

THE COLONY MUNICIPAL UTILITY DISTRICT NO. 1B

AMENDED AND RESTATED ORDER ESTABLISHING RATES AND CHARGES AND ADOPTING RULES AND POLICIES REGARDING THE DISTRICT'S UTILITY SYSTEMS

(Effective February 20, 2026)

Under Section 49.212, Texas Water Code, the Board of Directors (the “Board”) of The Colony Municipal Utility District No. 1B (the “District”) is authorized to adopt and enforce all necessary charges, fees, or rentals for providing District facilities or services.

Under Section 54.205, Texas Water Code, the Board is authorized to adopt and enforce reasonable rules and regulations to: (i) secure and maintain safe, sanitary, and adequate plumbing facilities as part of its sewer system; (ii) to preserve the sanitary condition of all water controlled by the District; (iii) prevent waste or the unauthorized use of water; or (iv) to regulate privileges on any land or easement controlled by the District; and (v) provide and regulate a safe and adequate freshwater distribution system.

IT IS, THEREFORE, ORDERED BY THE BOARD AS FOLLOWS:

I. General Policies.

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

1. “Aqua Contract” means the Amended and Restated Large Volume Service – To Area Outside Aqua’s CCN No. 10294 Water Supply Agreement dated effective July 1, 2009 between Forestar (USA) Real Estate Group Inc., successor by merger to Sabine Investment Company, Aqua Water Supply Corporation, and The Colony Municipal Utility District No. 1A, as amended and assigned.

2. “Backflow Prevention Device” means an assembly or device that is designed to prevent backflow of water into the District’s system and meets the testing standards accepted by the American Water Works Association or the University of Southern California Foundation for Cross Connection Control and Hydraulic Research.

3. “Board” has the meaning ascribed thereto in the recitals.

4. “Capacity Charges” means the Water Capacity Charge and the Wastewater Capacity Charge.

5. “Commission” or “TCEQ” means the Texas Commission on Environmental Quality, or its successor agency.

6. “Connection” means 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.

7. “Delinquency Date” has the meaning ascribed thereto in Article X.D.

8. “District” has the meaning ascribed thereto in the recitals.

9. “*District’s representative*” means the general manager of the District or another representative or employee of the District acting under the direction of the Board or the general manager.

10. “*District Drainage System*” means the District’s drainage and water quality facilities.

11. “*District’s Systems*” means the District’s Water System, the District’s Wastewater System, and the District’s Drainage System.

12. “*District’s Wastewater System*” means the District’s wastewater collection, treatment, and disposal system.

13. “*District’s Water System*” means the District’s water treatment and distribution system.

14. “*Due Date*” has the meaning ascribed thereto in Article X.D.

15. “*Fee Unit Equivalent*” or “*FUE*” means one residential dwelling unit or, in the case of a commercial customer, its equivalent under the following schedule:

<u>Water Meter Size</u>	<u>Fee Unit Equivalent</u>
5/8” simple	1
3/4” simple	1
1” simple	1
1 1/2” simple	4.75
2” simple	7.5
2” compound	7.5
2” turbine	9.25
3” compound	14
3” turbine	21
4” compound	23.75
4” turbine	42.5
6” compound	48.75
6” turbine	118.5
8” compound	132.5
8” turbine	190

16. “*Grinder Pump*” means an on-site component that receives raw wastewater from a private wastewater service line, grinds the solids present in the raw wastewater to a slurry, and provides the motive force for transporting the raw wastewater to the terminus of the collection system. A Grinder Pump that is installed in a wet well constructed as a part of the District’s Wastewater System, located in a District easement adjacent to the street, is a “*District Grinder Pump*”. A District Grinder Pump that includes two wet wells and two pumps is a “*Duplex Grinder Pump*”. Any additional Grinder Pump that is installed as a part of a homeowner’s internal plumbing due to specific lot topography or home design is a “*Homeowner Grinder Pump*”. Any Grinder Pump that serves a commercial project that includes a restaurant or other use that generates Wastewater other than normal, domestic wastewater is a “*Commercial Grinder Pump*”.

17. “*Inadmissible Waste*” has the meaning ascribed thereto in Article VI.A.5.

18. “Industrial Waste” means waterborne liquid, gaseous, or solid substances that result from any process of industry, manufacturing, trade, or business, as described in the Wastewater Contract.

19. “List of Inadmissible Wastes” has the meaning ascribed thereto in Article VI.A.5.

20. “LUE” means with respect to both water and wastewater capacity, the amount of capacity necessary to serve (i) one single-family living unit; (ii) two multifamily living units (*i.e.*, one multifamily living unit is equal to 0.5 LUE); and (iii) in the case of a commercial property, its equivalent under the following schedule:

<u>Water Meter Size</u>	<u>Living Unit Equivalent</u>
5/8” simple	1
3/4” simple	1
1” simple	1
1 1/2” simple	4.75
2” simple	7.5
2” compound	7.5
2” turbine	9.25
3” compound	14
3” turbine	21
4” compound	23.75
4” turbine	42.5
6” compound	48.75
6” turbine	118.5
8” compound	132.5
8” turbine	190

21. “Non-Domestic Waste” means any wastewater or discharge other than ordinary domestic wastewater.

22. “Recognized Tester” has the meaning ascribed thereto in Article XIV.H.2.

23. “Rules” means all rules and regulations adopted by the District under Section 54.205 of the Texas Water Code or other applicable law, including those set forth in this Order.

24. “Uniform Plumbing Code” means the Uniform Plumbing Code, published and as amended from time to time by the International Association of Plumbing and Mechanical Officials, together with any local amendments thereto adopted by the City of Bastrop, Texas.

25. “Wastewater Capacity Charge” means the one-time fee for reservation of LUEs of wastewater capacity required to be collected by the District under the Wastewater Contract.

26. “Water Capacity Charge” means the one-time fee for reservation of LUEs of water capacity required to be collected by the District under the Aqua Contract.

27. “Wastewater Contract” means the Wastewater Treatment Facility Construction and Services Agreement Between Lower Colorado River Authority and Forestar (USA) Real Estate Group Inc., successor by merger to Sabine Investment

Company dated effective September 21, 2004, as modified and affected by the Agreement Regarding Transfer and Renewal of Discharge Permit and Lease of Treatment Plant and Treatment Plant Site to Serve The Colony Municipal Utility Districts No. 1A Through 1G dated effective as of July 14, 2008 between The Colony Municipal Utility District No. 1A and Forestar (USA) Real Estate Group Inc., and the Assignment, Release and Permit Transfer and Renewal Agreement dated effective as of August 20, 2008 among the Lower Colorado River Authority, Forestar (USA) Real Estate Group Inc., and The Colony Municipal Utility District No. 1A, all as amended and assigned.

28. “Winter-averaging period” has the meaning ascribed thereto in Article IV.C.1.

B. All Services Required. Except as otherwise expressly authorized by the Board, no service may be provided through the Systems unless the applicant agrees to take both water and wastewater service; however, this will not apply to temporary water connections authorized by this Order or to irrigation meters purchased solely for the purpose of irrigating with treated water. Separate irrigation meters are not available for residential customers

C. All Services Charged. At no time will the District render services without charge to any person, firm, corporation, organization, or entity.

D. Damage to District Facilities by Third Parties. Before installing underground cables or other facilities or excavating in the area of the District’s Systems, representatives of developers, contractors and/or utility companies are required to meet with the District’s representative to file their construction plans and schedules and to review the engineering plans illustrating the location of the District’s facilities. The developer, contractor and/or utility company must determine the location of all utilities and facilities in the work area and will be responsible for the immediate repair of any damage to the utilities, services, and facilities that may result from their work and all costs and expenses incurred by the District as a result of such damage. The utilities, facilities, and services to which this provision applies include, but are not limited to, street lights, electric lines, boxes and transformers, natural gas facilities, television cable facilities, water lines, wastewater lines, telephone facilities, curbs and concrete flat work, and irrigation systems.

E. Service Calls. If a customer requests that the District’s operator make a service call to the customer’s residence to investigate a leak, sewer back-up, or operational issue that, after investigation, is determined to be the customer’s responsibility, the customer will be responsible for any costs incurred by the District in connection with the service call. The District may add the amount of any such costs to the customer’s utility bill, or the District may deduct the amount of such costs from the customer’s security deposit or any other amounts held by the District and may further require that the customer replenish the deposit by an equivalent amount.

II. Connections to the District’s Systems; Construction of District’s Systems.

A. Applications for Connections and Service Initiation.

1. Any party desiring to make a connection to the District’s Systems must submit an application to the District’s representative in the form approved by the Board. The applicant must, 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 will review all applications for connections to the District's Systems. If the District's representative finds that the material 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 and are in compliance with all terms and conditions of this Order, 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 this Order.

3. Any party desiring to receive service from the District's Systems must make an application for service to the District's representative in the form approved by the Board. All applications must be made by the resident, occupant, or owner of the property for which service is being requested. Proof of ownership must be furnished to the District's representative upon request. If the District's representative believes that an applicant is applying for service at a service address where the current customer is in arrears primarily to allow the current customer to avoid payment of a past due invoice, the District may deny the application for service.

4. Before receiving service from the District, an applicant for water service must provide a Customer Service Inspection Certificate to the District as set forth in Article XIV.

B. Construction of Connecting Facilities.

1. Before any connecting line or lines and any connections to the District's Systems are covered or enclosed with dirt or any other material, the District's representative must inspect the construction to confirm that the lines and connection have been properly installed in accordance with the requirements of this Order, the connection permit, and the Uniform Plumbing Code. The District's representative will also confirm whether the bedding materials used or to be used to cover or enclose the connecting line and connections are suitable under the standards required by this Order, the connection permit and the Uniform Plumbing Code. The person to whom the connection permit is issued is responsible for covering or enclosing the connecting line and connections with proper materials as authorized and approved by the District's representative.

2. The person making a tap or installing a service line must backfill any cuts made in paved streets. The cuts must be filled with sand, road base, and cement materials compacted to standard acceptable densities as established by the District's representative and covered with paving material in a manner acceptable to the District.

3. All water and wastewater connection lines and materials, except water meters, will be furnished by the party installing the lines and making the connections. Water meters will be required for all water connections and will be furnished by the District upon payment of all applicable fees and charges and will remain the property of the District.

C. Grinder Pumps. All Grinder Pumps required for wastewater service to an individual customer must be obtained from and installed by the District's contractor at the customer's expense. The District's engineer must approve the plans for any such facility prior to the time construction is initiated, and the customer who will be served by the facilities must enter into an Agreement Concerning District Grinder Pump System in the form attached as Exhibit A with the District prior to initiation of utility service.

D. Scheduling Meter and Grinder Pump Installation; Risk of Loss. An applicant must schedule any new water and wastewater utility connections by notifying the District and paying all required District fees a minimum of 15 business days before the date the connection is desired to be made. An applicant must schedule its water meter installation with the District a minimum of 15 business days in advance of the date the installation is required. Installation of District Grinder Pumps must be scheduled through the District a minimum of 15 business days in advance of the date the installation is required. The District will not assume the risk of loss of any District Grinder Pump or meter until such time as the residence or commercial property at which the District Grinder Pump and/or meter has been installed is occupied by a customer. If a builder elects to have a District Grinder Pump or meter installed prior to the occupancy of the residence or commercial building on a property, the builder will remain liable for any damage to or loss of the District Grinder Pump and/or meter, and will be required to pay for any necessary repair or replacement of either the District Grinder Pump or meter until such time as the residence or commercial building is occupied.

E. Separate Irrigation Meter Required. A separate, dedicated irrigation meter is required for any irrigation system receiving water from the District's Systems. Irrigation meters are not available for residential customers.

F. Payment of Fees. Any party desiring to make a connection to the District's Systems must pay all applicable fees required by this Order and the Rules to the District's representative at the time the application for such connection is made. No connection may be made until all fees for the requested connection and any outstanding fees relating to any prior connections by the applicant are paid. In addition, any non-routine charges incurred by the District in connection with any water or wastewater tap and/or inspection will be the responsibility of the applicant for such connection and will be payable to the District upon demand. ***Any applicant which has any outstanding fees due to the District will not be permitted to make any additional connections until all outstanding fees are paid.*** Except as otherwise expressly provided in this Order, all fees and charges are non-refundable.

G. Manhole Coating Required. The interior surface of all wastewater manholes to be constructed as part of the District's Systems must be coated in accordance with the City of Austin's Standard Specifications Item No. 506, as amended or superseded from time to time, and must be included as a separate line item in the contract documents for the applicable construction project.

H. Permanent Fire Line Connections. Permanent connections to the District's water system to provide water for facilities specifically designed for fire-protection of particular buildings in the District, such as looped fire lines ("Fire Line Connections"), may be made under the same procedures and requirements applicable to regular water connections. Rates and charges applicable to Fire Line Connections will be established by the Board at the time of application. The District may, at its discretion, require a meter for a Fire Line Connection. A Fire Line Connection must have a Backflow Prevention Device with a detector meter assembly installed at the point of connection to the District's Systems. In the absence of a fire hydrant meter, the amount of water used through a Fire Line Connection for any purpose, including fire-fighting, will be determined by the District's representative on the basis of information and data reasonably available and billed to the customer. In the absence of fraud, capriciousness, or grossly arbitrary action, the determination of the District's representative will be final.

III. Fee Schedule.

A. Service Initiation and Online Customer Account Profile Fee. A party desiring to receive service from the District's Systems must pay a **\$35** application fee to initiate service and

to establish an online customer account profile with the District's online billing system. This fee will be assessed on the invoice for the month in which the customer applies for service.

B. System Usage and Drainage Fee. The District's system usage and drainage fee is **\$400** per LUE. Each customer connecting to the District's Systems must pay the applicable system usage and drainage fee required by this Order. No connection may be made until this fee is paid.

C. Capacity Charges. All Capacity Charges must be paid prior to a customer's initial connection to the District's Systems. No tap will be issued until the required Capacity Charges for the connection or connections in question are paid. The District may require that these fees be paid by the developer at the time of approval of each subdivision plat or guaranteed by the developer through the deposit of a bond, guaranty, or other fiscal assurance acceptable to the Board. The Capacity Charges are as follows:

1. Water Capacity Charge: **\$6,570** per LUE
2. Wastewater Capacity Charge: **\$8,134** per LUE

D. Tap and Grinder Pump Installation and Inspection Fee Schedule.

1. The District's wastewater tap fees (including one inspection) are as follows:

<u>Meter Size</u>	<u>Tap Fee</u>
5/8" to 3/4"	\$400
1"	\$750
1 1/2"	\$1,000
Larger than 1 1/2"	To be determined based upon installation, three times cost.

In addition to the foregoing fees, a party requesting a wastewater connection will be responsible for the cost of any excavation work or connecting facilities performed or provided by the District.

2. The District's water tap fees (including one inspection) are as follows:

<u>Meter Size</u>	<u>Tap Fee</u>
Meter Charge	Cost of meter
5/8" to 3/4"	\$400
1"	\$750
1 1/2"	\$1,000
Larger than 1 1/2"	To be determined based upon installation, three times cost.

In addition to the foregoing fees, a party requesting a water connection will be responsible for the cost of any excavation work or connecting facilities performed or provided by the District.

3. Water and Wastewater Tap Re-Inspection Fees. If more than one inspection is required before a tap is approved by the District, the fee for each additional inspection will be **\$75** for commercial connections and **\$50** for residential connections.

4. Grinder Pump Installation Fees. The charge for each individual District Grinder Pump, including installation of the District Grinder Pump and control panel and up to 100 feet of electrical wiring from the control panel to the Grinder Pump, and one inspection, will be **\$3,200**. The charge for each Duplex Grinder Pump, including installation of the Duplex Grinder Pump and control panel, electrical wiring from the control panel to the Duplex Grinder Pump, and one inspection will be determined by the District's representative at the time of application. If a customer or builder calls for an inspection, and the inspection fails or the customer or builder is not ready for the inspection, the customer or builder will be charged a reinspection fee of **\$275**, regardless of whether or not an inspection is performed. If any Grinder Pump wet well is required to be pumped out before it can be inspected, the builder or customer will be required to pay all costs incurred for the pumping. Any reinspection fee and pumping charge will be required to be paid before any additional inspections will be scheduled.

5. Grinder Pump Inspection Fees. The fee for the first inspection of each wet well constructed for a Grinder Pump and the tie-in to the wet well is **\$50**. The fee for any additional inspections is **\$50** for each inspection, which must be paid to the District's representative at the time the inspection is requested.

E. Plumbing Inspections Fees. The fees for plumbing inspections will be as follows:

1.	<u>Single-family residential inspections:</u>	\$400
2.	<u>Other:</u>	To be determined by the District's representative based upon the size and scope of the project
3.	<u>Irrigation:</u>	\$80

The applicable inspection fees will be paid at the time of purchase of the water and wastewater tap for the new construction. If an inspection is failed, a fee of **\$65** will be assessed for each re-inspection that is required. If the property is not accessible for inspection at the time an inspection is scheduled, the inspection will be deemed to have been failed and a re-inspection fee will be assessed.

F. Cross Connection Inspection Fees. If any existing customer constructs additional plumbing improvements, a cross-connection inspection will be required. The fee for each cross-connection inspection will be **\$75**.

G. Charges for Reconnection of Service. In the event of any discontinuation of service, whether because of customer's delinquency or upon a customer's request, the customer will be required to pay all past-due amounts, plus the applicable reconnect fee, prior to service being reconnected. A reconnect fee will be charged if the customer is given notice of disconnection and all past-due amounts are not paid by the time and date specified on the notice of disconnection, regardless of whether or not service has been physically disconnected. Service will be reconnected on the same day if payment is made prior to 2:00 p.m. If payment is tendered after 2:00 p.m., the customer will be required to pay the after-hours reconnect fee in order to obtain same-day reconnection of service. The following fees will apply:

1.	<u>Water System</u>	
a.	When meter not removed	\$75
b.	After-hours reconnect fee (when reconnection is made after 5:00 p.m. on a weekday or when request is made after 2:00 p.m.)	\$75
c.	Weekend and holiday reconnect fee (when reconnection is made on a holiday or weekend)	\$150
d.	When meter removed	\$100
2.	<u>Wastewater System</u>	Two times the cost to the District.

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

IV. Water and Wastewater Rates.

A. Monthly Water Rates.

1.	<u>Base Customer Charge:</u>	\$37.10 per FUE
2.	<u>Water Commodity Charge:</u>	
a.	Standard Service (per 1,000 gallons) (includes Lost Pines Groundwater Conservation District production fee of \$0.12)	
	<u>Meter Size</u>	<u>1-10,000 Gallons</u>
	1" & under	\$6.10
		<u>10,001-20,000 Gallons</u>
		\$7.25
		<u>+20,001 Gallons</u>
		\$8.50
b.	Large Volume Service/Fire hydrant meters	
	<u>Meter Size</u>	<u>Per 1,000 Gallons</u>
	Over 1"	\$7.25

B. Monthly Wastewater Rates.

1.	<u>Base Customer Charge:</u> (includes 2,000 gallons of usage)	\$23.00 per FUE
2.	<u>Wastewater Commodity Charge:</u> (gallonage charge for all usage over 2,000/month)	
a.	In-District Customers:	\$3.35 per 1,000 gallons
b.	Out-of District Customers:	\$4.20 per 1,000 gallons

3. Additional Charges and Fees for Out-of District Customers.

a. Out-of District Connection Charges. Prior to the completion of construction of any wastewater line or lines proposed to connect any property to out-of-district wastewater service, the owner of the property must pay its pro rata share of the capital costs for wastewater service to that property, including costs associated with any trunk lines, lift stations, force mains, and joint or shared facilities and any applicable rates, fees, and charges arising under the Wastewater Contract, as determined by the District's engineer in accordance with the conversion criteria set forth on **Exhibit B**, as applicable.

b. Pump and Haul Pass-Through Cost: Each out-of-District wastewater customer must also pay its pro rata share of the actual costs for pump and haul wastewater service incurred by the District, if any.

C. Calculation of Wastewater Charges.

1. Bills for residential wastewater service will be computed: (a) 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, February, and March (excluding the month with the highest usage) unless another winter-averaging period is established by the Board (the "winter-averaging period"); or (b) on the basis of the customer's current monthly water bill, whichever is less; however, any customer who did not have an approved wastewater connection during the prior winter averaging period will not be entitled to use the winter-averaging method and will be billed on the basis of the lesser of: (i) the customer's current monthly water usage; or (ii) 8,000 gallons of water usage per FUE per month.

2. Bills for non-residential wastewater service, including wastewater service to an apartment complex, will be computed on the basis of the lesser of: (a) the average of the monthly readings of the customer's water meter during the winter-averaging period, or (b) the customer's current monthly water bill; however, if a nonresidential customer did not have an approved wastewater connection during the prior winter averaging period, the customer's monthly wastewater charges will, at the District's option, be calculated: (i) based upon the customer's current monthly water usage; or (ii) by measuring actual sewage volume, on a basis acceptable to the District, at the expense of the customer.

3. No wastewater charges will be assessed for water utilized through a dedicated irrigation meter or temporary water connection approved by the District.

D. Regulatory Assessments. A regulatory assessment of 1/2% of retail water and sewer charges will be added to each customer's monthly billing. These assessments are remitted by the District to the Commission and used by the Commission in performing its regulatory duties and in providing technical assistance and training to utilities.

V. Security Deposits.

A. Customer. Each customer must pay a security deposit of **\$100** per FUE to the District's representative prior to initiation of service to the customer. Security deposits will not be transferable and will be held by the District to assure the prompt payment of all bills for services to the customer. 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, whether because of the customer's delinquency or upon the customer's request, the deposit will be applied

against any amounts due to the District, including any disconnection fees or other charges. Any portion of the deposit remaining after deduction of amounts due to the District will be refunded to the customer. In no event will any security deposit bear interest for the benefit of the customer.

B. Builder. Each builder must make a one-time **\$1,000** deposit covering all houses the builder is building or intends to build within the District. The District's representative will carefully monitor the status of construction to ensure that the water and wastewater service connection at each house is inspected and approved prior to its being covered. If this procedure is not followed, the District's representative may require the builder to uncover the service connection so that it may be inspected. Any cost to the District for additional inspections, work resulting from a builder's covering a connection prior to inspection, damages caused by the builder or its employers or contractors, or other costs incurred by the District which are attributable to the builder will be deducted from the security deposit and the builder will be billed any amount necessary to fully restore the original deposit amount. The District's representative will not approve any additional connections for a builder until the builder's security deposit has been established or reestablished at the full amount. The security deposit will be refunded when the builder completes its building program within the District. In no event will any security deposit bear interest for the benefit of the builder.

C. Developer Deposit. Each developer of a commercial project, including an apartment complex, or a residential subdivision within the District, must deposit the sum of **\$2,000** with the District's representative. This deposit will be placed in a separate account and will be refunded, without interest, to the developer on completion of the developer's project within the District.

D. Use of Builder and Developer Security Deposits. The cost of any repairs to the District's Systems caused by a builder's or developer's negligence or intentional acts, or due to the negligence or intentional acts of any contractor or subcontractor performing work associated with the builder's or developer's projects; the costs of any professional services incurred by the District due to builder or contractor damage, dumping or violations of the District's Rules; and the cost of connections, inspection services, water service, and wastewater service rendered to a builder or developer will be billed by the District's representative to the responsible builder or developer, and will be due and payable upon demand. If, at any time, a builder or developer is delinquent in paying these bills for a period of 30 days, or is responsible for outstanding bills in the amount of \$200 or more, the District may transfer all or any part of its builder or developer deposit to the District's operating fund to pay these outstanding or delinquent bills and may require: (a) that the deposit be replenished by the builder or developer by the amount transferred; or (b) that, for a homebuilder, an increased deposit of **\$300** multiplied by the number of estimated starts by the builder over three months or **\$5,000**, whichever is more, or, for a developer, that an increased deposit of **\$5,000**, be made. No additional water or sewer taps will be sold nor will any other approvals be issued to a builder or developer who is delinquent in the payment of any sums due to the District.

E. Fire Hydrant Meter and Deposit. **The withdrawal of water from flushing valves, fire hydrants, or other appurtenances of the District's Systems without the prior approval of the District, except for emergency firefighting purposes, is absolutely prohibited**. No builder, developer, contractor, or other person or entity may temporarily connect to the District's Systems or withdraw water from the District's Systems through a fire hydrant, flushing valve, or other appurtenance of the District's Systems unless it utilizes a fire hydrant meter and Backflow Prevention Device issued to it by the District to measure the water withdrawn through the temporary connection. Each such person or entity must pay a deposit of \$1,400 to the District for the required fire hydrant meter and Backflow

Prevention Device, and the fire hydrant meter and Backflow Prevention Device must be installed by the District's representative before the builder, developer, or contractor initiates its construction, development, or building program within the District. If the District does not have a fire hydrant meter and/or Backflow Prevention Device available at the time of request, the applicant will, in addition to the deposit, be responsible for the actual cost incurred by the District to purchase the item(s) that are not available. **The use of unmetered water constitutes theft and will be prosecuted as such.** The required fire hydrant meter and Backflow Prevention Device must be attached directly to the fire hydrant or flushing valve and used at all times when a temporary water connection is made for any purpose, including construction, development, street cleaning, or any other construction-related activities. The party to whom the fire hydrant meter and Backflow Prevention Device are issued will be responsible for securing the meter and device and keeping the meter and device in good working condition. If the meter and/or device are lost, stolen, not returned, or damaged while being utilized, the cost of the meter, device, and/or repairs as well as any unpaid sums due to the District for water charges or other sums payable under this Order will be deducted from the customer's deposit. A fire hydrant deposit will not be required if a contractor is constructing improvements under a contract with the District that requires the use of a fire hydrant or flushing valve for water; however, a fire hydrant meter and Backflow Prevention Device must still be obtained and used to measure all water utilized by the contractor. Any person or entity that fails to obtain a fire hydrant meter and Backflow Prevention Device from the District, fails to utilize the assigned fire hydrant meter when withdrawing water from the District's Systems, fails to install and maintain in place the required Backflow Prevention Device, or takes water from an unmetered or unauthorized connection to the District's Systems will be subject to a penalty in the amount of \$5,000 per violation and each day of violation will be deemed a separate violation. A violator will also be liable for all attorney's fees and costs incurred by the District due to the violation or in recovering the penalty authorized by this Section. The District may deduct the amount of any penalties imposed or costs incurred due to a violation of this subsection from the customer's fire hydrant meter deposit or any other deposits held by the District and may further require that the customer replenish the deposit by an equivalent amount before making any additional connections to the District's Systems. Builders and developers are responsible for compliance with the requirements of this provision by person or entity performing work on their behalf, including contractors and subcontractors. A violation by a contractor or subcontractor performing work on behalf of builder or developer will be deemed to be a violation by the builder or developer.

VI. Industrial Waste Regulations; Non-Domestic Waste Fees.

A. Prohibited Waste.

1. **Non-Biodegradable Material.** No waste material that is not biologically degradable may be discharged into the District's Wastewater System, including mud and debris accumulated during construction.

2. **Surface Runoff; Storm Water.** No surface runoff water or storm water may be discharged into the District's Wastewater System, including downspouts and yard or area drain runoff.

3. **Swimming Pool Water.** Swimming pool water may not be discharged into the District's Wastewater System unless specifically approved in writing by the Board.

4. **Industrial Waste.** No Industrial Waste may be discharged into the District's Wastewater System.

5. Inadmissible Wastes. Only wastewater that is amenable to biological treatment may be passed through to or received by the District's Wastewater System. The District may, from time to time, establish, revise, and provide to the Developer a list of wastes that are not admissible to the District's wastewater collection system under applicable regulatory requirements (the "List of Inadmissible Wastes"). The current List of Inadmissible Wastes is attached as **Exhibit C**. Any waste identified on the List of Inadmissible Wastes is referred to herein as an "Inadmissible Waste". No Inadmissible Waste may be discharged into the District's Wastewater System.

6. Non-Domestic Waste. No Non-Domestic Waste may be discharged into the District's Wastewater System without the prior approval of the District's representative. The District's representative will review each application to discharge Non-Domestic Waste and make a recommendation to the Board as to approval or denial of the application. If an application is approved, the Board will establish rates and charges that cover, but are not limited to, the cost of waste treatment, taking into account the volume and character of the Non-Domestic Waste and all other waste treated, any special techniques of treatment or operation required for the Non-Domestic Waste, and any administrative expenses incurred by the District. These rates and charges must be at least sufficient to provide an equitable system of cost recovery that is sufficient to produce revenues, in proportion to the percentage of Non-Domestic Waste to be treated relative to the total waste load to be treated by the District, so as to provide for operation and maintenance of the treatment works, for the amortization of the District indebtedness for the cost of its waste collection and treatment system, and for any additional costs necessary to provide adequate waste treatment to meet the waste discharge requirements applicable to the District on a continuing basis. If, in the opinion of the District's representative, pretreatment of any Non-Domestic Waste is necessary to prevent harm to the District's waste collection and treatment system or to prevent interference with the proper and efficient operation and maintenance of each system, pretreatment will be required as a condition to the District's receipt and treatment of the Non-Domestic Waste. If the District's engineer recommends against accepting the Non-Domestic Waste into the District's wastewater system under any conditions, the District's representative will deny the application.

B. Prohibited Discharges. If the District determines that there has been a prohibited discharge under the District's Rules or this Order, the violator will be assessed and required to pay for all reasonable expenses of the District incurred in connection with the violation, any testing of the waste associated with such violation, and for any damage to the District's sanitary sewer system.

VII. Grinder Pump Regulations.

A. Unauthorized Discharge of Wastewater Prohibited. With respect to any residence or building in the District for which a Grinder Pump is required, no person or entity may discharge wastewater into the plumbing of such residence or building before (i) a Grinder Pump has been installed to serve the residence or building; and (ii) the Grinder Pump and connection of the Grinder Pump to the District's Wastewater System has been inspected and approved. The discharge of wastewater into the plumbing of a residence or building or into a Grinder Pump wet well before the Grinder Pump has been installed and/or the connection inspected and approved or into the District's drainage system (including any storm sewer in the District) is strictly prohibited and will constitute a violation of these Rules under Article XVI. Any person or entity violating this provision of these Rules will be subject to a penalty of \$5,000 for each violation, and the termination of water service to the customer or builder and to the residence or building until all penalties provided by this Section and all related costs incurred by the District have been paid.

The District's operator is authorized to impose a penalty on the owner, builder, or other person or entity with control of the premises where the wastewater originated (the "Responsible Party") immediately upon observing or identifying any wastewater discharged other than into an approved wastewater service connection. Each day of violation will constitute a separate offense, and will be subject to an additional penalty. In addition to the penalty authorized above, a Responsible Party will be required to pay all costs of clean-up of the illegally discharged wastewater, as well as any fines or penalties imposed by any other governmental entity with jurisdiction, regardless of whether the penalty is imposed on the District or a third party. Any builder who violates this provision will be subject to the withholding of taps and other District approvals until all penalties and all clean-up costs have been paid in full. Any penalty imposed under this Article VII may be appealed to the Board. Any such appeal must be submitted in writing to the District within 15 days of the date of imposition of the penalty, and will be scheduled for consideration by the Board at the next regular Board meeting following the date the appeal is received.

B. Grinder Pump Installation. All Grinder Pumps must be obtained from and installed by the District's contractor. Installation must be scheduled through the District a minimum of 15 business days in advance of the date the installation is required. No modification or repair of any Grinder Pump or control panel may be made by the customer after installation. No third party may repair, modify, or replace any Grinder Pump within the District without express District authorization to do so.

C. District Grinder Pumps. District Grinder Pumps will be required as provided in the approved construction plans for the District's wastewater system. Each District Grinder Pump and appurtenances must be installed in a wet well constructed by the District or its authorized contractor on the lot being served in a location adjacent to the street, in accordance with the specifications attached as Exhibit D. Each District Grinder Pump will be owned by the District and any repair or replacement will be performed by the District or its designated contractor.

D. Homeowner Grinder Pumps. If, due to specific home design or topography issues affecting a lot, a Homeowner Grinder Pump is required to serve any residence, this Homeowner Grinder Pump and its installation, maintenance, repair, and replacement must comply with the specifications applicable to District Grinder Pumps but will be a part of the customer's internal plumbing and will be the property of the customer. The installation of, and any repairs to or replacements of, any Homeowner Grinder Pump must be made by a contractor approved by the District, and will be subject to inspection and approval by the District; but all such installations, repairs, and replacement will be the sole responsibility of the customer and all work will be at the sole cost of the customer.

E. Commercial Grinder Pumps. Due to the additional demands placed on a Grinder Pump that handles commercial wastewater, the customer responsible for payment of the District's charges for wastewater service to a commercial property that utilizes a Commercial Grinder Pump will also be responsible for the costs of all repairs and replacements of the Commercial Grinder Pump. Each commercial property that is required to have a grease trap will be required to pump the grease trap every two months, or more frequently if required by the District.

F. Tie-in to Wet Well. The installation of the private wastewater service line tie-in to a District Grinder Pump wet well will be the responsibility of the customer. The installation must be in accordance with the specifications attached as Exhibit D. Each tie-in will be inspected by the District for compliance with the District's specifications at time the District Grinder Pump is installed. If the tie-in is not in compliance with the specifications, the tie-in will be required to be

corrected and re-inspected before the District Grinder Pump will be installed and service is initiated. Any additional charges by the District due to non-compliance with the specifications will be the responsibility of the customer.

G. District Grinder Pump Control Panel. Each customer whose property is to be served by a District Grinder Pump must designate a permanent location on the customer's residence/building for the installation of a control panel for the District Grinder Pump. The location must be on the outside of the residence/building and visible from the customer's District Grinder Pump location at the street. A fuseable disconnect at the designated District Grinder Pump control panel location is required. No landscaping, fencing, or other improvements that would obstruct the visibility of a control panel will be permitted. **In the event of a visual (warning light) or audible alarm at the control panel, the customer must immediately notify the District.**

H. Customer Remote Grinder Pump Control Panel Monitor. If a remote grinder pump control panel monitor is required in addition to the standard District Grinder Pump control panel required by Subsection G, above, that remote grinder pump control panel monitor will be deemed a part of the customer's internal plumbing and all costs of the remote grinder pump monitor must be borne by the customer, including the cost of the initial installation and all costs of repair or replacement of the monitor. The District will not repair or replace any remote grinder pump monitor, and all repairs and maintenance must be handled by the customer's plumber or other qualified contractor.

VIII. District Approvals; Escrow for Expenses.

Applicants for service commitments, out-of-district service, construction plan review, and/or inspection, subdivision plan review and/or inspection, or other types of District approvals, including utility construction agreements or other types of development agreements, are responsible for the payment of all legal, engineering, and/or management fees incurred by the District in reviewing their application and negotiating or preparing any related approvals or agreements. The District's representative will establish a deposit amount equivalent to the estimated consultant fees that are expected to be incurred in connection with the application, and the applicant must deposit this amount with the District prior to any review or processing work being initiated. All consultant fees associated with the application incurred by the District will be charged against the deposit. Upon completion of the review process, the applicant must pay any fees incurred by the District in excess of the deposit. Any excess deposit remaining after payment of all fees will be returned to the applicant. No service commitment or plan approval will be issued or agreement will be effective by the District until all fees are paid.

IX. Metering.

A. Meter Requirements.

1. Use of Meter. All water sold by the District will be charged for by meter measurements.

2. Installation by District. The District will provide and install and will continue to own and maintain all meters necessary for the measurement of water to its customers.

3. Standard Type. The District will not furnish, set up, or put in use any meter that is not reliable and of a standard type that meets industry standards. Special meters

not necessarily conforming to such standard types may be used for investigation or experimental purposes.

B. Meter Readings.

1. Meter Unit Indication. In general, each meter will indicate clearly the gallons of water or other units of service for which charge is made to the customer.

2. Reading of Meters. As a matter of general practice, service meters will be read at monthly intervals, and as nearly as possible on the corresponding day of each meter-reading period, but may be read at other than monthly intervals if the circumstances warrant.

C. Meter Tampering. For purposes of this Order, meter tampering, bypass, or diversion means tampering with a District's meter or other equipment, causing damage or unnecessary expense to the meter, bypassing a meter, reconnecting service without authorization to do so, whether the disconnection was due to non-payment or for any other reason, or any other instance of diversion or bypass, such as physically disorienting the meter, attaching objects to the meter to divert service or to bypass, inserting objects into the meter, electrical and mechanical means of tampering with, bypassing, or diverting District service, failing to have a meter installed, or covering or physically obstructing the location of the meter. Meter tampering, bypass or diversion is prohibited. Reconnecting service without authorization will be prosecuted as theft of service. Any party who tampers with a District meter or takes water from an unmetered or other unauthorized connection to the District's Systems will be subject to a penalty in an amount not to exceed \$5,000 per violation, each day of which will constitute a separate violation, and will also be liable for all attorney's fees incurred by the District and costs of court. The District may offset a customer's deposit against the amount of any penalties or costs imposed as a result of a violation of this section and may further require that the deposit be replaced and any unpaid penalties and costs paid before service is reconnected.

D. Meter Re-reads and Meter Tests.

1. The District's representative will, upon request of a customer, re-read the customer's meter. Upon receipt of a request, the District's representative will advise the customer that, if the meter reading proves accurate, the customer will be billed for the cost of the meter re-read. If, upon re-reading the meter, the original reading is found to have been correct, the District will charge the customer a fee as specified in the Rate Order to cover the cost of the re-read. If the original reading is found to have been incorrect, there will be no charge to the customer.

2. The District's representative will, upon request of a customer, "field-test" the accuracy of the customer's meter. Upon receipt of any such request, the District's representative will advise the customer that, if the meter test proves accurate, the customer will be billed for the cost of the test. If, upon testing the meter, the meter is found to be accurate, the District will charge the customer a fee to cover the cost of the test. If the meter is found to have been inaccurate, there will be no charge to the customer.

3. If a customer requests that a meter be pulled and tested for accuracy, the customer will be responsible for all costs incurred by the District in removing and testing the meter unless the meter registers more than two percent above the test result under reasonable flow quantities, in which event the costs will be borne by the District. The customer may obtain a copy of the test report upon request.

E. Leaks; Water Leak Adjustment Policy. Failure to repair a controllable leak within a reasonable time (not exceeding 30 days) after notice from the District to repair the leak will constitute a violation of the District's rules. If a customer experiences a water leak, the customer may submit a written leak adjustment request detailing the circumstances of the leak. All requests must be accompanied by a copy of all invoices and documentation evidencing the leak and confirming that the leak has been repaired. Upon receipt of a complete request, the customer's usage will be recalculated based upon the customer's prior history, as determined by the District's representative. Water usage for the period in which the leak occurred that exceeds the base established by the customer's prior history will be presumed to be attributable to the leak and will be billed at the rate for the lowest tier of usage specified in Article IV.A.2.a above. The remaining portion of the customer's water usage will be billed at the District's normal and customary rates under this Order. If the leak occurred during the winter-averaging period, the District's representative may establish an alternative winter-averaging period for this customer.

X. **Rendering and Form of Bills.**

A. Rendering of Bills. Bills for service will be rendered monthly. Service initiated less than one week before the next billing cycle may be billed with the following month's bill. One bill will be rendered for each connection.

B. Information to be Included on the Bill. The customer's bill will show the total amount due for service and any surcharge, the due date of the bill, the total amount due as penalty for nonpayment within a designated period, and the local telephone number or toll free number where the District's representative can be reached.

C. Payment Obligation. If a customer does not receive a bill or bills, his obligation to make payment for services rendered is not diminished or released.

D. Delinquency. All bills will be considered past due if not paid by the tenth day after the date of issuance ("Due Date"). The customer will be subject to termination of service, if full payment, including any applicable late fee, is not received by the "Delinquency Date" which will be the 26th day of the month. If the Due Date or the Delinquency Date falls on a Saturday, Sunday or legal holiday on which banks are required to close in the State of Texas, the applicable period will be extended to the next business day. A late charge of ten percent (10%) of the amount of the bill will be added on the Delinquency Date and this late fee will continue to be assessed each month while the delinquent amount remains unpaid. Notwithstanding the foregoing, in accordance with Section 182.002 of the Texas Utilities Code, the District will, without penalty, delay the Delinquency Date of the most recent bill and/or each subsequent bill to be paid by an elderly individual until the 25th day after the date each bill is issued, if so requested by the elderly individual. An "elderly individual" means a residential Customer who is 60 years of age or older and occupies the entire premises for which a delay is requested. Prior to delaying a Delinquency Date, the District may require a Customer requesting the delay to present reasonable proof that the Customer is an "elderly individual".

E. Overbilling and Underbilling. If billings for District services are found to differ from the District's rates for the services, or if the District fails to bill the customer for services, a billing adjustment will be calculated by the District. If the customer is due a refund, an adjustment will be made for the entire period of the overcharges. If the customer was undercharged, the District will backbill the customer for the amount of the service actually used by the customer. If the underbilling is \$25 or more, the District will offer the customer a deferred payment plan option for the same length of time as that of the underbilling.

F. Prorated Charges. When a bill is issued for a period of less than one month, the basic charge will be prorated based on the period during which service was rendered.

G. Disputed Bills.

1. A customer may advise the District that a bill is in dispute by written notice to the District's representative. A dispute must be registered with the District prior to the date of proposed discontinuance in order for the customer to avoid discontinuance of service as provided by this Order.

2. Notwithstanding any other provision of this Order, a customer will 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 the resolution of the dispute. For purposes of this Section only, the customer's average monthly usage at current rates is the average of the customer's gross water and wastewater usage for the preceding 12-month period. If no previous usage history exists, consumption for purposes of calculating the average monthly usage will be estimated on the basis of usage levels of similar customers under similar conditions.

3. Notwithstanding any other provision of this Order, a customer's service will not be discontinued for nonpayment of that portion of a bill under dispute pending resolution of the dispute. The customer must timely pay any billings not disputed.

H. Bill Adjustment Due to Meter Error. If any meter is found to be outside of the accuracy standards established by the American Water Works Association, proper correction will be made of previous readings for two months immediately preceding the removal of the meter from service for the test, or from the time the meter was in service since last tested, but not exceeding two months, based upon the error shown by such test, and adjusted bills will be rendered. No refund is required from the District except to the customer last served by the meter prior to the testing. If a meter is found not to have registered for any period, to have been bypassed or tampered with, to have not been installed, or for any reason is unable to be located, the District's representative will make a charge for units used, based on amounts used under similar conditions during the period preceding or subsequent thereto, or during corresponding periods in previous years, or used by similar users under similar circumstances.

I. Bill Adjustment Due to Meter Tampering. If a meter is found not to have been registered for any period, to have been bypassed or tampered with, to have not been installed, or, for any reason cannot be located, the District's representative will bill the customer for gallons used based on amounts used under similar conditions during the preceding or subsequent period or during corresponding periods in previous years, or used by similar users under similar circumstances. For purposes of this Section, meter tampering, bypass, or diversion or any similar term means tampering with a District meter or equipment causing damage or unnecessary expense to the District, bypassing the meter, or other instances of diversion, such as physically disorienting the meter, attaching objects to the meter to divert service or to bypass, inserting objects into the meter, and using other electrical or mechanical means to tamper with, bypass, or divert District service, failing to have a meter installed or covering or physically obstructing the location of the meter.

J. Equipment Damage Charges. The District will charge the responsible customer for all labor, material, equipment, and other costs necessary to repair or replace equipment damaged due to equipment tampering or bypassing, service diversion, or the discharge of wastes in violation of the terms of this Order. The District may charge for all 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 these charges will be provided to the customer.

K. Late Charges. A late charge of ten percent (10%) of the amount of the bill will be added on the Delinquency Date and this late fee will continue to be assessed each month while the delinquent amount remains unpaid.

L. Right to Sue. 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.

M. Dishonored Check Charge. The District will charge a customer whose payment of a bill is dishonored or rejected by a financial institution a fee of \$30.00. If a customer's payment is dishonored or rejected by the financial institution, the District's representative will send a notice to the customer's email address on file. This notice will state that service will be terminated not earlier than three days from the date of the notice unless the account is paid in full by cash, money order, or cashier's check. If the customer does not have an email address on file, notice will be sent by First Class, U.S. mail and will state that service will be terminated not earlier than five days after the notice has been postmarked unless the account is paid in full by cash, money order, or cashier's check.

N. Notification of Alternative Payment Programs or Payment Assistance. If a customer contacts the District's representative due to an inability to pay a bill or a need for assistance with his bill payment, the District's representative will inform the customer of all available alternative payment and payment assistance programs available from the District, such as deferred payment plans, as applicable, and of the eligibility requirements and procedures for applying for them. A deferred payment plan is any arrangement or agreement between the District and a customer in which an outstanding bill will be paid in installments that extend beyond the due date of the next bill. All deferred payment agreements must be in writing. The District's representative may suspend the termination of services to customers for up to 30 days based upon the District's representative's determination that the customer is making a good faith effort to pay the District's account; however, extensions beyond 30 days must be approved by the Board.

O. Post-Bankruptcy Services. In the event of bankruptcy of any District customer, amounts due for pre-bankruptcy services will be posted to the customer's existing account and amounts due for post-bankruptcy services will be posted to a separate account. The customer will be required to provide the District with adequate assurance of payment for services rendered after the date of the bankruptcy filing, in the form of a security deposit satisfying the requirements of this Order. Any existing security deposit will be held by the District as security for sums due for pre-bankruptcy services and will not be credited towards the security deposit for post-bankruptcy services. If the customer fails to furnish the required security deposit for post-bankruptcy services to the District, the District may discontinue service to the customer in accordance with the provisions of this Order.

XI. Protection of the District's Systems and Property.

A. Tampering or Damage Prohibited. It is unlawful for any person, unless authorized in writing by the District's representative, to tamper or interfere with; to obstruct access to; or, as the result of willful action, to injure, deface, or destroy any facilities that are a part of the District's Systems.

B. Unlawful Discharges. No drainage water, including roof run-off water; drainage from downspouts; water from yard drains; water from fountains and ponds; water from lawn sprays, rainwater leaders, swimming pool water; or swimming pool filter backwash water may be connected or discharged to the District's wastewater utility system. It is unlawful for any person to deposit, throw, drain, discharge, or otherwise cause to be injected into any sewer, manhole, catch basin, flush tank, or other facility that is a part of the District's Systems any debris or foreign substance that would interfere with the proper and routine functioning, or to discharge any waste into the District's Wastewater System:

1. other than through an authorized sewer tap for which necessary connection fees, deposits and other charges have been paid; or
2. generated on premises other than those for which the sewer tap was originally made; or
3. generated at a building other than that for which the sewer tap was originally made, unless approved in advance by the District's representative; or
4. of a type different from that contemplated at the time the sewer tap was originally made, unless approved in advance by the District's representative.

In order to protect the District's Wastewater System from inflow, all clean-outs on customer service lines must be securely capped at all times. If any clean-out is left uncapped or the cap is loosened or removed so as to potentially allow inflow into the District's Wastewater System, the District will be authorized to enter onto the responsible customer's property to replace the cap, and the customer at the service address in question will be charged the sum of \$100 for the replacement. This charge may be added to the customer's utility bill, or the District may deduct the amount of the charge from the Customer's security deposit or any other amounts held by the District and may further require that the customer replenish the deposit by an equivalent amount.

C. Service Line Maintenance. Each customer is responsible for the maintenance of the sewer service line from the point of connection to the District's Systems to the buildings or premises served. All sewer service lines must be maintained in such a manner as to prevent the infiltration of water or exfiltration of wastewater.

D. No Dumping. Dumping, placing, disposing of, depositing on, or discharging any foreign materials or debris, including but not limited to grass or tree clippings, trash, and construction debris onto any District property, including District greenbelts and/or District drainage facilities, is prohibited. Any person or entity that violates the terms of this Section will be subject to a penalty in the amount of \$500 per violation, and will also be liable for all attorney's fees incurred by the District and costs of court. The District may add the amount of any penalties or costs imposed by this Section to the customer's utility bill, or the District may deduct the amount of any penalties or costs imposed as a result of a violation of this Section from a Customer's security deposit or any other amounts held by the District and may further require that the Customer replenish the deposit by an equivalent amount.

E. Clean-Outs. In order to protect the District's wastewater system from inflow, all clean-outs on Customer service lines must be securely capped at all times. If any clean-out is left uncapped or the cap is loosened or removed so as to potentially allow inflow into the District's wastewater system, the District will be authorized to enter onto the responsible customer's property to replace the cap, and the customer at the service address in question will be charged the sum of \$100 for the replacement. This charge may be added to the customer's utility bill, or the District may deduct the amount of the charge from the customer's security deposit or any

other amounts held by the District and may further require that the customer replenish the deposit by an equivalent amount.

XII. Termination of Service.

A. Termination with Notice. District service may be terminated after proper notice for any of the following reasons:

1. within 30 days from the date of the issuance of a delinquent bill, the customer has neither (a) paid the delinquent bill and all other past-due bills nor (b) entered into a written deferred payment agreement and made all payments required under the plan;
2. the customer has defaulted in the obligations under any deferred payment agreement;
3. violation of the District's Rules pertaining to the use of service in a manner which interferes with the service of others or the operation of non-standard equipment, if a reasonable attempt has been made to notify the customer and the customer is provided with a reasonable opportunity to remedy the situation; or
4. failure to comply with deposit arrangements where required by this Order.

B. Termination Without Notice. District service may be terminated without notice (a) due to existence of a known dangerous condition, (b) if service is connected without authority, or (c) in instances of tampering with the District's equipment, bypassing the same, or other instances of diversion. If reasonable, given the nature of the hazardous condition, a written statement providing notice of and the reason for disconnection will be posted at the place of common entry or upon the front door of each affected structure as soon as possible after service has been disconnected.

C. Notice of Termination of Service. Proper notice of termination of service consists of a separate mailing by first-class mail, postage prepaid, at least 10 days prior to a stated date of disconnection, with the words "termination notice" or similar language prominently displayed on the notice. The information included in the notice will be provided in English and Spanish if necessary to adequately inform the customer. A statement notifying the customer that, if they are in need of assistance with payment of their bill, they may be eligible for alternative payment programs, such as deferred payment plans, and to contact the District representative for more information will be attached to or on the face of the termination notice. The notice will advise the customer of the basis for the District's decision to disconnect service and that he has the right to request a hearing on the matter by contacting the District's representative at least 48 hours before the stated date of disconnection. The District's representative's telephone number must appear on the notice together with information regarding appropriate times to contact the representative. If notice is mailed, the stated date of disconnection may not fall on a holiday or weekend, but will be the next working day after the 10th day. Payment at the District's authorized payment agency is considered payment to the District. The District will not issue a termination notice to the customer earlier than the first day a bill becomes delinquent, so that a reasonable length of time is allowed to ascertain receipt of payment by mail or at the District's authorized payment agency.

D. Customer Appeal Procedures.

1. Informal Hearing. Upon receipt of a customer's request to protest the termination of service, the District's representative will schedule an informal hearing with

the customer and his representative prior to disconnection. The presiding officer at the informal hearing will be an individual who did not participate in the initial decision to pursue disconnection of the customer's service. The customer will be allowed to question the District's billing representative at the informal hearing regarding the basis for the decision to terminate service and present any testimony or evidence regarding the termination of service or its basis. The presiding officer will render a decision on the matter and state reasons for the decision and the grounds upon which the decision is based.

2. Appeal. The customer may appeal the decision of the presiding officer to the Board. If the customer posts a bond in an amount sufficient to cover the cost determined by the presiding officer to be due, the District will not proceed with termination of the customer's service until a final decision is made by the Board.

E. Disconnection. If payment of all delinquent and past due amounts has not been made by 5:00 p.m. on the date specified by written notice to the customer, and no other arrangements for payment have been made, service will be disconnected. In order to reconnect service, the customer must pay all delinquent and past-due amounts, plus the applicable reconnect fee. The reconnect fee will be due regardless of whether or not service has been physically disconnected. If payment is tendered after 2:00 p.m. on the date of disconnection, the customer must pay the after-hours reconnect fee in order to obtain same-day reconnection of service. If a customer defaults under a payment plan entered into with the District, termination procedures will immediately be initiated.

F. Disconnection on Holidays or Weekends. Unless a dangerous condition exists or the customer requests disconnection, service will not be disconnected on a day, or on a day immediately preceding a day, when personnel of the District are not available to the public for the purpose of accepting payments and reconnecting service.

G. Disconnection for Ill and Disabled. The District may not discontinue service to a delinquent residential customer permanently residing in an individually-metered dwelling unit if the customer establishes that discontinuance of service will result in a person residing at the residence becoming seriously ill or more seriously ill. Each time a customer seeks to avoid termination of service under this Section, the customer must have the attending physician (for purposes of this Section, the term "physician" means any public health official, including medical doctors, doctors of osteopathy, nurse practitioners, registered nurses, and any other similar public health official) call or contact the District's representative within 15 days of issuance of the bill. A written statement must be received by the District's representative from the physician within 30 days of the issuance of the bill. The customer who receives a waiver of disconnection under this Section must enter into a deferred payment plan with the District and remain in compliance with the plan.

H. Reconnection of Services. If service is discontinued for any reason, reconnection of services will be established within 24 hours of payment of the past due bill in its entirety and any other outstanding charges, including all reconnection fees.

I. Meter Removal. The District's representative will remove a customer's water meter if the customer illegally restores his service without payment of his delinquent account.

J. Late Fees and Disconnections During an Extreme Weather Emergency for Nonpayment.

1. Notwithstanding any other provision of this Order, the District may not impose a late fee on, or disconnect the retail water or sewer service of, an Affected Customer for nonpayment of a bill that is due during an Extreme Weather Emergency until after the Extreme Weather Emergency is over. An "Affected Customer" is a customer that receives retail water or sewer service from the District in an area experiencing an Extreme Weather Emergency and has a bill due during the Extreme Weather Emergency. An "Extreme Weather Emergency" is a period beginning when the previous day's highest temperature in an area did not exceed 28 degrees Fahrenheit and the temperature is predicted to remain at or below that level for the next 24 hours according to the nearest National Weather Service reports for that area. An Extreme Weather Emergency is over on the second business day that the temperature exceeds 28 degrees Fahrenheit.

2. An Affected Customer may request to establish a Payment Schedule for unpaid bills that are due during an Extreme Weather Emergency. A "Payment Schedule" is an agreement between the District and an Affected Customer that allows the Affected Customer to pay, in one or more installments, an unpaid bill due during an Extreme Weather Emergency after its due date. If the District receives a request to establish a Payment Schedule within 30 days from the date the Extreme Weather Emergency ends (a "Timely Request"), it must offer the requesting Affected Customer a Payment Schedule and a deadline for accepting the Payment Schedule (the "Acceptance Deadline"). A Payment Schedule may be established in person, by telephone, or online, but all payment schedules must be reduced to writing and provided to the Affected Customer. A Payment Schedule offered may (i) include a finance charge, conspicuously stated on the Payment Schedule, for late fees on the Payment Schedule not to exceed an annual rate of 10 percent simple interest; and (ii) require payment in one or more installments. A Payment Schedule offered must (i) be written in plain language in English and, if requested, Spanish; (ii) identify the total amount due, and, if payment is to be made in multiple installments, the number of installments and the amount of each installment; (iii) identify the deadline for payment, or if payment is to be made in multiple installments, the deadline for each installment; (iv) identify the dates the Extreme Weather Emergency occurred, and the due dates and amounts owed of any bills that were due during the Extreme Weather Emergency; and (v) include a statement, in a clear and conspicuous type, that states "If you are not satisfied with this agreement, or if the agreement was made by telephone and you feel this does not reflect your understanding of that agreement, contact Crossroads Utility Services at (512) 246-1400."

3. The District may not disconnect retail water or sewer service for nonpayment of bills due during an Extreme Weather Emergency of an Affected Customer that has made a Timely Request for a Payment Schedule until after the Payment Schedule has been offered and the Affected Customer has either declined to accept the Payment Schedule by the Acceptance Deadline or violated the terms of the Payment Schedule. Any preexisting disconnection notices issued to an Affected Customer for nonpayment of a bill due during an Extreme Weather Emergency are suspended upon the Timely Request for a Payment Schedule. If the Affected Customer does not accept the offered Payment Schedule by the Acceptance Deadline or violates the terms of the Payment Schedule, any suspended disconnection notices are reinstated, and the District may renegotiate the terms of the Payment Schedule or disconnect service on or after the disconnection date listed on the disconnection notice. If the Affected Customer does not accept the offered Payment Schedule by the Acceptance Deadline or violates the terms of the Payment Schedule and there is not a preexisting disconnection notice, the District must issue a disconnection notice under 16 TAC § 24.167 (related to Discontinuance of Service) prior to disconnecting the water or sewer service of the Affected Customer.

XIII. Continuity of Service.

A. Service Interruptions.

1. The District will make all reasonable efforts to prevent interruptions of service. When interruptions occur, the District will re-establish service within the shortest possible time.

2. The District will make reasonable provisions to meet emergencies resulting from failure of service, and will establish procedures to be followed in the event of an emergency in order to prevent or mitigate interruption or impairment of service.

3. In the event of a national emergency or local disaster resulting in disruption of service, the District may, in the public interest, interrupt service to other customers to provide necessary service to civil defense or other emergency service agencies on a temporary basis until normal service to these agencies can be restored.

B. Record of Interruption. Except for momentary interruptions due to automatic equipment operations, the District's representative will keep a complete record of all interruptions, both emergency and scheduled. This record will show the cause for interruptions, date, time, duration, location, approximate number of customers affected, and, in cases of emergency interruptions, the remedy and steps taken to prevent recurrence.

XIV. Plumbing Regulations; Backflow Prevention Devices.

A. Authority. Under Section 54.2052 of the Texas Water Code, as amended, the District may adopt and enforce one or more plumbing codes meeting the standards and requirements of the rules and laws of the State and may amend any code adopted to conform to local concerns if the amendment does not substantially vary from the rules and laws of the State. Section 1301.255 of the Texas Occupations Code, as amended, requires that plumbing installed in compliance with a plumbing code meeting the standards and requirements of the rules and laws of the State must be inspected by a licensed plumbing inspector. Further, under Section 290.46(i) and (j) of Title 30 of the Texas Administrative Code, as amended, the District is required (i) to adopt a plumbing ordinance, regulations, or customer service agreement to insure that neither cross-connections nor other unacceptable plumbing practices are permitted, and (ii) to cause a customer service inspection certificate to be completed prior to providing continuous water service to new construction, on any existing service either when the water purveyor has reason to believe that cross-connections or other potential contaminant hazards exist, or after any material improvement, correction, or addition to the private water distribution facilities.

B. Purpose. The purpose of this Article XIV is to (i) adopt and enforce a plumbing code as permitted by Section 54.2052 of the Texas Water Code, as amended, to secure and maintain, safe, sanitary, and adequate plumbing installations as subsidiary parts of the District's water supply and distribution and wastewater collection systems; (ii) adopt and enforce plumbing regulations and a customer service agreement as required under Section 290.46(i) of Title 30 of the Texas Administrative Code, as amended, to insure that neither cross connections nor other unacceptable plumbing practices are permitted; (iii) require plumbing inspections in accordance with Section 1301.255 of the Texas Occupations Code, as amended; and (iv) provide for customer service inspections in accordance with Section 290.46(j) of Title 30 of the Texas Administrative Code, as amended.

C. Applicability. All customers receiving water and/or wastewater utility service from the District are subject to the requirements of this Article XIV. Each customer must agree to

comply with the terms of this Article XIV as a condition to receiving water and/or wastewater services from the District. This Article XIV constitutes a customer service agreement under Section 290.46(i) of Title 30 of the Texas Administrative Code, as amended, and by requesting and/or accepting utility service from the District, each customer agrees to comply with the terms of this Article XIV.

D. Plumbing Code. Pursuant to Section 54.2052 of the Texas Water Code, as amended, the District adopts the Uniform Plumbing Code with respect to all water, wastewater, and irrigation plumbing installations constructed, installed, or modified in connection with development in the District.

E. Unacceptable Plumbing Practices. Pursuant to Section 290.46(i) of Title 30 of the Texas Administrative Code, as amended, the following undesirable plumbing practices are prohibited:

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

2. No cross-connection between the public drinking 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.

3. No connection which allows water to be returned to the public drinking water supply is permitted.

4. No pipe or pipe fitting that contains more than 0.25% lead may be used for the installation or repair of plumbing at any connection which provides water for human use.

5. No solder or flux that contains more than 0.2% lead may be used for the installation or repair of plumbing at any connection which provides water for human use.

F. Plumbing Inspections.

1. Plumbing inspections will be conducted for the purposes of verifying compliance with the Uniform Plumbing Code and other requirements of this Article XIV.

2. Inspection of a customer's plumbing installation must be conducted in the following circumstances:

a. before the District provides service to new construction;

b. when the District has reason to believe that cross-connections or other unacceptable plumbing practices exist on any existing service;

c. after any material improvement, correction, or addition to any existing private plumbing facilities; and

d. before the District provides services for any new irrigation system plumbing installation.

3. All plumbing inspections must be performed by an independent plumbing inspector licensed by the Texas State Board of Plumbing Examiners (TSBPE) retained by the District ("*Plumbing Inspector*").

4. A plumbing inspection will consist of a series of inspections. The inspections will include, as applicable, an inspection at the time the service line is constructed, at the time of plumbing rough-in, for copper, at top-out, and upon completion of construction for all new residential and commercial construction. The customer service inspection required under Section 290.46(j) of Title 30 of the Texas Administrative Code, as amended, will be completed by the Plumbing Inspector as part of the more comprehensive plumbing inspection. The fees for these inspections will be assessed as listed in Article III.

5. Upon completion of a plumbing inspection (*i.e.*, after completion of the final inspection in the series of required inspections, including the customer service inspection), a Customer Service Inspection Certificate in the form attached as **Exhibit F** will be completed and retained in the District's files for a minimum of ten years, as required by Section 290.46(f)(3)(E) of Title 30 of the Texas Administrative Code, as amended.

G. Service Conditions. The following are the conditions for the provision of service between the District and each customer:

1. the customer must comply with the provisions of these Rules as long as the customer is receiving service from the District;

2. the customer must allow his or her property to be inspected for compliance with the provisions of this Article XIV, which will be conducted by the District's designated agent during the District's normal business hours prior to initiating service and may be conducted periodically thereafter;

3. the District will notify the customer in writing of any cross connection or other undesirable plumbing practice or violation of the provisions of the Uniform Plumbing Code relating to water supply and distribution and wastewater collection systems that is identified during the initial inspection or periodic reinspection;

4. the customer must immediately correct any undesirable plumbing practice or violation of the provisions of the Uniform Plumbing Code relating to water supply and distribution and wastewater collection systems on his or her premises to prevent contamination of the water supplied by the District; and

5. the customer must, at his or her expense, properly install, test, and maintain any backflow prevention device required by the District and provide copies of all testing and maintenance records to the District.

H. Backflow Prevention Devices.

1. If there is an actual or potential source of contamination, pollution or hazard to the District's water system, no connection may be made to the District's water system unless:

a. there is a Code-approved air gap between the potential source of contamination, pollution or hazard and the drinking water supply; or

b. a Backflow Prevention Device is installed between the potential source of contamination, pollution or hazard and the drinking water supply.

2. A Backflow Prevention Device must be tested upon installation. The test must be conducted by an individual who has completed a Commission approved course on cross-connection control and backflow prevention and passed an exam administered by the Commission or its agent ("Recognized Tester"). The Recognized Tester must certify that the Backflow Prevention Device is operating within specifications and present evidence that the gauges used in the test have been calibrated and tested for accuracy in accordance with American Water Works Association or University of Southern California standards and that the Recognized Tester is currently certified to conduct Backflow Prevention Device Tests.

3. A Backflow Prevention Device that is installed to protect against High Health Hazards must be inspected and certified to be operating within American Water Works Association or University of Southern California specifications at least annually by a Recognized Tester. A High Health Hazard is a cross-connection, potential cross-connection, or other situation involving any substances that could cause death, illness, spread of disease, or has a high probability of causing such effects if introduced into the potable drinking water supply.

4. All test and maintenance reports must be completed using a Commission form, or a form that contains the same information, and must be filed with the District within 30 days regardless of whether the test indicates a passed or failed test.

5. The District will maintain test and maintenance reports for a period of at least three years.

I. Enforcement. If a customer fails to comply with the terms of this Article XIV, the District may assess fines in accordance with Article XVI, and may either terminate service and/or properly install, test, and maintain an appropriate backflow prevention device at the service connection. Any expenses associated with the enforcement of this Article XIV will be billed to the customer.

XV. Water Conservation and Drought Contingency Plan.

The terms and provisions of the District's Water Conservation and Drought Contingency Plan (as amended from time to time, the "Water Conservation and Drought Contingency Plan") are incorporated into this Order. The District may add the amount of any fines, penalties, or costs imposed under the Water Conservation and Drought Contingency Plan to the customer's utility bill, or the District may deduct the amount of any fines, penalties, or costs imposed as a result of a violation of the Water Conservation and Drought Contingency Plan from a customer's security deposit or any other amounts held by the District and may further require that the customer replenish the deposit by an equivalent amount.

XVI. Enforcement; Penalties.

A. Enforcement of Rules. Under Section 54.205 of the Texas Water Code, the provisions of this Order constitute rules that must be recognized by the courts as if they were penal ordinances of a city. This Order may be enforced by complaints filed in the appropriate court of jurisdiction in the county in which the District's principal office is located.

B. Penalties. Service will not be provided by the District until all requirements of this Order have been met. Violation of this Order will result in the offending party being subject to the payment of a fine in an amount per violation that does not exceed the jurisdiction of justice court, as provided by Section 27.031, Texas Government Code. In addition, the offending party will be liable to the District for all costs incurred by the District in connection with any repairs or corrections necessitated by the violation. The District may add the amount of any penalties or costs imposed by this Order to the customer's utility bill, or the District may deduct the amount of any penalties or costs imposed as a result of a violation of this Order from a customer's security deposit or any other amounts held by the District and may further require that the customer replenish the deposit by an equivalent amount.

XVII. Effect. This Order supersedes all previous orders and resolutions of the District relating to the establishment of rates and charges, and adopting rules and policies with respect to the District's Systems.

XVIII. Execution. This Order may be executed in one or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument. An electronic signature, a facsimile, or other electronic copy of an original signature, and a counterpart transmitted electronically (*e.g.*, by fax, email, text, or similar means), will be deemed to be, and will have the same force and effect as, an original signature for all purposes.

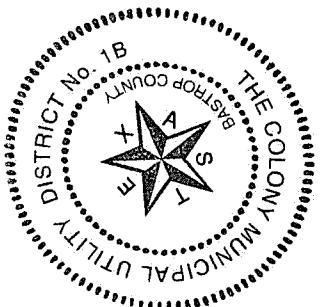
XIX. Filing; Publication. The attorney for the District is hereby directed to file a copy of this Order (i) with the Texas Commission on Environmental Quality and (ii) in the principal office of the District and to publish a substantive statement of the rules contained in this Order and the penalties for their violation as required by Section 54.207 of the Texas Water Code.

XX. Exhibits. The following exhibits are attached to this Order and incorporated herein by reference.

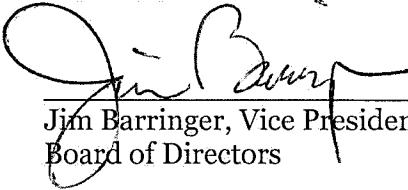
<u>Exhibit A</u>	-	Agreement Concerning District Grinder Pump System
<u>Exhibit B</u>	-	FUE Conversion Criteria for Out-of-District Connection Charges
<u>Exhibit C</u>	-	List of Inadmissible Wastes
<u>Exhibit D</u>	-	District Grinder Pump, Wet Well, and Appurtenances Schematic
<u>Exhibit E</u>	-	Residential Wastewater Service Line Tie-in Specifications
<u>Exhibit F</u>	-	Customer Service Inspection Certificate

ADOPTED this 4th day of February, 2026 to be effective as of February 20, 2026.

(Signature page follows.)



THE COLONY MUNICIPAL UTILITY
DISTRICT NO. 1B


Jim Barringer, Vice President
Board of Directors

ATTEST:


Name: Janean Whitten
Assistant Secretary, Board of Directors

EXHIBIT A

AGREEMENT CONCERNING DISTRICT GRINDER PUMP SYSTEM

This **AGREEMENT CONCERNING DISTRICT GRINDER PUMP SYSTEM** is entered into between **THE COLONY MUNICIPAL UTILITY DISTRICT NO. 1B** (the *District*) and _____ (the *Customer*) in connection with the Customer's application for sanitary sewer service to property in the District located at _____ (the *Property*).

RECITALS

WHEREAS, the District owns, operates, and maintains a centralized sanitary sewer system from which Customer desires to obtain sewer service to the Property; and

WHEREAS, the topography of the Property in relation to the location of the District's sanitary sewer system requires the installation of a pressure sewer system commonly known as a grinder pump system (*Grinder Pump*) in order to transport Customer's sewage to the District's sanitary sewer system; and

WHEREAS, the District's sanitary sewer system is regulated by the rules and regulations of the Texas Commission on Environmental Quality (the *Commission*); and

WHEREAS, the rules and regulations of the Commission require that the District only allow the use of a Grinder Pump by a Customer under terms and conditions set forth in a service agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the District and Customer agree as follows:

1. As a condition to initiation and continuation of sanitary sewer service to Customer by the District:

a. **Grinder Pump Installation.** All Grinder Pumps must be obtained from and installed by the District's contractor. Installation must be scheduled through the District's operator, Crossroads Utility Services LLC, at (512) 246-1400, a minimum of 15 business days in advance of the date the installation is required. No modification or repair of any Grinder Pump or control panel may be made by Customer after installation. Any repair or replacement must be performed by an approved District contractor.

b. **District Grinder Pumps.** Any Grinder Pump and related appurtenances required by the approved construction plans for the District's wastewater system to be installed in a wet well on the Property located in a District easement adjacent to the street (a *District Grinder Pump*) must be installed in accordance with the schematic attached as **Exhibit D** to the District's Order Establishing Rates and Charges and Adopting Rules and Policies Regarding the District's Utility Systems (the *Rate Order*). District Grinder Pumps will be owned by the District and any repair or replacement will be performed by the District or its designated contractor.

c. **Homeowner Grinder Pumps.** If, due to specific home design or topography issues affecting the Property, one or more additional grinder pumps are required to serve any residence or building on the Property, each additional grinder

pump (a “Homeowner Grinder Pump”), and its installation, maintenance, repair, and replacement, must comply with the specifications applicable to District Grinder Pumps; however, all Homeowner Grinder Pumps will be a part of Customer’s internal plumbing and will be the property of Customer. The installation of, and any repairs to or replacements of, any Homeowner Grinder Pump must be made by a contractor approved by the District, and will be subject to inspection and approval by the District; but all such installations, repairs, and replacement will be the sole responsibility of Customer and all work will be at the sole cost of Customer

d. Tie-In to Wet Well. The installation of the private wastewater service line tie-in to the District Grinder Pump wet well will be the responsibility of Customer. The installation must be in accordance with the specifications attached as Exhibit E to the District’s Rate Order. Each tie-in will be inspected by the District for compliance with the District’s specifications at time the District Grinder Pump is installed. If the tie-in is not in compliance with the specifications, the tie-in will be required to be corrected and re-inspected before the District Grinder Pump is installed. Any additional charges by the District due to non-compliance with the specifications will be the responsibility of Customer. The construction of the wet well required for the District Grinder Pump and the installation of the private wastewater service line tie-in to the wet well will be the responsibility of Customer. The wet well construction and installation of the tie-in must be in accordance with the schematic and specifications approved by the District. Both the wet well and tie-in must be located in a District easement adjacent to the street. Each wet well and tie-in will be inspected by the District for compliance with the District’s specifications at time that the District Grinder Pump is installed. If the well and/or tie-in are not in compliance with the attached schematic and specifications, the non-compliance will be required to be corrected and re-inspected before the District Grinder Pump is installed. Customer will be required to pay any additional charges incurred by the District due to any non-compliance.

e. District Grinder Pump Control Panel. Customer must designate a permanent location on Customer’s residence/building for the installation of a control panel for the District Grinder Pump. The location must be on the outside of the residence/building and visible from the District Grinder Pump location at the street. A fuseable disconnect at the designated District Grinder Pump control panel location is required. No landscaping, fencing, or other improvements that would obstruct the visibility of a control panel will be permitted.

f. Remote Grinder Pump Control Panel Monitor. If a remote Grinder Pump control panel monitor is required in addition to the standard District Grinder Pump control panel required by Subsection e, above, that remote grinder pump control panel monitor will be deemed to be a part of Customer’s internal plumbing and all costs of the remote grinder pump monitor must be borne by Customer, including the cost of the initial installation and all costs of repair or replacement of the monitor. The District will not repair or replace any remote grinder pump monitor, and all repairs and maintenance must be handled by Customer’s plumber or other qualified contractor.

2. The District and Customer agree that, all Homeowner Grinder Pumps serving the Property, and their operation and maintenance, will comply with all regulations of the District and will be subject to periodic inspection by the District, in accordance with the Rules of the Texas Commission on Environmental Quality, notwithstanding the fact that Homeowner Grinder Pumps are owned by Customer.

3. Customer acknowledges and agrees that failure of Customer to pay all costs associated with the operation and maintenance of the Grinder Pumps serving the Property as set forth in the District's Rate Order or any failure of Customer to allow the District and its representatives to enter the Property for purposes of inspection and verification of compliance with this Agreement will be grounds for the District's disconnection of water and wastewater service to the Property.

4. **In the event of a visual (warning light) or audible alarm at the control panel, Customer agrees to immediately notify the District's operator, Crossroads Utility Services LLC, at (512) 246-1400.**

5. This Agreement will be performable in Bastrop County, Texas, which will be the exclusive venue for any disputes arising under this Agreement.

6. Any amendments to this Agreement must be in writing and signed by both the District and Customer.

7. This Agreement is not assignable by Customer. Upon termination of service of the Property, any new customer desiring to receive water and/or wastewater service from the District will be required to execute a new service agreement prior to initiation of service to the Property.

ENTERED INTO this the _____ day of _____, 20____.

DISTRICT:

THE COLONY MUNICIPAL UTILITY DISTRICT NO. 1B

By: Crossroads Utility Services LLC,
Authorized Agent

By: _____
Name: _____
Its: _____

CUSTOMER:

By: _____
Printed Name: _____

EXHIBIT B

FUE CONVERSION CRITERIA FOR OUT-OF-DISTRICT CONNECTION CHARGES

Bakery	0.000700 per Sq. ft.
Barber Shop, General	0.480000 per Bowl
Beauty Shop	0.480000 per Bowl
Bowling Alley	0.635000 per Lane
Car Repair	0.000160 per Sq. ft.
Carwash, Tunnel, Self Serve	6.350000 per Carwash
Carwash, Tunnel, w/attendants	31.430000 per Carwash
Carwash, Hand Type, Self Serve	1.220000 per Carwash Bay
Church	0.003200 per Seat
Club, Tavern, or Lounge	0.031700 per Occupant
Convenience Store	0.000200 per Sq. ft.
Country Club	0.320000 x Member
Day Care Center	0.031700 per Occupant
Dormitory	0.286000 per Bed
Fire Station	0.286000 per Capita
Funeral Home	2.140000 per Service
Gas Station with Carwash	9.350000 per Station
Gas Station without Carwash	1.750000 per Station
Grocery Store, 5,000-28,999 sq. ft.	0.000260 per Sq. ft.
Grocery Store, 29,000 + sq. ft.	0.000700 per Sq. ft.
Health Club	0.001210 per Sq. ft.
Homeless Shelter	0.105000 per Bed
Hospital	0.635000 per Bed
Hotel, Motel w/Kitchenettes	0.430000 per Room
Hotel, Motel	0.251000 per Room
Manufacturing	0.000160 per Sq. ft.
Mobile Home Park	0.880000 per Space
Nursing Home	0.286000 per Bed
Office	0.000335 per Sq. ft.
Photo Store, One-hour Processing	3.175000 per Store
Post Office, Excluding Dock	0.000254 per Sq. ft.

Prison	0.290000 per Capita
Racquetball Club	0.510000 per Court
Recreational Vehicle Park	0.238100 per Vehicle
Residence, Apartment w/Washer/Dryer	0.714000 per Unit
Residence, Apartment w/o Washer/Dryer	0.635000 per Unit
Residence, Condominium	0.714000 per Unit
Residence, Duplex	1.000000 per Unit
Residence, Single Family	1.000000 per Unit
Residence, Townhouse	1.000000 per Unit
Restaurant, Fast Food	0.006000 per Sq. ft.
Restaurant, Full Service	0.004000 per Sq. ft.
Retail	0.000223 per Sq. ft.
School, High	0.047600 per Seat
School, Others, Non-Residential	0.031700 per Seat
School, Others, Residential	0.317000 per Capita
Service Center	0.333000 per Employee
Shopping Center: Mixed Tenants (>150,000 sq. ft.)	0.000900 per Sq. ft.
Skating Rink	0.015900 per Capita
Stadium	0.010000 per Seat
Swimming Pool	0.015900 per Swimmer
Theater, Indoor	0.015900 Seat
Toilet	0.254000 per Toilet
Transportation Terminal	0.015900 per Passenger
Warehouse	0.000096 per Sq. ft.
Washateria	0.517500 per Washing Machine

EXHIBIT C

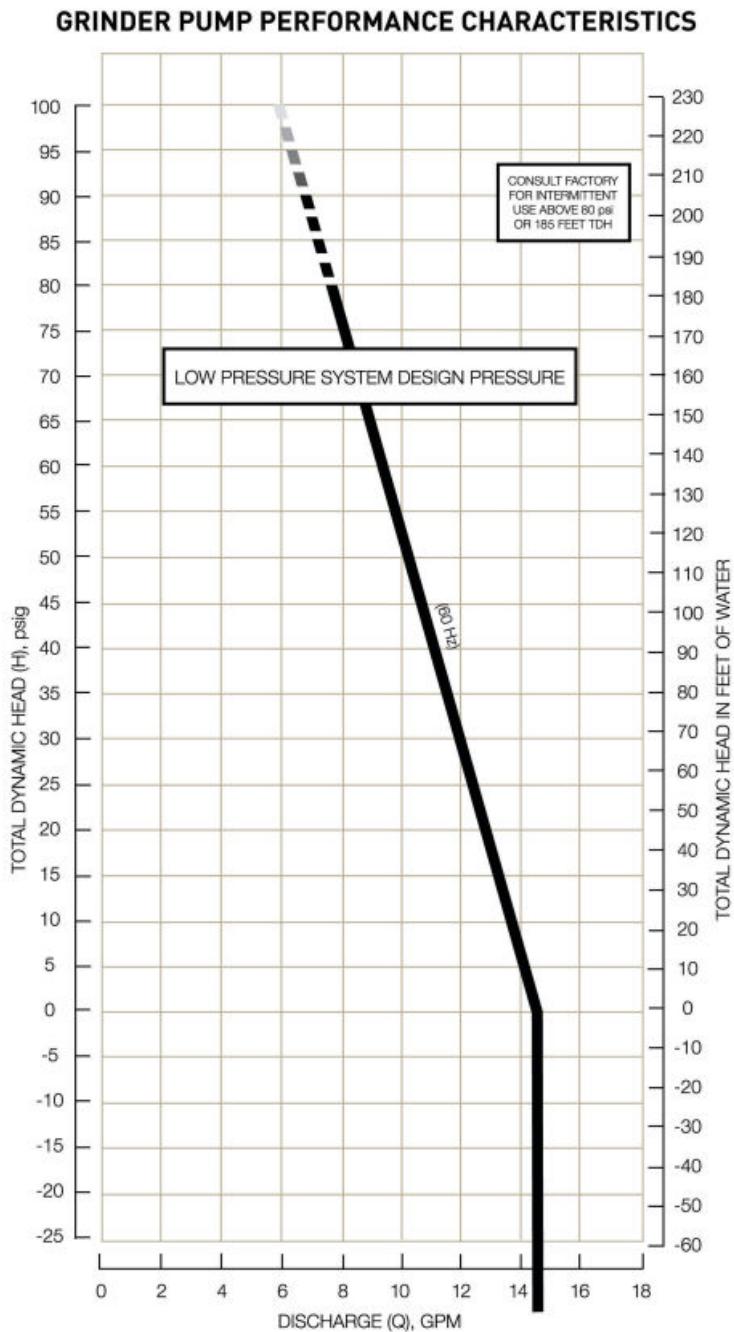
LIST OF INADMISSIBLE WASTES

The following is a list of inadmissible wastes, specifying materials that may not be discharged to the District's wastewater collection system and concentrations of substances which may not be exceeded in discharges to the District's wastewater collection system. The following list constitutes prohibited substances for discharge to the District's wastewater collection system of toxic or regulated pollutants which may pass through to the receiving stream, could cause interference with the operation of the treatment works or could cause a violation of the State or Federal discharge permit provisions. If any pollutant approaches or exceeds standards, investigative sampling will be conducted to determine the source and a limit for the pollutant will be calculated. Discharges to the District's wastewater collection system will be limited in accordance with the following lists:

1. Wastewater having a temperature that would result in the total combined influent to the treatment District's wastewater collection system to exceed a temperature of 104 degrees Fahrenheit.
2. Wastewater having a pH value lower than 5.5 or higher than 10.5.
3. Wastewater containing gasoline, benzene, naptha, fuel oil, or other flammable or explosive liquid, solid or gas.
4. Wastewater containing grease, fats, waxes, oil, plastic or other substances which will solidify or become discernibly viscous at any temperature between 32 degrees Fahrenheit and 90 degrees Fahrenheit.
5. Wastewater with a radioactive content greater than allowed by applicable provisions of the Texas Radiation Control Act, Article 4590 (f), Revised Civil Statutes of Texas, and the Texas Regulations for Control of Radiation issued thereunder.
6. Wastewater with a hydrogen sulfide concentration greater than 1.0 milligram per liter (single grab sample).
7. Wastewater containing any substance in a concentration sufficient to cause inhibition or upset to the treatment process.
8. Wastewater which will, alone or in conjunction with other wastewater, cause the wastewater entering any entry point into the District's wastewater collection system to exceed a five-day Biochemical Oxygen Demand (BOD), concentration of 220 milligrams per liter or a Total Suspended Solids (TSS), concentration of 240 milligrams per liter, based on a properly weighted 24 hour composite sample.
9. Industrial Wastewater will not be discharged to the District's wastewater collection system without prior written approval from the District. If an Owner desires to provide wastewater service to an industry, the POA will provide the District at least 120 days advance written notice.
10. Hazardous wastes prohibited by regulatory agencies will not be discharged to the District's wastewater collection system.

EXHIBIT D

DISTRICT GRINDER PUMP, WET WELL, AND APPURTENANCES DETAIL



GH091

General Applications

The GH091 (Gatorgrinder) reduces all forms of sanitary waste to a non-clogging slurry and pumps it through a network of small-diameter pipes. Because gravity is replaced by the power of the pump, sewer systems need not run downhill nor require large-diameter pipes, deep trenches, multiple lift stations – or their associated costs. Designed specifically for operation in warmer climates, the GH091 is an efficient, economic station for single dwelling service.

Features

The GH091 is a complete unit that includes: the grinder pump, check valve, fiberglass tank and controls. The fiberglass tank is supplied complete with discharge fitting installed, simplifying installation of the grinder pump and plumbing. All solids are ground into fine particles, allowing them to pass easily through the pump, check valve and small diameter pipelines. Even objects that are not normally disposed of through sewer lines, such as plastic, rubber, fiber, and wood, are ground into fine particles.

The 1-1/4" discharge fitting is adaptable to any piping material, thereby allowing us to meet your local code requirements.

The tank is constructed of laminated fiberglass and is available in several depths to accommodate capacity and site requirements. Other tank sizes are available upon request.

The integral grinder pump check valve assembly is custom designed for non-clog, trouble-free operation.

Automatic grinder pump activation is provided by the GH091 level control system. The GH091 is designed to run infrequently, for very short periods of time. The annual energy consumption is typically that of a 40-watt light bulb.

Operational Information

Motor

1 HP, 1,725 RPM, high torque, capacitor start, thermally protected, 120/240V, 60 Hz, single phase.

Inlet Connection

4" inlet grommet standard for DWV pipe. Field penetration and installation of inlet grommet allows site plumbing flexibility.

Discharge Connections

Tank is equipped with a factory installed discharge fitting. Tank discharge terminates in a 1-1/4" female NPT thread. Field connection of pump discharge to tank bulkhead is easily accomplished using the supplied discharge assembly or other material required by local code.

*Discharge**

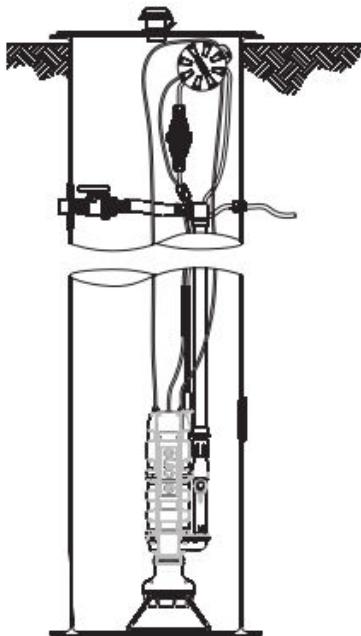
15 gpm at 0 psig

11 gpm at 40 psig

7.8 gpm at 80 psig

Overload Capacity

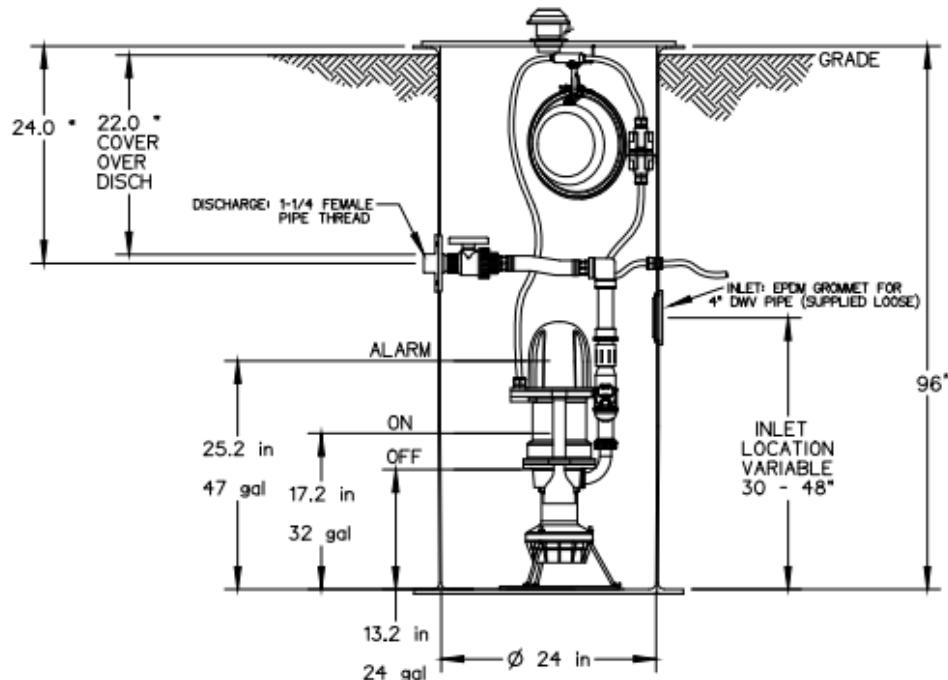
The maximum pressure generated by the pump is limited by the motor characteristics and overload protection. The motor/pump combination generates a pressure well below the rating of the pipe and appurtenances. The automatic reset feature of the motor does not require manual operation following overload.



Patent Number: 5,439,180

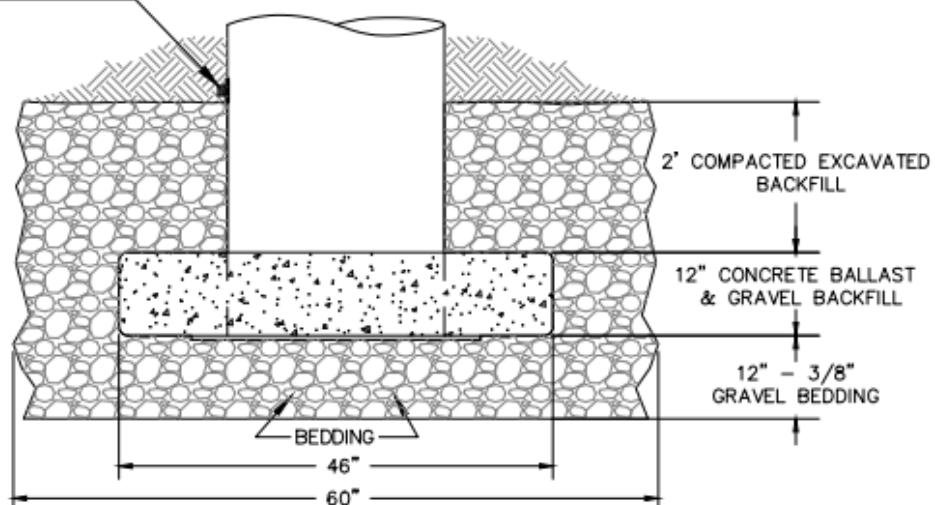
*Discharge data includes minimal losses through the check valve.

NA0060P01 Rev A



TANK BASE DETAIL

DISCHARGE CONNECTION:
 * 1 $\frac{1}{2}$ " NTP MALE X 1 $\frac{1}{4}$ " NTP MALE X 12"
 FLEX CONNECTION TO BE USED TO
 CONNECT DISCHARGE FROM CAN
 TO SERVICE LINE.



GATORGRINDER TANK BACKFILL & BALLAST DETAIL

N.T.S.



E/One Sentry™

Alarm Panel — Protect Plus Package

Description

The E/One Sentry panels are custom designed for use with Environment One grinder pump stations. They can be configured to meet the needs of your application, from basic alarm indication to advanced warning of pending service requirements.

E/One Sentry panels are supplied with audible and visual high level alarms. They are easily installed in accordance with relevant national and local codes. Standard panels are approved by UL, CSA, CE and NSF to ensure high quality and safety.

The panel features a corrosion-proof, NEMA 4X-rated, thermoplastic enclosure. A padlock is provided to prevent unauthorized entry (safety front).



Standard Features

Includes all features of the basic configuration of the E/One Sentry panel, including circuit breakers, 240 ~~or 120~~ VAC service, terminal blocks and ground lugs, audible alarm with manual silence, manual run feature and run indicator, redundant "Start" function with high level alarm, safety front, conformal-coated board and overload protection.

Includes all of the features of the E/One Sentry Protect package, including a Trouble indication that shuts down the pump temporarily in the event of an unacceptable operating condition (brownout, system overpressure, run dry), as well as:

- Predictive status display module
- Pre-alarm indication for major operating parameters
- Alarm indications for major operating parameters
- Hour meter, cycle counter and alarm delay
- LCD display and user-friendly interface
- Inner cover (dead front)
- Contact group — dry, powered and Remote Sentry

Optional Features

- Generator receptacle with auto transfer
- GFCI
- Main service disconnect

SENTRY PROTECT PLUS SIMPLEX

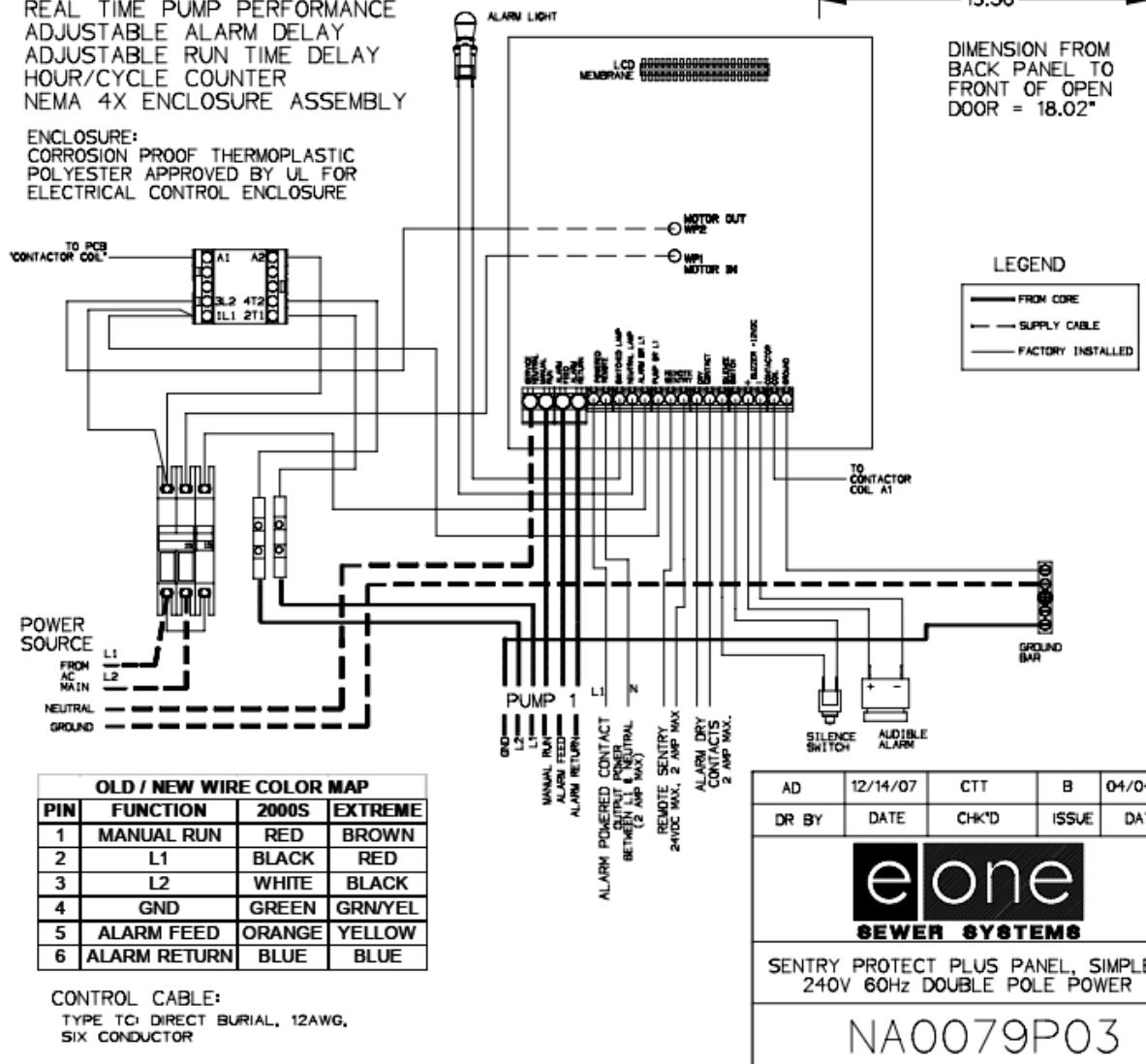
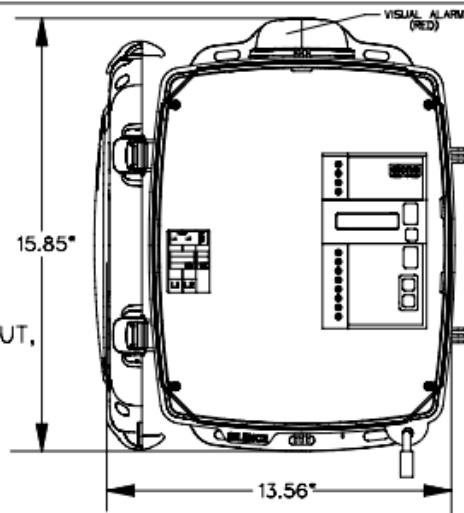
REDUNDANT RUN (HIGH LEVEL)
EXTERNAL VISUAL & AUDIBLE ALARM
REMOTE SENTRY DRY CONTACTS FOR
OPTIONAL POWER LOSS HIGH LEVEL
ALARM (POWER LOSS ALARM FOR WIRELESS)
MANUAL ALARM SILENCE

MANUAL RUN
STATUS LED'S: NORMAL, PUMP RUNNING, HIGH LEVEL
TROUBLE INDICATIONS: RUN DRY, OVERPRESSURE, BROWNOUT,
CURRENT, VOLTAGE, EXTENDED RUN TIME
POWERED AND DRY CONTACTS

CONFORMAL COATED CIRCUIT BOARD (BOTH SIDES)
PADLOCK
DEAD FRONT

PREDICTIVE ALARMS
REAL TIME PUMP PERFORMANCE
ADJUSTABLE ALARM DELAY
ADJUSTABLE RUN TIME DELAY
HOUR/CYCLE COUNTER
NEMA 4X ENCLOSURE ASSEMBLY

ENCLOSURE:
CORROSION PROOF THERMOPLASTIC
POLYESTER APPROVED BY UL FOR
ELECTRICAL CONTROL ENCLOSURE



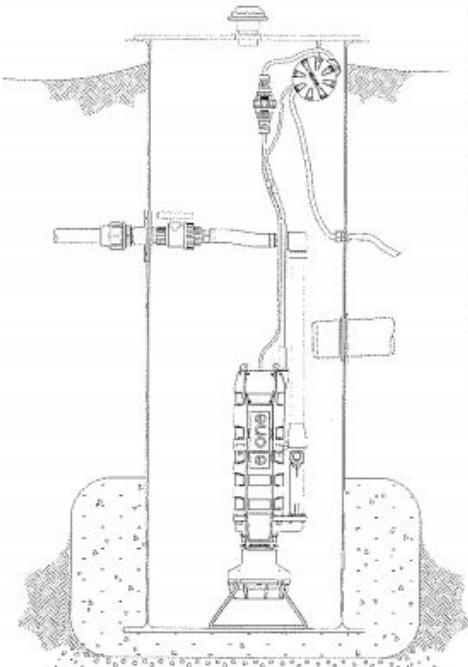
E/ONE
EXTREME
SERIES



Limited Warranty

Environment One offers a limited warranty that guarantees its product to be free of defects in material and factory workmanship for a period of 12 months from the date of installation, or 15 months from the date of shipment, whichever comes first, provided the product is properly installed, serviced and operated under normal conditions and according to manufacturer's instructions. Repairs or replacement parts required as a result of such defect will be made free of charge during this period upon return of the defective parts or equipment, freight prepaid and allowed, to the manufacturer or its nearest authorized service center.

Hydro Source Services, Inc. will extend the warranty period an additional 48 months contingent on an approved inspection and start-up. The inspection and start-up must be completed by Hydro Source Services, Inc or individuals trained and authorized by Hydro Source Services, Inc. on the proper installation of an E/One pump.



MODEL #
SERIAL #
INSTALLATION DATE:
WARRANTY EXPIRES:
INSTALLATION ADDRESS:

Environment One Corporation
2773 Balltown Rd • Niskayuna NY USA 12309
518.346.6161 • www.eone.com

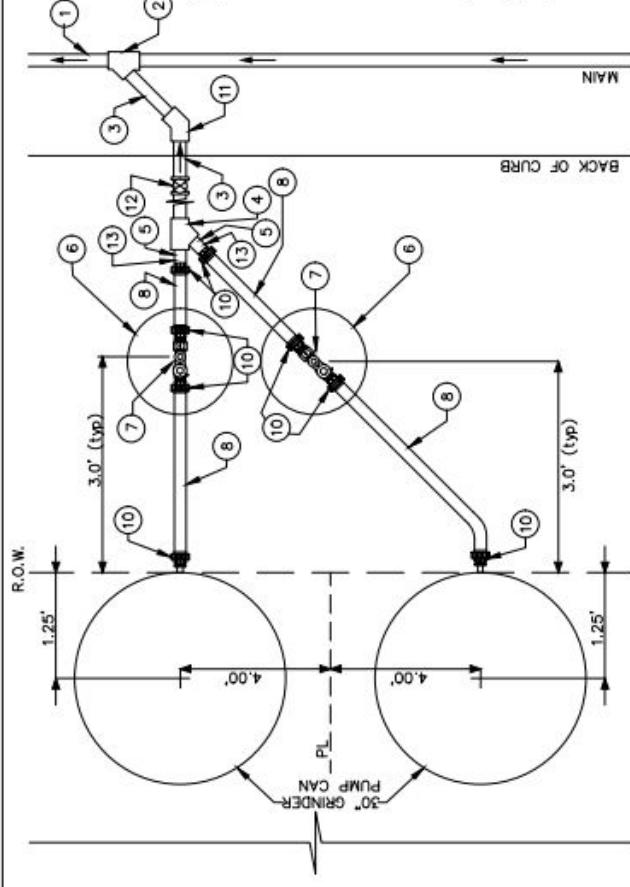
NA0073P01

PLEASE NOTE THAT THE

**TANK AND VALVE MUST
BE PROVIDED BY THE
GRINDER PUMP
SUPPLIER**

MATERIALS LIST:

1. SDR-21 PRESSURE LINE
2. WYE PVC SCH 80
3. 2" PVC SCH 80 PRESSURE SERVICE LATERAL
4. 2" PVC SCH 80 WYE (OMIT FOR SINGLE SERVICE)
5. 1.0 LF OF 2" PVC SCH 80 PRESSURE SERVICE
6. 18" ROUND CONCRETE BOX PER SPL No. WW-145
7. CHECK/BALL VALVE (PROVIDED WITH GRINDER PUMP CAN)
8. 1/2" HDPE 200psi PE-4710
9. 2-1/4" FLOWPLAST PVC-PE REDUCING COUPLING P/N: 7020621 IPS
10. 1/4" FLOWPLAST COMPRESSION MALE ADAPTER P/N: 704040 IPS
11. 2" PVC SCH 80 45° BEND
12. 2" 1/4 TURN SCH. 80 BALL VALVE
13. 2-1/4" SPGT x FIP SCH 80 BUSHING



NOTES:

- 1.) INSTALL PLASTIC VALVE VAVLTS ON 1" CRUSHED ROCK OR PEA GRAVEL PAD—MINIMUM 4" DEPTH BELOW VAULT, EXTENDING UPWARD TO PIPE SPRING LINE, AND COMPACTED TO 95% STD PROCTOR.
- 2.) MINIMUM DEPTH OF COVER FOR SERVICES =24". (TYPICAL DEPTH AT VAVLES)
- 3.) EXTENSION 1 1/2" OF SERVICE LINE AND INSTALLATION OF GRINDER PUMP SHALL BE FURNISHED BY LOT OWNERS.
- 4.) LOT OWNERS SHALL GRANT ACCESS TO PRIVATE CONTRACTORS AS REQUIRED BY TRAVIS COUNTY MUD 12 FOR EMERGENCY MAINTENANCE OF GRINDER PUMP STATION.
- 5.) ALL THREADED CONNECTIONS SHALL RECEIVE TEFILON PASTE.
- 6.) ALL HDPE AND PVC PIPE SHALL BE BACKFILLED WITH SAND.

**WASTEWATER PRESSURE SERVICE
PLAN VIEW TYPICAL**

NOT TO SCALE



E/One Sentry™

Alarm Panel — Protect Plus Package

Description

The E/One Sentry panels are custom designed for use with Environment One grinder pump stations. They can be configured to meet the needs of your application, from basic alarm indication to advanced warning of pending service requirements.

E/One Sentry panels are supplied with audible and visual high level alarms. They are easily installed in accordance with relevant national and local codes. Standard panels are approved by UL, CSA, CE and NSF to ensure high quality and safety.

The panel features a corrosion-proof, NEMA 4X-rated, thermoplastic enclosure. A padlock is provided to prevent unauthorized entry (safety front).



Standard Features

Includes all features of the basic configuration of the E/One Sentry panel, including circuit breakers, 240 or 120 VAC service, terminal blocks and ground lugs, audible alarm with manual silence, manual run feature and run indicator, redundant "Start" function with high level alarm, safety front, conformal-coated board and overload protection.

Includes all of the features of the E/One Sentry Protect package, including a Trouble indication that shuts down the pump temporarily in the event of an unacceptable operating condition (brownout, system overpressure, run dry), as well as:

- Predictive status display module
- Pre-alarm indication for major operating parameters
- Alarm indications for major operating parameters
- Hour meter, cycle counter and alarm delay
- LCD display and user-friendly interface
- Inner cover (dead front)
- Contact group — dry and Remote Sentry

Optional Features

- Generator receptacle with auto transfer
- GFCI
- Main service disconnect

SENTRY PROTECT PLUS SIMPLEX

REDUNDANT RUN (HIGH LEVEL)
EXTERNAL VISUAL & AUDIBLE ALARM
REMOTE SENTRY DRY CONTACTS FOR
OPTIONAL POWER LOSS HIGH LEVEL
ALARM (POWER LOSS ALARM FOR WIRELESS)

MANUAL ALARM SILENCE

MANUAL RUN

STATUS LED'S: NORMAL, PUMP RUNNING, HIGH LEVEL
TROUBLE INDICATIONS: RUN DRY, OVERPRESSURE, BROWNOUT,
VOLTAGE, EXTENDED RUN TIME

DRY CONTACTS

CONFORMAL COATED CIRCUIT BOARD (BOTH SIDES)

PADLOCK

DEAD FRONT

PREDICTIVE ALARMS

REAL TIME PUMP PERFORMANCE

ADJUSTABLE ALARM DELAY

ADJUSTABLE RUN TIME DELAY

HOUR/CYCLE COUNTER

NEMA 4X ENCLOSURE ASSEMBLY

ENCLOSURE:

CORROSION PROOF THERMOPLASTIC
POLYESTER APPROVED BY UL FOR
ELECTRICAL CONTROL ENCLOSURE

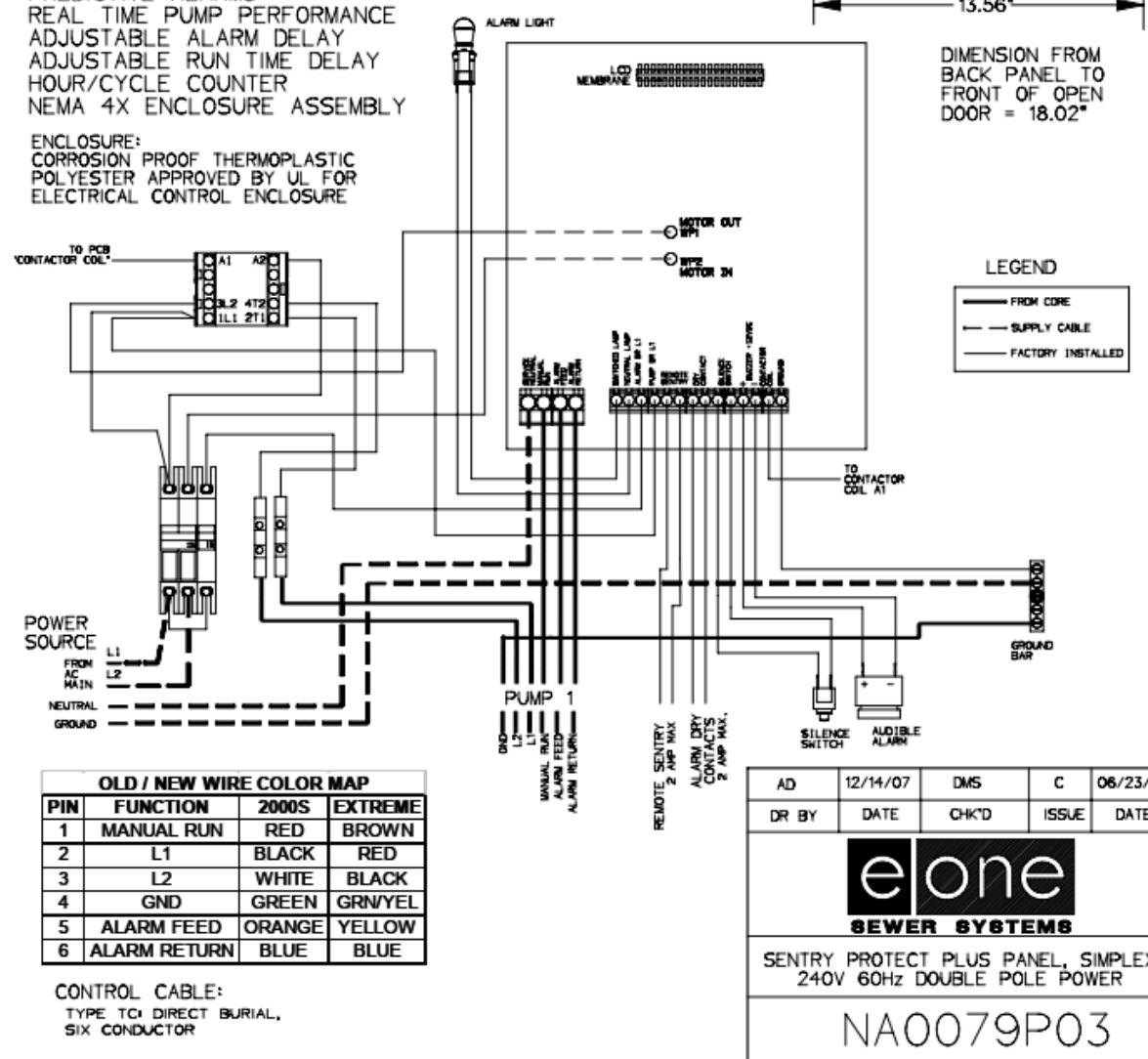


EXHIBIT E

RESIDENTIAL WASTEWATER SERVICE LINE TIE-IN SPECIFICATIONS

GRINDER PUMP INSTALLATION REQUEST

PROJECT: _____

ADDRESS: _____

COMPANY: _____

CONTACT #: _____

GATE CODE: _____

NUMBER OF PUMPS AT THIS LOCATION: _____

PLEASE ANSWER THE FOLLOWING QUESTIONS BY MARKING AN "X" IN THE BOX PROVIDED.

1. Tank has been backfilled and is installed above finished grade? **(12" EXT. MAX)**
2. Tank is completely empty and free from all debris? **(NO LIQUID)**
3. Center of inlet pipe is 30" (min) from the bottom of the tank?
4. Inlet grommet is installed correctly using a hole saw?
5. Discharge piping is 1.25" from the tank to the tap?
6. 1" electrical bulkhead fitting installed on the FRP tank per electric code?
7. 1" electrical conduit installed from the tank to the panel? **(NO PRESSURE FITTINGS)**
8. A pull string is provided through the conduit from the tank to the panel?
9. The control panel is mounted 40" to 60" above finished grade?
10. All conduit penetrations are on the bottom of the control panel only?
11. Dedicated 30 AMP circuit feeding the control panel? **(LABELED)**
12. Verified that the voltage at the control panel is between 216V and 264V?
13. All residential / main valves are located and accessible?
14. Water is available for testing the operation of the grinder pump?

YES	NO

****** IF ANY LIQUID IS FOUND IN THE GRINDER PUMP TANK AT THE TIME OF THE PUMP INSTALLATION, THE INSTALLATION WILL BE RESCHEDULED FOR THE FOLLOWING WEDNESDAY. IF THE TANK IS OVERFLOWING, THE DISTRICT'S REPRESENTATIVE WILL BE NOTIFIED IMMEDIATELY. ALL FEES ASSOCIATED WITH THE SEWAGE REMOVAL WILL BE BACKCHARGED TO THE BUILDER.**

PLEASE READ CAREFULLY

- * If you answered "no" to any of the questions above please make the necessary corrections before submitting this request.
- * Once Environmental Improvements, Inc has received the request form the installation will be scheduled for the following Wednesday. **(REQUEST FORMS MUST BE RECEIVED BY 12:00pm TUESDAY)**
- * Installations will start at 7:00am on Wednesday. **BE PREPARED.**
- * If the installation cannot be completed for reasons covered in questions 1-14 the installation will be rescheduled. Once the corrections have been made a new request form must be submitted.
- * **A RETURN TRIP FEE OF \$200.00 WILL BE BACKCHARGED TO THE BUILDER.**

By entering my electronic signature below, I affirm that I have read and agree to the terms, conditions, and policies in this application. Contact Environmental Improvements, Inc. with any questions. (512) 295-3733

PRINT: _____

SIGN: _____

DATE: _____

Exhibit "E"

PLEASE EMAIL ALL REQUEST FORMS TO russell@ei2austin.com

EXHIBIT F
CUSTOMER SERVICE INSPECTION CERTIFICATE

Name of PWS:	
PWS ID #:	
Location of Service:	

Reason for Inspection:	
New construction	<input type="checkbox"/>
Existing service where contaminant hazards are suspected	<input type="checkbox"/>
Material improvement, correction or expansion of distribution facilities	<input type="checkbox"/>

I _____, upon inspection of the private water distribution facilities connected to the aforementioned public water supply do hereby certify that, to the best of my knowledge

Compliance	Non-Compliance	
<input type="checkbox"/>	<input type="checkbox"/>	(1) No direct or indirect connection between the public drinking water supply and a potential source of contamination exists. Potential sources of contamination are isolated from the public water system by an air gap or an appropriate backflow prevention assembly in accordance with Commission regulations.
<input type="checkbox"/>	<input type="checkbox"/>	(2) No cross-connection between the public drinking water supply and a private water system exists. Where an actual air gap is not maintained between the public water supply and a private water supply, an approved reduced pressure principle backflow prevention assembly is properly installed.
<input type="checkbox"/>	<input type="checkbox"/>	(3) No connection exists which would allow the return of water used for condensing, cooling or industrial processes back to the public water supply.
<input type="checkbox"/>	<input type="checkbox"/>	(4) No pipe or pipe fitting which contains more than 8.0% lead exists in private water distribution facilities installed on or after July 1, 1988 and prior to January 4, 2014.
<input type="checkbox"/>	<input type="checkbox"/>	(5) Plumbing installed on or after January 4, 2014 bears the expected labeling indicating $\leq 0.25\%$ lead content. If not properly labeled, please provide written comment.
<input type="checkbox"/>	<input type="checkbox"/>	(6) No solder or flux which contains more than 0.2% lead exists in private water distribution facilities installed on or after July 1, 1988.

I further certify that the following materials were used in the installation of the private water distribution facilities:

Service lines:	Lead <input type="checkbox"/>	Copper <input type="checkbox"/>	PVC <input type="checkbox"/>	Other <input type="checkbox"/>
Solder:	Lead <input type="checkbox"/>	Lead Free <input type="checkbox"/>	Solvent Weld <input type="checkbox"/>	Other <input type="checkbox"/>

Remarks:

I recognize that this document shall be retained by the aforementioned Public Water System for a minimum of ten years and that I am legally responsible for the validity of the information I have provided.

Signature of Inspector:		License Type:	
Inspector Name(Print/Type):		License Number:	
Title of Inspector:		Date / Time of Insp.:	/

A Customer Service Inspection Certificate should be on file for each connection in a public water system to document compliance with 30 TAC § 290.44(h)/290.46(j).