materials basis. Upon payment of invoices of the District Engineer from any deposit made under this Section, the person requesting review shall replenish the deposit equivalent to the original balance of the required deposit. The balance of the required deposit shall be returned to the party that made the deposit within thirty days after final completion of construction.

II. Connections to the District's Systems.

A. Applications for Connections.

(1) Any party desiring to make a connection to the District's Systems shall first make an application to the District's representative in the form approved by the Board of Directors of the District. The applicant shall, upon request, furnish the District's representative with evidence that the party who will actually install the tap and connecting line has comprehensive general liability insurance in the minimum amounts of $300,000 bodily injury and $500,000 property damage, with an underground rider and a completed operations rider.

(2) The District's representative shall review all applications for connections to the District's Systems. In the event that the District's representative finds that the materials to be used and the procedures and methods to be followed in laying the line and making the connection are equal to or better than the standards established by the Uniform Plumbing Code, 2009 Edition, and are in compliance with all terms and conditions of the Rules, the District's representative may approve the application and the proposed connection, subject to such terms or conditions as the District's representative deems necessary or convenient to accomplish the purpose and objectives of the Rules.

B. Payment of Fees.

(1) Any party desiring to make a connection to the System shall pay the appropriate water and/or wastewater impact fee, tap fee and inspection fee, if any, to the District's representative at the time the application for such connection is made. No connection shall be made until such fees are paid.

C. Fee Schedule.

(1) PUA Impact Fees. The District shall collect the PUA's water and wastewater impact fee for each new connection to the District System except when such fee is credited by the PUA. The amount of the impact fees shall be the amount of the impact fees charged by the PUA to the District under the District's wholesale water and wastewater service agreement with the PUA, and shall be paid at the time the application for a connection is made.

(2) Tap and Inspection Fees. The District's water tap fees shall be as follows:

Meter Size	Tap Fee
5/8"	$500.00
3/4"	$600.00
1"	$750.00

1-1/2"	$1,000.00
Over 1-1/2"	Cost of meter and installation plus 25%

Water tap installation involving excavation of the water main shall be performed by the District at cost plus 25% in addition to the above water tap fee.

The District's wastewater tap fees shall be as follows:

Meter Size	Tap Fee
5/8"	$500.00
3/4"	$600.00
1"	$750.00
1-1/2"	$1,000.00
Over 1-1/2"	Cost of meter and installation plus 25%

If more than one (1) inspection is required before a tap is approved by the District, the fee for each additional inspection shall be $75.00 for Commercial use and $50.00 for Residential use.

The owner of a water or sewer tap may transfer a purchased tap from one lot within the District to another lot within the District upon application to the District and shall be required to pay the following transfer fee:

Water Tap Transfer:	$25 Transfer Fee
Sewer Tap Transfer	$25 Transfer Fee

D. Inspection Fees.

(1) Plumbing Inspections. Plumbing inspections of new residential and commercial construction shall be conducted by the District. The District shall conduct a series of five inspections (rough-in, service lines, copper, top out and final). The fee for single family residences shall be $325 for the five inspections. Such fee shall be due at the time the water and wastewater tap fees are paid. In the event of a failure, an additional charge of $65.00 per additional inspection shall be charged. Irrigation system inspections shall be $65.00 per inspection. The District's inspection fee for commercial structures, including apartment complexes, will be determined by the District's representative based upon the size and scope of such project.

(2) Erosion Control Inspections. Before a tap will be issued to a builder and before the builder disturbs soil or begins construction, the builder must install the approved erosion control facilities on the lots to be disturbed pursuant to the District's Rules. In the event a builder proceeds to disturb the soil or to begin construction without approved erosion control facilities in place, the builder shall be fined an initial $500.00 fine which shall be deducted from the builder's deposit and backbilled to the builder to restore the builder's deposit to $3,000.00. If the builder fails to provide an erosion control plan to the District's operator within five (5) business days after being notified in writing of the violation, the builder shall be assessed a $250.00 per day fine until the plan is filed. Once the plan is approved, the builder shall have five (5) business days to install the approved erosion control facilities. In the event the builder fails to install such erosion control facilities within five (5) business days, builder shall be assessed a $250.00 per day fine until the

erosion control facilities are in place. Once installation has occurred, the builder shall call the District's operator for an inspection. The District operator may require a 24-hour notification prior to such inspection. Inspections requested Monday through Thursday will be performed the following day, excluding holidays. Inspections requested on Friday will be performed the next Monday, excluding holidays. The first inspection shall be performed at no additional charge to the builder. In the event the erosion controls are not installed in accordance with the plan approved, the inspection will be deemed to have failed and a reinspection after correction of the deficiencies shall be required. The fee for each reinspection shall be $50.00. The fee for reinspection shall be deducted from the builder's deposit and backbilled to the builder to restore the builder deposit to $3,000.00. The installation must comply with the approved plan as determined by the District's operator. In the event any erosion control devices need repair or replacement during the construction on any lot, the District operator will notify the builder of the current deficiencies which must be repaired within 48 hours. If not repaired within 48 hours, the builder shall be fined an initial $500.00 and $250.00 per day thereafter until corrected, which fines shall be deducted from the builder deposit and backbilled to the builder to restore its builder deposit to $1,000.00 and to pay any fine amounts above the existing builder deposit.

(3) Cross Connection Inspections. A $75.00 fee shall be charged to a customer who constructs additional plumbing improvements to the existing plumbing. The District's representative shall perform a cross connection inspection at the time of construction of such additional plumbing improvements.

(4) Security Deposit - Customer. A security deposit of $300.00 per equivalent residential connection shall be paid to the District's representative by each customer. Security deposits shall not be transferable and shall be held by the District to assure the prompt payment of all bills for water and wastewater services to the customer. Following twelve (12) months of prompt payment, when due, of the District's utility bills, a customer who owns and occupies a residence within the District shall, upon written request to the District's representative, be entitled to a refund of its security deposit; provided however, that the District may require the customer to replace the security deposit in the event the customer thereafter makes late payments for two (2) or more consecutive months. At its option, the District may apply all or any part of a customer's security deposit against any delinquent bill of the customer. Upon discontinuation of service the deposit shall be applied against amounts due, including any disconnection fees, whether because of the customer's delinquency or upon the customer's request. Any portion of the deposit remaining after deduction of such amounts shall be refunded to the customer. In no event shall the security deposit bear interest for the benefit of the customer.

(5) Security Deposit - Builder. The builder shall make a one-time $3,000.00 deposit covering all houses he is building or intends to build within the District. The District's representative shall carefully monitor the building of all houses covered by such $3,000.00 deposit to make sure that the water and wastewater service connection at each such house has been inspected and approved prior to its being covered. In any instance in which this procedure is not followed, the District's Representative shall require the builder to uncover the water or wastewater service connection so that it may be inspected. Any cost to the District for additional inspections or other work resulting from a violation of this requirement shall be deducted from the $3,000.00 security deposit and the builder shall be billed for such amount as necessary to fully restore the $3,000.00. The District's Representative will not approve a water tap for any such builder until such builder's security deposit has been reestablished at the full $3,000.00 amount. A connection

permit will be granted after inspection confirms that all requirements of these Rules and Regulations have been met. The $3,000.00 security deposit will be refunded when the builder finishes his building program within the District. In no event shall the security deposit bear interest for the benefit of the builder.

(6) Non-Domestic Waste Permitting Fees. An applicant which intends to dispose of Non-Domestic Waste into the District's System shall pay an application fee of $250.00. Each customer who is issued a permit for disposal of Non-Domestic Waste shall pay to the District on or before January 31 of each year a permit fee of $500.00. The issuance of any such permit is subject to confirmation from the WTCPUA that the introduction of such waste into the WTPUA's wastewater system is not prohibited and subject to approval by the Board of Directors of the District.

D. Additional Charges. Any non-routine charges incurred by the District in connection with any water or wastewater tap and/or inspection shall be the responsibility of the applicant for such connection and shall be payable to the District upon demand.

E. Grinder Pumps/Lift Stations. All private lift stations or grinder pumps required for wastewater service to an individual customer shall be installed by the customer's plumber at the customer's expense. The District's representative shall inspect the facilities for compliance with the District's requirements. Any pressurized sewer lines or other sewer lines located within the customer's house or on the customer's property up to and including the check valve at the street shall not be a part of the grinder pump system and is part of the home plumbing. Such sewer lines shall not be maintained by the District and shall be the sole responsibility of the customer for design, installation, maintenance and operation. The customer shall pay a $65.00 inspection fee. In the event an additional inspection is required, an additional $65.00 fee shall be charged. The costs of subsequent operation, maintenance, repair and replacement of the facilities shall be at the customer's expense. Such maintenance, repair and replacement of the facilities shall be conducted by the District's representative as required by the TCEQ. Continuation of water and wastewater service shall be conditioned upon the customer's payment of such costs when incurred. The customer and the District shall enter into an agreement prior to initiation of utility service by the District that sets forth these requirements, including access by the District's representative to the facilities.

F. Service Commitment Charge. The District contracts with the Lower Colorado River Authority ("LCRA") for a fixed supply of raw water and with the West Travis County Public Utility Agency ("PUA") for a fixed quantity of wholesale water services and wholesale wastewater services. Under the District's contracts with such governmental entities, the District is required to provide payment for the reservation of a water supply from LCRA and to reserve capacity in the PUA waterworks and wastewater systems regardless of the actual amount of water or wastewater services received by the District. Such reservation payments are necessary in order for the District to provide water and wastewater services to its retail customers. In order for the District to recover a pro rata portion of its fixed costs associated with reserving a raw water supply and wholesale water and wastewater service capacity, the Board of Directors of the District establishes a "Water Service Commitment Charge" and "Wastewater Service Commitment Charge" which charges do not exceed the District's actual costs for which the charges are levied, to be applicable to any person or entity that requests and receives a water and sewer retail service commitments from the District after the date of adoption hereof.

(i) The Water Service Commitment Charge shall be calculated quarterly, and shall be equal to the product of multiplying $35.70 times the number of connections (expressed in LUEs) for which a service commitment has been issued by the District and for which water impact fees have not been received or credited by the District as of the date of issuance of the quarterly billing invoice. The first Water Service Commitment Charge shall be prorated for the period between the date of issuance of the service commitment and the end of the quarterly billing period.

(ii) The Wastewater Service Commitment Charge shall be calculated quarterly, and shall be equal to the product of multiplying $58.50 times the number of connections (expressed in LUEs) for which a service commitment has been issued by the District and for which wastewater impact fees have not been received or credited by the District as of the date of issuance of the quarterly billing invoice. The first Wastewater Service Commitment Charge shall be prorated for the period between the date of issuance of the service commitment and the end of the quarterly billing period.

(iii) By way of example, if a developer of property requests a service commitment for 100 LUEs of residential water and sewer service, then the recipient of the service commitment shall be required to pay sum equal to $3,570 Water Service Commitment Charge and $5,850 Wastewater Service Commitment Charge per quarter. After the District receives payment of, or credits payment of, water and/or wastewater impact fees for any of the committed LUEs, the Service Commitment Charges shall be reduced the next subsequent quarterly billing period to reflect the number of remaining LUEs committed but not yet served.

(iv) In the event any recipient of a service commitment fails or refuses to provide timely payment of the Water Service Commitment Charge or Wastewater Service Commitment Charge in full, then the service commitment shall become null and void, and the District may refuse to thereafter approve any new connections within the real property for which the service commitment was issued until the outstanding Service Commitment Charge is paid in full or alternative capacity is acquired by the applicant for service.

(v) The District may redistribute the service capacity for which commitment charges are not paid to other real property in the District in the District's sole and absolute discretion.

(vi) Any recipient of a service commitment may cancel the service commitment, and thereby terminate its obligation to pay the Water Service Commitment Charge or Wastewater Service Commitment Charge, by providing not less than 120 days prior written notice of termination to the District.

III. <u>Water and Wastewater Services</u>.

A. Applications for Service. Any party desiring to receive service from the District's water and/or wastewater system shall make an application for such service to the District's representative in the form approved by the Board of Directors of the District. All applications shall be made by the resident or owner of the property for which service is being requested. Proof of ownership or occupancy shall be furnished to the District's representative upon request.

B. Water and Wastewater Retail Service Rates. The following rates and charges for the sale of water and wastewater shall be in effect for residential customers, including multi-family and apartment, and commercial customers within the District from the effective date of this Order.

(1) Monthly Retail Water Rates Residential.

Basic Charge:

5/8" meter	$43.18
3/4" meter	$60.61
1" meter	$95.43
1-1/2" meter	$182.44
2" meter	$286.66

Gallonage Rate per 1,000:

0-10,000	$6.33
10,001-20,000	$7.70
20,001-25,000	$9.90
25,001-50,000	$11.83
Over 50,000 gallons	$14.56

(2) Monthly Retail Water Rates – Non-Residential

Basic Charge:

5/8" meter	$43.18
3/4" meter	$60.61
1" meter	$95.43
1-1/2" meter	$182.44
2" meter	$286.66
Over 2" meter	Based on AWWA meter equivalency

Gallonage Rate per 1,000:

0-30,000	$6.33
30,001 – 50,000	$8.25
Over 50,000 gallons	$9.35

(3) Fire Hydrant Meter Fees. Sale of water on a temporary basis from fire hydrants within the District shall be applied for to the District's representative. There shall be charged and collected for each fire hydrant meter a fire hydrant meter fee in the amount of $75.00

per month or any part of a month plus the in-District gallonage rate per 1,000 gallons usage. A security deposit shall be paid to the District's representative at the time application is paid for a fire hydrant meter in the amount of $1500.00. Such security deposit shall be refunded to the applicant at the time the meter is returned in good working order less any amounts due for damage to the meter. Withdrawal of water from flushing values or fire hydrants or other appurtenances of the District's system without prior approval of the District, except for emergency firefighting purposes, is prohibited.

(4) Monthly Retail Wastewater Rates.

(a) General Provisions.

i. Bills for sewer service shall be computed: (i) on the basis of the average amount of water used by the customer during the winter season based upon the average of the monthly readings of the customer's water meter for the preceding December, January and February; or (ii) on the basis of the customer's current monthly water bill, whichever is less; provided, however, any customer who did not have an approved wastewater connection during the prior winter averaging period, shall not be entitled to use the winter averaging method and shall be billed on the basis of: (i) the customer's current monthly water usage; or (ii) on the basis of 10,000 gallons of water usage per month, whichever is less.

ii. If a residential customer does not have an acceptable history of water usage during the preceding December, January and February, the customer's monthly sewer bill shall be calculated based upon: (i) the customer's current monthly water usage; or (ii) on the basis of 10,000 gallons water usage per month, whichever is less.

iii. If a nonresidential customer does not have an acceptable history of water usage during the preceding December, January and February, the customer's monthly sewer bill shall: (i) be calculated based upon the customer's current monthly water usage; or (ii) be calculated by measuring sewage of volume, on a basis acceptable to the District, at the expense of the customer, and correlating such volume to the schedule set forth below.

(b) Basic Residential Charge

Unit Type	Monthly Charge
Residential (excluding Multi-unit Residential)	$74.36
Non-residential (Per LUE)	$88.66
Multi-unit Residential (Per LUE)	$82.94

Residential Gallonage Rate per 1,000:	$9.62
Non-residential Gallonage Rate per 1,000:	$10.76
Multi-unit Residential Gallonage Rate per 1,000	$10.76

(5) Regulatory Assessments. The District shall charge each customer any regulatory assessment required by the TCEQ.

C. Prohibited Discharges. Only domestic wastewater may be discharged into the District's wastewater system. In the event the District determines that there has been a prohibited discharge under this Rate Order, the District shall assess costs to the violator for the reasonable expenses of the District to locate the source of the violation, any testing of the waste associated with such violation, and for any damage to the District's sanitary sewer system.

IV. Delinquent Accounts.

A. The District shall bill each customer monthly for all services rendered in the preceding month, in substantial compliance with the procedures established by the District from time to time. All bills shall be due when rendered and shall become delinquent if not paid by the date specified in the bill.

B. A late charge of ten percent (10%) of the amount of the bill shall be added for each monthly billing date the delinquent amount remains unpaid. If a bill remains delinquent for thirty (30) days, or is paid with a check which is dishonored, water service shall be discontinued in accordance with this paragraph. Prior to termination, the customer shall be notified of the amount due by letter sent by First Class, U.S. Mail. The notice shall state the date upon which water service shall be terminated, which date shall be not less than five (5) days from the date such notice is sent. Such notice shall state the time and place at which the account may be paid and that any errors in the bill may be corrected by contacting the District's representative, whose telephone number shall also be given in such notice. Provided, however, that in the event the customer contacts the District's representative within such five (5) day period, the District's representative may, at its opinion, allow the customer to make arrangements to pay the delinquent amount in installments to be approved by the District's representative.

C. Any determination by the District's representative or the District's engineer or authorized agent of the District or any dispute regarding the terms and provisions of this Order may be appealed to the Board of Directors of the District which shall conduct a hearing on the matter. The District's representative and/or attorney shall provide customer with information regarding appeals and hearing procedures upon customer's request.

D. The District reserves the right to institute suit for the collection of any amounts due and unpaid, together with interest thereon at the maximum legal rate and reasonable attorneys' fees.

E. The District further reserves the right to charge a customer paying a bill with a check which is dishonored an amount established from time to time by the District's Representative, which amount shall be based on the prevailing or usual charges made for dishonored checks and drafts by other vendors in the same general area as the District.

V. Discontinuation of Service.

Charge for Reconnection. In the event of any discontinuation of service, whether because of customer's delinquency or upon a customer's request, the District shall charge the following charge per connection prior to reconnecting such customers:

Water System

when meter removed	$150.00
when meter not removed	$ 50.00
after hours (5pm or later)	$75.00
weekend and holiday	$100.00

Wastewater System
2 x the actual cost

VI. Transfer of Service.

In the event service at an address is transferred from one customer name to another customer name there shall be assessed the following charge:

Transfer fee: $30.00

VII. The Secretary of the Board is hereby directed to file a copy of this Order in the principal office of the District. The Board further directs that the Rate and Fee Schedule set forth in the District's Rules Governing Water and Wastewater Service be updated to reflect the rates and charges approved herein.

PASSED AND APPROVED this **18th** day of **September**, 2026.

By: Richard Newhouse

Name: **Richard Newhouse**

Title: **President**

ATTEST:

By:

Name: John Gach

Title: Secretary