

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

Effective July 24, 2019

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

WHEREAS, Travis County Municipal Utility District No. 14 (the "*District*") has been created to provide, among other services, water, wastewater, and drainage services;

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

WHEREAS, 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 wastewater 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; and

WHEREAS, the District desires to establish rates, charges, and fees sufficient to provide water, wastewater, and drainage facilities and services to the properties within its boundaries and to adopt general policies with respect to the District's water, wastewater, and drainage systems;

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

I. GENERAL POLICIES

A. Definitions. For purposes of this Order, in addition to the terms defined in the preamble to this Order, the following terms will have the meanings indicated:

(1) "Backflow Prevention Device" means an assembly or device that is designed to prevent backflow of water into the District's Systems 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.

(2) "Board" has the meaning ascribed thereto in the recitals.

(3) "City" means the City of Elgin, Texas.

(4) "City Code" means the City's Code of Ordinances, as amended from time to time.

(5) "Commission" or "TCEQ" means the Texas Commission on Environmental Quality, or its successor agency.

(6) “Connection” means each residential dwelling unit occupied by a separate family or family unit, including separate apartments or dwelling units located within a single building, and each business unit occupied by a separate business, including separate establishments within a single building.

(7) “Cross-Connection” means any direct or indirect Connection between the District’s water supply and any other source of water or source of potential contamination.

(8) “Customer” means (a) an individual, partnership, association, firm, public or private corporation, governmental authority, or other legal entity that receives service from the District’s Systems; (b) an owner of property that is connected to the District’s Systems; or (c) a person who receives the benefit of the District’s service.

(9) “Delinquency Date” means the 28th day of the month.

(10) “District” has the meaning ascribed thereto in the recitals.

(11) “District Representative” means the general manager of the District or another representative or employee of the District acting pursuant to the direction of the Board or the general manager.

(12) “District Drainage System” means the District’s drainage and water quality facilities.

(13) “District’s Systems” means the District’s Water System, the District’s Wastewater System, and the District’s Drainage System.

(14) “District Wastewater System” means the District’s wastewater collection, treatment, and disposal system.

(15) “District’s Water System” means the District’s water treatment and distribution system.

(16) “Due Date” means the date of receipt of a Customer’s bill.

(17) “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.

(18) “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.

(19) “High Health Hazard” means 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.

(20) “International Plumbing Code” means the International Plumbing Code dated 2009, as applicable, as published in the International Code Council, Inc., and as amended from time to time.

(21) “Industrial Wastewater Regulations” means the regulations governing the discharge of industrial wastewater adopted by the City in Division 5, Article III, Chapter 42 of the City Code, as amended from time to time.

(22) “Living Unit Equivalent” or “LUE” means one residential dwelling unit or, in the case of a commercial Customer, its equivalent under the following schedule:

<u>Meter Size</u>	<u>Living Unit Equivalent</u>
5/8” simple	1
3/4” simple	1.5
1” simple	2.5
1-1/2” simple	5
2” simple	8
2” compound	8
2” turbine	10
3” compound	16
3” turbine	24
4” compound	25
4” turbine	42
6” compound	50
8” compound	80
6” turbine	92
10” compound	115
8” turbine	160
10” turbine	250
12” turbine	330

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

(23) “Order” means this Amended Order Establishing Water, Wastewater, and Solid Waste Services Rates, Charges and Tap Fees, and Adopting General Policies with Respect to the District’s Water, Wastewater, and Drainage Systems, as amended.

(24) “Plumbing License Law” means Chapter 1301, *Texas Occupations Code*.

(25) “Prohibited Waste” means substances that are prohibited from being discharged to the City’s wastewater system, as set forth in Division 5, Article III, Chapter 42 of the City Code, as amended from time to time.

(26) “Recognized Tester” means 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.

(27) “Rules” means all rules and regulations adopted by the District under Section 54.205, *Texas Water Code* or other applicable law, including those set forth in this Order and the Industrial Wastewater Regulations.

(28) “Wastewater Contract” means the Wastewater Agreement between the City and the District dated effective as of April 25, 2011, as amended.

(29) “Wastewater Impact Fee” means the wastewater impact fee adopted by the City, as amended from time to time, which must be paid to the City in connection

with new development and/or new Connections within the District in accordance with the Wastewater Contract.

(30) “Winter-Averaging Period” means the average amount of water used by a Customer during the winter season based upon the average of the monthly readings of such Customer’s water meter for the preceding December, January, and February, unless another winter-averaging period is established by the Board.

B. All Services Required. Except as otherwise expressly authorized by the Board, no service may be provided by and through the District’s Systems unless the applicant agrees to take both water and wastewater services; however, this will not apply to temporary water Connections authorized by this Order, to irrigation meters purchased solely for the purpose of irrigating with treated water, or to any other special water-only Connections authorized by the Board. Separate irrigation meters are not available for residential Customers. Notwithstanding the foregoing, a person who receives or is provided a water supply, water service, or wastewater service from any source other than through the District’s Systems, including, by way of example only, a private water well for water supply or a septic tank for wastewater service, will not be eligible to make or maintain a temporary water Connection or any other special water-only Connections authorized by the Board to the District’s Systems.

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

D. Other Utilities. Before installing underground cables in the area of the District’s Systems, representatives of 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.

E. Review of Utility and Drainage Construction Plans. Any person desiring to install water and/or wastewater facilities to be connected to the District’s Systems must obtain the approval of such plans by the District, upon recommendation of the District’s engineer, prior to construction. Prior to the District’s engineer’s review of the plans, the person requesting review must pay to the District’s Representative a review fee of **\$2,500**. The review fee is non-refundable. If the District engineer’s estimated cost of such review exceeds \$2,500, the person requesting the review must post a deposit in an amount determined by the District engineer. The cost of review over and above the initial \$2,500 review fee will be on a time and materials basis. Any portion of the deposit not used will be refunded to the person who posted it.

F. Damage to District’s Systems by Third Parties. Any contractor, developer, or other person or entity that damages the District’s Systems will be responsible for all costs and expenses incurred by the District in immediately repairing any such damage and any other costs and expenses incurred by the District as a result of such damage.

II. CONNECTIONS TO THE DISTRICT’S SYSTEMS

A. Applications for Connections and Applications for Service.

(1) Any party desiring to make a Connection to the District’s Systems or receive service from an existing Connection to the District’s Systems must first submit an application to the District Representative in the form approved by the District Representative.

(2) All applications for service from an existing Connection must be made by the resident, occupant, or owner of the property for which service is being requested and proof of residence or ownership must be furnished to the District Representative upon request. The District Representative will review all applications for service from an existing Connection. If the District Representative believes that an application for service is being filed for a service address where the current Customer is in arrears and the application is being filed primarily to allow the current Customer to avoid payment of a past due invoice, the District may deny the application for service.

(3) The District Representative will review all applications for Connections to the District's Systems. All applicants for Connections must, upon request, furnish the District Representative with evidence that the party that will actually install the tap and connecting line has comprehensive general liability insurance in the minimum amounts of \$300,000.00 for bodily injury and \$50,000.00 for property damage, with an underground rider and a completed operations rider. If the District Representative finds that the materials to be used and the procedures and methods to be followed in laying the line and making the Connection are equal to or better than the standards established by the International Plumbing Code and all applicable governmental authorities, and are in compliance with all terms and conditions of the Rules, the District Representative may approve the application and the proposed Connection and issue a Connection permit, subject to such terms or conditions as the District Representative deems necessary or convenient to accomplish the purpose and objectives of the Rules.

B. Construction of Connecting Facilities Generally.

(1) After authorization is granted by the District Representative, the party desiring to make a Connection to the District's Systems may proceed with construction, but before the connecting line or lines and any Connections to the District's Systems are covered or enclosed with dirt or any other material, the District 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 International Plumbing Code. The District 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 International 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 Representative.

(2) All water and wastewater Connection lines must be properly bedded in washed sand to provide six inches of cushion below the line and six inches of cushion above the lines and the sand used to cover the lines must be on-site at the time the District inspection is requested. The trench bottom and walls must be cleared of all protruding rocks which could damage the lines and any debris before the sand bedding is put into place. The trench must be filled to the same elevation as the top of the adjacent curb, must be compacted to a Proctor density of 90%, and must be filled within 24 hours of inspection and approval by the District Representative. All wastewater service lines must be constructed to true alignment and grade. Warped and sagging wastewater service lines will not be permitted. No rocks or other material over six inches in diameter may be used for backfill over the sand.

(3) 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 Representative and covered with paving material in a manner acceptable to the District.

(4) 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. Water Service Line Materials and Specifications. Unless otherwise authorized by the District Representative pursuant to this Order, only one water meter and only one wastewater Connection will be permitted for each single family dwelling unit or its equivalent. A gate valve (owner's shut off valve) controlling all outlets will be installed on the discharge side of each water meter. Water service lines and underground water pipes may not be run or laid in the same trench with non-metallic wastewater service lines or drainage piping unless a centralized wastewater system exists and the following three conditions are met: (i) the bottom of the water service line, at all points, must be at least 12 inches above the top of the wastewater service line; (ii) the water service line must be placed on a solid shelf excavated at one side of the common trench and the two lines must be separated by a minimum of 18 inches; and (iii) the water service line must be installed with water tight joints tested to a minimum of 150 PSI. Unless otherwise approved by the District Representative, water service lines and wastewater service lines may not be less than three feet apart horizontally and must be separated by undisturbed or compacted earth. Sprinkler systems must be equipped with an approved vacuum breaker installed in the discharge side of each of the last valves, which must be installed at least six inches above the surrounding ground and above a sufficient number of heads so that it will at no time be subject to back pressure or drainage.

D. Wastewater Service Line Materials and Specifications. Residential wastewater service lines must be a minimum of four inches in diameter and commercial wastewater service lines must be a minimum of six inches in diameter. The minimum grades for wastewater service lines are as follows: (i) two-foot drop per hundred feet (2.0%) for four-inch pipes; (ii) one-foot drop per hundred feet (1.0%) for six-inch pipes; and (iii) six-inch drop per hundred feet (0.50%) for eight-inch pipes. Any exceptions to the minimum grades for pipe sizes will be as determined by the District Representative. On all building waste outlets, the building tie-on Connections must be made directly to the stub-out from the building plumbing at the foundation. Water-tight adapters of a type compatible with the materials being joined must be used at the point of connection of a wastewater service line to the building plumbing. No cement grout materials are permitted. Unless a written exception is permitted by the District Representative, existing "wye" and stack connections must be utilized for connection of a wastewater service line to the District's Wastewater System. Fittings and cleanouts must comply with the following: (1) no bends or turns at any point may be greater than 45 degrees; (2) each horizontal wastewater service line will be provided with a cleanout at its upper terminal, and each such run of piping which is more than 100 feet in length will be provided with a cleanout for each 100 feet, or fraction thereof, in the length of such piping; (3) each cleanout will be installed so that its opens in a direction opposite to the flow of the waste, and, except in the case of "wye" branch and end-of-the-line cleanouts, cleanouts will be installed vertically above the follow line of the pipe; and (4) each cleanout must be fitted with an airtight mechanical plug.

E. Grinder Pumps. All Grinder Pumps required for wastewater service to an individual Customer must be installed by a contractor approved by the District 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 with the District prior to initiation of utility service that sets forth applicable inspection and maintenance requirements, includes the Customer's agreement to pay all costs associated with the inspection, operation, maintenance, repair, or replacement of the facilities, and provides for continuing access to such facilities by the District Representative. 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. Any pressurized wastewater lines or other wastewater lines located within the Customer's house or on the Customer's property up to and including the check valve at the street will not be a part of the grinder pump system and will be considered a part of the home plumbing. These wastewater lines will not be inspected or maintained by the District, but will be the sole responsibility of the Customer as to design, installation, maintenance, and operation.

F. Scheduling Meter and Grinder Pump Installation. 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 installation of water meters or Grinder Pumps with the District Representative a minimum of 15 business days in advance of the date the installation is required.

G. 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.

H. 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 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 that has any outstanding fees due to the District, including any previously back-charged but unpaid re-inspection fees, 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.

I. 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 construction documents for the applicable construction project.

J. 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 firefighting, will be determined by the District 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 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 **\$35.00** application fee to initiate service and 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. Wastewater Impact Fee. A Wastewater Impact Fee in an amount calculated in accordance with the City Code, which must be paid to the City at the time an application for such Connection is made to the District’s Representative.

C. Water Meter, Tap, and Grinder Pump Installation and Inspection Fee Schedule.

(1) 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"	\$600.00
3/4"	\$650.00
1"	\$700.00
1-1/2" and larger	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. Water tap installation involving excavation will be performed by the District at cost plus 25% in addition to the above water tap fee.

(2) The District’s wastewater tap fees (including one inspection) are as follows:

<u>Meter Type</u>	<u>Tap Fee</u>
Single-Family	\$600.00
All other	\$1,000.00

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. Wastewater tap installation involving excavation shall be performed by the District at cost plus 25% in addition to the above wastewater tap fee.

(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 **\$50** for commercial Connections and **\$50** for residential Connections.

(4) Water and Wastewater Tap Transfer Fees. The owner of a water or wastewater tap may transfer a purchased tap from one lot within the District to another lot within the District upon application to the District and payment of a fee of **\$25** for the transfer of a water tap and **\$25** for the transfer of a wastewater tap.

(5) Expiration of Taps. Reservation of capacity through the pre-purchase of water and wastewater taps will expire 18 months after date of purchase of said tap.

(6) Grinder Pump Installation Fees. The charge for each Grinder Pump, including installation of the 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 **\$3,500**. If the control panel is located more than 100 feet from the Grinder Pump, an additional wiring fee of **\$100** will be assessed, which will be assessed at the time of the installation.

(7) Grinder Pump Inspection Fees. The fee for the first inspection of a Grinder Pump is included in the Grinder Pump installation fee listed above. The fee for any additional inspections is **\$250** for each inspection, which must be paid to the District Representative at the time the inspection is requested.

D. Plumbing Inspections Fees. The District will conduct five inspections of new residential and commercial plumbing construction as required by the Plumbing License Law. An inspection will be conducted 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. The fee for these inspections, which will be performed by an independent plumbing inspector retained by the District, will be as follows:

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| (1) Single-family residential inspections: | \$325 |
| (2) Irrigation: | \$60 |
| (3) Other: | To be determined by the District Representative based upon the size and scope of the project |

The applicable inspection fees will be collected at the time of purchase of the water and wastewater tap for the new construction. If an inspection is failed, a fee of **\$60** 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.

E. Cross-Connection and Back Flow Prevention Inspection Fees. A **\$75** inspection fee will be charged to a Customer who modifies, constructs, or installs additional plumbing improvements to the an existing residence or commercial Customer, including in-ground sprinkler systems, swimming pools, hot tubs, and/or water softeners.

F. Service Transfer Fees. A Customer who desires to transfer service from one address within the District to another address must pay a transfer fee of **\$30.00** at the time of the transfer of service. A Customer who desires to transfer service from one Customer name to another Customer name at the same address must pay a transfer fee of **\$5.00**.

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 amount 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) Water System.
 - (a) When meter removed **\$150.00**
 - (b) When meter not removed **\$50.00**
 - (c) After hours reconnect fee **\$50.00**
(when reconnection is made after 5:00 p.m. on a weekday or when request is made after 2:00 p.m.)
 - (d) Weekend and holiday reconnect fee **\$150.00**
(when reconnection is made on a holiday or weekend)

(2) Wastewater System. Two times the cost to the District.

H. Service Calls. If a Customer requests that the District Representative make a service call to the Customer's property to investigate a leak, wastewater 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.

I. 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. DEPOSITS

A. Generally. Security deposits will be held by the District to assure the prompt payment of all bills for water and wastewater 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 amounts due to the District, including any disconnection fees or other charges. Any portion of the deposit remaining after deduction of such amounts will be refunded to the Customer. In no event will the security deposit bear interest for the benefit of the Customer. A residential Customer whose account has been promptly paid in full may transfer his security deposit if he moves from one address to another within the District and immediately transfers service; otherwise security deposits will not be transferable.

B. Residential Security Deposits. A security deposit of **\$150** is required for each single-family dwelling unit (5/8" or 3/4" residential meter) where the residence is occupied by the owner of the residence. A security deposit of **\$250** is required for each single-family dwelling unit (5/8" or 3/4" residential meter) where the residence is occupied by a Customer who is not the owner of the residence. If a residential Customer's service is disconnected due to

late payment or non-payment, violation of this Order or the District's Rules, or any other reason other than the Customer's request, the District will require an additional \$100 security deposit for each disconnection, up to a maximum total additional security deposit of \$600, and this additional deposit must be paid before water service is reconnected. Residential security deposits must be in the form of cash, money order, or other form acceptable to the District Representative. Following 12 consecutive months of prompt payment, when due, of the District's utility bills, a Customer who owns and occupies a single family residence and has no delinquent ad valorem taxes to be owed to the District on the property shall, upon written request to the District Representative, be entitled to a 50% refund of its initial security deposit in the form of an utility account credit; provided, however, that the District may require the Customer to replace the security deposit in the event the Customer thereafter makes late payments for two or more months within a 36-month period or in the event service is terminated due to delinquent fees not being received prior to the termination date set forth in the notice of termination.

C. Landlord Deposits. The owner of a residential property used for rental purposes may, at his option, post a security deposit for such property to secure the provision of water and wastewater service to the property by the owner during temporary periods between rentals to tenants. The amount of the security deposit shall be the same as that set from time to time for rental units in this Order. The owner shall also be responsible for payment of any applicable service initiation fees set forth in this Order.

D. Commercial Security Deposits. A security deposit equal to the lesser of: (i) \$75 per LUE or (ii) \$10,000, is required for each commercial Customer, including an apartment complex. Commercial security deposits must be in the form of cash, certified check, bond, or letter of credit approved by the Board as to form and issuer. A commercial Customer that elects to post a bond or letter of credit for its security deposit will be required to pay an additional \$100 annual service charge to defray the District's administrative expense relating to processing and monitoring the bond or letter of credit.

E. Builder Security Deposits. Each builder must make a one-time \$5,000 deposit covering all houses the builder is building or intends to build within the District's boundaries. The District Representative will carefully monitor the building of all houses covered by this deposit to ensure that the water and wastewater service line and Connection at each such house has been inspected and approved prior to its being covered. In any instance in which this procedure is violated, the District Representative will require the builder to uncover the water or wastewater service line and Connection so that it may be inspected, and any cost to the District for additional inspections or other work resulting from the violation will be deducted from the builder's security deposit and the builder will be billed for any amount necessary to fully restore the deposit. The District Representative may not approve any new Connections for any builder until the builder's security deposit has been established or, if any charges are assessed against the builder's deposit, re-established at the full \$5,000 amount. The builder's security deposit will be refunded when the builder completes its building program within the District and all charges assessed against the builder are paid in full.

F. Developer Deposit. Each developer of a commercial project, including an apartment complex, or a residential subdivision within the District, must deposit the sum of \$5,000 with the District 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.

G. 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 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: (i) that the deposit be replenished by the builder or developer by the amount transferred; or (ii) 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 wastewater 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.

H. 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.** Any person that withdraws water from the District's Systems on a temporary basis without prior approval for emergency firefighting purposes must inform the District as promptly as possible of the amount of time water was used through the temporary Connection and the estimated amount of water used. 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 **\$1,550** 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 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 Customer is making a temporary water Connection for any purpose, including construction, development, street cleaning, or any other construction-related activities. The Customer 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 by the Customer, the cost of the meter, device, and/or repairs as well as any unpaid sums due from the Customer to the District for water charges or other sums payable under this Order will be deducted from the 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 up to **\$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 builder's, developer's, or contractor's violation of this subsection from its fire hydrant meter deposit or any other deposits held by the District and may further require that the builder, developer, or contractor 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.

V. RATE SCHEDULE

A. Water and Wastewater Retail Service Rates. The rates and charges set forth in this Article for the sale of water and wastewater will be in effect for all Customers of the District's Systems from the effective date of this Order.

B. Monthly Residential Water, Wastewater, and Solid Waste Collection Rates.

- (1) Water Usage Charge: **\$35.00** per LUE
(includes once a week solid waste collection and first 2,000 gallons of water usage)
- (2) Water Gallonage Charge: **\$5.25** per 1,000 gallons
(for usage over 2,000 gallons)
- (3) Wastewater Charge: **\$38.00** per LUE

C. Monthly Commercial Water Rates.

- (1) Usage Charge: **\$18.00** per LUE
- (2) Commodity Charge: **\$5.25** per 1,000 gallons

D. Monthly Commercial Wastewater Rates.

- (1) Usage Charge: **\$38.00** per LUE
- (2) Commodity Charge: **\$6.00** per 1,000 gallons

E. Monthly Fire Hydrant Meter Fees and Rates.

- (1) Fire Hydrant Meter Fee: **\$75.00**
- (2) Water Commodity Charge: **\$5.25** per 1,000 gallons

F. Calculation of Wastewater Charges.

- (1) Bills for residential wastewater service shall be computed based on a flat rate per Connection within the District and no commodity charge.

(2) Bills for non-residential wastewater service, including wastewater service to an apartment complex, will be computed based on a flat rate per Connection within the District plus a commodity charge calculated on the basis of the lesser of: (i) the average of the monthly readings of the Customer's water meter during the Winter-Averaging Period; or (ii) the Customer's current monthly water bill; however, if a non-residential 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) Notwithstanding anything herein to the contrary, no wastewater charges will be assessed for water utilized through a dedicated irrigation meter or a special water-only Connection authorized pursuant to this Order.

G. Regulatory Assessments. A regulatory assessment of 1/2% of retail water and wastewater 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.

VI. 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 the District's meter or other equipment; causing damage or unnecessary expense to a 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 a meter, attaching objects to a meter to divert service or to bypass a meter, inserting objects into a meter, electrical or mechanical means of tampering with, bypassing, or diverting District service, failing to have a

meter installed, or covering or physically obstructing the location of a meter. Meter tampering, bypass, or diversion is prohibited. Reconnecting service without authorization will be prosecuted as theft of service. All water use, other than special Connections approved by the Board, will be through a water meter provided to the user by the District. 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 **\$5,000.00** 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 Representative will, upon request of a Customer, re-read the Customer's meter. Upon receipt of a request, the District 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 be correct, the District will charge the Customer a fee as specified in this Order to cover the cost of the re-read. If the original reading is found to be incorrect, there will be no charge to the Customer.

(2) The District Representative will, upon request of a Customer, "field-test" the accuracy of the Customer's meter. Upon receipt of a request, the District 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 be 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 or below the test result under reasonable flow quantities, in which event the costs will be borne by the District. The Customer may receive a copy of the test report upon request.

E. 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 the period of 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 is, for any reason, unable to be located, the District Representative will make a charge for units 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.

F. Bill Adjustment Due to Meter Tampering, Bypass, or Diversion. If a meter is found not to have been registered for any period, to have been tampered with, bypassed, or diverted, to have not been installed, or for any reason cannot be located, the District 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.

G. 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 meter tampering, bypassing, or 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.

H. 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. In the event 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 good faith payment towards the bill under leak adjustment review equal to the customers' prior month's bill and 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 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 wholesale cost of the water plus 5%. 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 Representative may establish an alternative Winter-Averaging Period for this Customer. Customers will only qualify for a leak adjustment once during a 12-month period. Leak adjustments will only be granted for one billing cycle. If a leak adjustment credit exceeds \$250.00, the adjustment must be approved by the Board. Adjustments for water leaks due to Customer error or negligence, such as irrigation controller errors, water spigots or sprinklers left on for extended periods of time, water leaks that are not repaired in a timely fashion, etc., will not be approved under this Order. The District Representative retains the right to approve or deny a leak request as determined by the circumstances and duration of the water leak.

VII. 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 Delinquency 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 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. 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.

E. 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.

F. Disputed Bills.

(1) A Customer may advise the District that a bill is in dispute by written notice to the District 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.

VIII. DELINQUENT ACCOUNTS

A. Delinquency. All bills will be due on the Due Date and will be delinquent, and the Customer will be subject to termination of service, if full payment, including any applicable late fee, is not received by the Delinquency Date. If 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. For accounting purposes only, and with Board approval, the District Representative will write off accounts receivable over 90 days past due; provided, however, that this shall in no way relieve the past due Customer of any liability for payment. The District Representative shall turn over to a collection agency for appropriate action all accounts that are overdue by \$25.00 or more. Notwithstanding the foregoing, in accordance with Section 182.002, *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. 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.

B. Late Charges. A late charge of 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.

C. 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.

D. Dishonored Payment Charge. The District will charge a Customer whose payment of a bill is dishonored or rejected by a financial institution a fee of **\$35.00**. If a Customer's payment is dishonored or rejected by the financial institution, the District 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.

E. Notification of Alternative Payment Programs or Payment Assistance. If a Customer contacts the District Representative due to an inability to pay a bill or a need for assistance with his bill payment, the District 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 Representative may suspend the termination of services to Customers for up to 30 days based upon the District 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.

F. Post-Bankruptcy Services. In the event of bankruptcy of any 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.

IX. TERMINATION OF SERVICE

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

- (1) Within ten days from the Delinquency Date, the Customer has neither (a) paid the bill and all currently past-due bills nor (b) entered into, and commenced paying under, a written deferred payment agreement;
- (2) failure to pay the account in full within the required time after the District has provided notice that the Customer's payment has been dishonored or rejected by a financial institution, as required by Article VIII, Section D of this Order;
- (3) the Customer has defaulted in the obligations under any deferred payment agreement;
- (4) violation of the District's Rules pertaining to the use of service in a manner which interferes with the service of others;
- (5) 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;

(6) failure to pay taxes in accordance with applicable law, including Section 49.212, *Texas Water Code*;

(7) failure to comply with deposit arrangements where required by this Order; or

(8) failure to repair a controllable leak within a reasonable time (not exceeding 30 days) after having been given notice to repair the leak.

B. Termination Without Notice. District service may be terminated without notice (1) due to existence of a known dangerous condition, (2) if service is connected without authority, or (3) in instances of tampering, bypassing, or diversion of District equipment. 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. Except as provided in Article VIII, Section D for dishonored payments, proper notice of termination of service consists of a separate mailing by first-class mail, postage prepaid, at least ten 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 Representative at least 48 hours before the stated date of disconnection. The District Representative's address and 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 tenth 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. Disconnection Prohibited. Service will not be disconnected in the following circumstances:

(1) delinquency in payment for District service by a previous occupant of the premises;

(2) failure to pay the account of another Customer as guarantor thereof, unless the District has in writing required the guarantee as a condition precedent to service; or

(3) the Customer has notified the District Representative of the Customer's desire to protest the disconnection, which requires the District to comply with the procedures set forth in Section E below prior to disconnecting the customer's service.

E. Customer Appeal Procedures.

(1) Informal Hearing. Upon receipt of a Customer's request to protest the termination of service, the District 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.

F. 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 to the property in question and may be disconnected to any other properties within the District that are owned or occupied by the Customer. 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. If any of the reasons above occur, the District may, after proper notice, terminate all water and wastewater services being provided by the District to that Customer to the property in question as well as to any other properties owned or occupied by the Customer until such breach is remedied.

G. 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.

H. 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 Representative within 15 days of issuance of the bill. A written statement must be received by the District 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.

I. 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.

J. Meter Removal. The District Representative will remove a Customer's water meter if the Customer illegally restores his service without payment of his delinquent account.

X. 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 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.

XI. CUSTOMER SERVICE AGREEMENT; PLUMBING REGULATIONS; CUSTOMER SERVICE INSPECTIONS

A. Authority. Under the requirements of the Chapter 341, Subchapter C, *Texas Health and Safety Code* and 30 TEXAS ADMINISTRATIVE CODE § 290.46(i), the District is required to adopt rules to allow for proper enforcement of the requirements of the TCEQ. Further, 30 TEXAS ADMINISTRATIVE CODE § 290.46(j) requires the District to adopt rules providing for the conduct and certification of Customer service inspections.

B. Applicability. All Customers receiving water and/or wastewater utility service from the District are subject to the requirements of this Order. The provisions of this Order constitute a service agreement between the District and each Customer receiving utility services from the District. By requesting and/or accepting utility service from the District, each Customer agrees to comply with the provisions of this Order.

C. Purpose. The District is responsible for protecting the drinking water supply from contamination or pollution that could result from improper plumbing practices. The purpose of this section is to notify each Customer of the plumbing restrictions and inspections that are in place to provide this protection. The District enforces these restrictions to ensure the public health and welfare. Each Customer must agree to comply with this section as a condition to receiving water and/or wastewater services from the District.

D. Plumbing Restrictions. 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 8% 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.

E. Service Conditions. The following are the terms for the provision of service between the District and each Customer of the District:

(1) The Customer must comply with the provisions of this Order and the Rules as long as the Customer is receiving service from the District.

(2) The Customer must allow his property to be inspected for possible Cross-Connections and other undesirable plumbing practices as required by this Order or the Rules. These inspections may be conducted by a representative of the District prior to initiating service and periodically thereafter. All inspections will be conducted during the District's normal business hours.

(3) The District will notify a Customer in writing of any Cross-Connection or other undesirable plumbing practice that has been identified during the initial inspection or the periodic reinspection.

(4) The Customer must immediately correct any undesirable plumbing practice on his premises.

F. 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 International Plumbing 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) The Customer must, at his expense, properly install, test, and maintain any Backflow Prevention Device required by the District.

(3) A Backflow Prevention Device must be tested upon installation. The test must be conducted by a 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.

(4) 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.

(5) 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.

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

G. Customer Service Inspections.

(1) Inspections Required. Each applicant for service or the Customer must submit a completed Customer service inspection certification to the District in the following instances:

(a) before the District begins providing continuous and adequate 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; and

(c) after any material improvement, correction, or addition to any existing private plumbing facilities.

(2) Certifications. The certification must be completed in the form attached as **Exhibit "A"**. A Customer service inspection certification must be completed at the applicant's or Customer's expense by:

(a) a Plumbing Inspector and Water Supply Protection Specialist licensed by the Texas State Board of Plumbing Examiners and in good standing at the time of the inspection;

(b) a Certified Waterworks Operator who has completed a training course, has passed an examination administered by the Commission or its designated agent, and holds an endorsement granted by the Commission or its designated agent; or

(c) a Licensed Plumber, if the inspection and certification are for a single-family residential service.

(3) Records. The District will maintain copies of completed Customer service certifications for a minimum of ten years.

(4) Unacceptable Plumbing Practices. If unacceptable plumbing practices are discovered, they must be promptly corrected by the Customer or applicant for service to prevent contamination of the water supplied by the District. The existence of an unacceptable plumbing practice is sufficient grounds for immediate termination of service without notice in order to protect the health and safety of all Customers. Service will not be restored until the potential source of contamination has been eliminated or additional safeguards have been taken and a new customer service inspection certification is provided to the District.

H. Enforcement. If a Customer fails to comply with the terms of this Article, the District may assess fines in accordance with this Order, and must 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 will be billed to the Customer.

XII. DISTRICT APPROVALS; ESCROW FOR EXPENSES

Unless provided otherwise in this Order, 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 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.

XIII. INDUSTRIAL WASTEWATER REGULATIONS; FEES AND SURCHARGES

A. Regulations for Discharge. All discharges to the District's Wastewater System must comply with the Industrial Wastewater Regulations, as applied to the District's Systems. In interpreting whether a discharge complies with the Industrial Wastewater Regulations for the purposes of this Article, any reference in the Industrial Wastewater Regulations to the City will mean the District, any references to the Director will mean the District Representative, and any references to publicly owned treatment works or POTW will mean the District's System; provided, however, that any reference to the City's NPDES permit will mean the City's NPDES permit.

B. Wastewater Discharge Permit; Application Fee; Annual Permit Fee.

(1) No Customer may discharge Non-Domestic Waste and/or Prohibited Waste into the District's Wastewater System unless the Customer has applied for and received a wastewater discharge permit from the District authorizing such discharge in accordance with the Industrial Wastewater Regulations using the wastewater discharge permit application attached as **Exhibit "B"**. The District Representative will review each wastewater discharge permit application and make a recommendation to the Board as to approval or denial of the application. If the District Representative recommends against accepting the Non-Domestic Waste and/or Prohibited Waste into the District's

Systems under any conditions, the District Representative will deny 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/or Prohibited Waste and all other waste treated, any special techniques of treatment or operation required for the Non-Domestic Waste and/or Prohibited 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 the Non-Domestic Waste and/or Prohibited 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 the District's Systems, 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 Representative, pretreatment of any Non-Domestic Waste and/or Prohibited Waste is necessary to prevent harm to the District's 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 and/or Prohibited Waste and such pretreatment will be in accordance with the Industrial Wastewater Regulations. The District Representative will have the right to inspect pretreatment facilities of each Customer releasing Non-Domestic Waste and/or Prohibited Waste.

(2) An application for a wastewater discharge permit or a transfer of a wastewater discharge permit must pay the District an application fee of **\$250**.

(3) Each Customer who is issued a wastewater discharge permit in accordance with the Industrial Wastewater Regulations must pay the District an annual permit fee of **\$500** on or before January 1 of each year.

C. 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 Systems.

D. Additional Costs and Expenses. Additionally, the District will be reimbursed for all costs and expenses, including legal and engineering costs and expenses, incurred in connection with the enforcement of this Article and/or the Industrial Wastewater Regulations as well as for any testing of the waste associated with such enforcement and for any damage to the District's Systems. The District may add such costs and expenses to the Customer's bill, and failure to pay may result in the termination of service in accordance with this Order.

XIV. WATER CONSERVATION AND DROUGHT CONTINGENCY PLAN

The terms and provisions of the District's Drought Contingency and Water Emergency Plan (as amended from time to time, the "Drought Contingency Plan") are incorporated into this Order. The District may add the amount of any fines, penalties, or costs imposed under the 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 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.

XV. 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 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 or rainwater leaders; swimming pool water; or swimming pool filter backwash water may be connected or discharged to the District's Wastewater System. It is unlawful for any person to install, permit the installation of, or to allow the continuation of a Cross-Connection with or into the District's 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 wastewater tap for which necessary Connection fees, deposits and other charges have been paid;
- (2) generated on premises other than those for which the wastewater tap was originally made;
- (3) generated at a building other than that for which the wastewater tap was originally made, unless approved in advance by the District Representative; or
- (4) of a type different from that contemplated at the time the wastewater tap was originally made, unless approved in advance by the District Representative.

C. Service Line Maintenance. Each Customer is responsible for the maintenance of the wastewater service line from the point of connection to the District's Systems to the buildings or premises served. All wastewater 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, yard waste, trash or garbage, or construction debris, onto any District property, including District parks, greenbelts, nature trails, and/or District Drainage Systems, 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, 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 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.

F. Erosion Controls. It is unlawful for any person to begin home or other construction or engage in any manner of site disturbance involving the removal, replacement, addition, or relocation of soil or debris without installing erosion controls which prohibit sedimentation and/or obstruction within the District's Drainage System. In the event the District Representative has determined that any person has undertaken site disturbance as set forth above without first having completed installation of required erosion controls, the District Representative will notify the person of the violation and will direct the person to cease activities on the site until required erosion controls are in place. Any person allowing erosion to occur from property within the District will be liable for the costs to remove sedimentation or other debris resulting from such erosion from the District's Drainage System. The District will not allow a Connection to a lot from which erosion has occurred and has not yet been removed. In the event the District is required to remove sedimentation or other debris resulting from such erosion at the expense of the District, District shall not allow a Connection to the lot on which the violation occurred until the costs of such sedimentation and/or debris removal is reimbursed to the District.

XVI. ENFORCEMENT; PENALTIES

A. Enforcement of Rules. Water and wastewater services will not be provided by the District until all applicable requirements of this Order have been met. Under Section 54.206, *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 penalty in an amount per violation that does not exceed the jurisdiction of the justice court, as provided by Section 27.031, *Texas Government Code*, which penalty will be established by the Board or the District Representative. 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. Written notice of any penalty will be provided to the offending party and the offending party will be provided with the opportunity to appear before the Board and address the imposition of such penalty. 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, rules, 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, including the Amended Order Establishing Water and Wastewater Service Rates, Charges and Tap Fees, and Adopting General Policies with Respect to the District's Water, Wastewater, and Drainage Systems dated effective October 27, 2018 and the Rules Governing Water Services and Wastewater Services dated August 13, 2003.

XVIII. FILING; PUBLICATION

The attorney for the District is hereby directed to file a copy of this Order (i) with the Commission 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, *Texas Water Code*.

XIX. EXHIBITS

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

- Exhibit “A”** - Customer Service Inspection Certification
- Exhibit “B”** - Wastewater Discharge Permit Application

EFFECTIVE the 24th day of July, 2019.

(Signature page follows.)

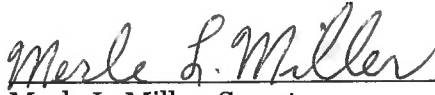


**TRAVIS COUNTY MUNICIPAL UTILITY
DISTRICT NO. 14**



Harold D. Baughman, President
Board of Directors

ATTEST:



Merle L. Miller, Secretary
Board of Directors

EXHIBIT "A"
Customer Service Inspection Certificate

Customer Service Inspection Certificate

Name of PWS TC 14 MUD

PWS I.D.# 2270353

Location of Service

Reason for Inspection: New construction.....
 Existing service where contaminant hazards are suspected.....
 Major renovation or expansion of distribution facilities.....

I, Larry Barker, 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
(1)	No direct 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 checked="" 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 and a service agreement exists for annual inspection and testing by a certified backflow prevention assembly tester.	<input checked="" 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 checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>
(5)	Plumbing installed after January 4, 2014 bears the expected labeling indicating $\leq 0.25\%$ lead content. If not properly labeled, please provide written comment	<input checked="" 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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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

Service lines Lead Copper PVC Other
 Solder Lead Lead Free Solvent Weld Other

I recognize that this document shall become a permanent record of the aforementioned Public Water System and that I am legally responsible for the validity of the information I have provided.

Remarks:

Larry Barker

I - 2684

Signature of Inspector

Registration Number

Plumbing Inspector

Title

Type of Registration

Date

This customer service survey is based on Plumbing Code Requirements
 Notice: Septic systems installation requirements for material, installation standards, separation requirements, etc. are under the jurisdiction of the Health Department or other department having jurisdiction.

EXHIBIT B
Wastewater Discharge Permit Application

Mail To: Crossroads Utility Services LLC
 2601 Forest Creek Drive
 Round Rock, Texas 78665-1232

Business Name: _____
 Service Address: _____
 Mailing Address: _____

Operator Name: _____

Owner Name: _____
 Address: _____

Contact Person: _____

Phone#: _____ Fax #: _____

Type of Business: _____
 (Restaurant, Laundry, Service Station, Garage, Office, Bakery, Photo Lab, Manufacturing, etc.)

Waste Processes: _____
 (Equipment/Floor Washing, Cooling, Metal Finishing, X-Ray/Photo Waste, Utility Blowdown, etc.)

Major Chemicals Used: _____
 (Soaps, Detergents, Caustics, Solvents, Acids, Metal Salts, Cyanides, etc.)

Water Consumption (gallons/month): Estimate _____ Actual _____

Wastewater Average (gallons/month): Estimate _____ Actual _____

Please describe types of waste generated that are not discharged to the wastewater system, the amount generated, method of disposal, and location of disposal.

<u>Waste generated</u>	<u>Amount generated</u>	<u>Method of disposal</u>	<u>Location of disposal</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Please provide a Responsible Corporate Officer, and/or the Duly Authorized Representative as designated signatory authority of the facility. This must be a person having legal responsibility for the overall operation of the discharging facility. The designated signatory shall be a person who is thoroughly familiar with the facts reported on this form and can be contacted by the District's utility manager.

Responsible Corporate Officer: _____

Title: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____

Duly Authorized Representative: _____

Title: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____

Certification Statement:

I certify, under penalty of law, that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gathered and evaluated the information submitted, and is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Signed: _____

Name: _____

Title: _____

Date: _____