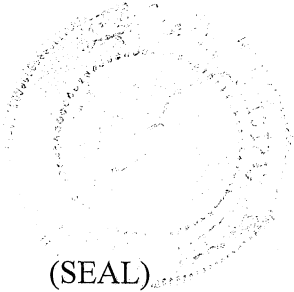


SIGNED AND SEALED effective September 13, 2017.

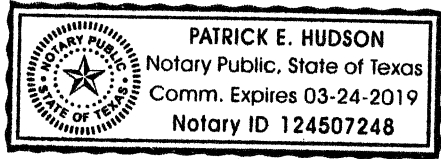


(SEAL)

By: Rashid D. Shamsie
Rashid D. Shamsie, Jr.
President

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This instrument was acknowledged before me on September 13, 2017, by Rashid D. Shamsie, Jr., as President of the Board of Directors of Walsh Ranch Municipal Utility District, on behalf of said District.



(Seal)

Patrick E Hudson
Notary Public Signature

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

(Effective September 13, 2017)

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

KNOW ALL MEN BY THESE PRESENTS THAT the Board of Directors (the “Board”) of Walsh Ranch Municipal Utility District (the “District”) hereby adopts the following Rate Order for the District:

I. General Policies.

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

1. “Connection” shall mean and refer to each residential unit occupied by a separate family, including separate establishments within a single building.
2. “District’s Representative” shall mean and refer to the general manager of the District or another representative or employee of the District acting pursuant to the direction of the general manager or the Board of Directors of the District.
3. “Living Unit Equivalent” shall mean and refer to a dwelling unit or, in the case of a residential customer, its equivalent pursuant to the following schedule:

<u>Meter Size</u>	<u>Living Unit Equivalent</u>
5/8”	1
3/4”	1.5
1”	2.5
1-1/2”	5
2”	8
3”	15
4”	25
6”	80
8”	140
10”	220
12”	270

4. “Rules” shall mean and refer to such rules and regulations as the District may adopt pursuant to the Texas Water Code or other applicable law, including but not limited to the Rules Governing Water and Wastewater Services.

5. “Systems” shall mean and refer to the District’s water, wastewater and drainage system.

B. All Services Required. Except as otherwise expressly authorized in the Rules, by the District’s Representative or by the Board of Directors of the District, no service shall be provided by and through the District’s Systems unless the applicant agrees to take water, wastewater and solid waste disposal service.

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

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

E. Review of Utility and Drainage Construction Plans. Any person desiring to install water and wastewater facilities to be connected to the District’s utility system or drainage facilities shall 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 shall make a deposit of \$500.00 with the District Engineer. The cost of review of the plans shall be on a time and materials basis. Should the estimated cost of such review exceed \$500.00, the District’s Engineer and the person requesting review shall present the request for review of the plans to the Board of Directors for a determination of an adequate deposit.

F. Compliance with Rules. Any person installing or using the Systems must comply with the District’s Rules, a copy of which may be obtained from the District’s Representative, as such rules may be amended from time to time.

II. Connections to the District’s Systems.

A. Application for Connections.

1. Any party desiring to make a connection to the District’s Systems shall first make an application to the District’s Representative in the form approved by the Board of Directors of the District. The applicant shall, upon request, furnish the District’s Representative with evidence that the party who will actually install the tap and connecting line has comprehensive general liability insurance in the minimum amounts of \$300,000.00 bodily injury and \$50,000.00 property damage, with an underground rider and a completed operations rider.

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

B. Payment of Fees.

Any party desiring to make a connection to the District's water or wastewater system for property located within or outside the District shall pay the appropriate water and wastewater tap fee, park, oversize and capital recovery fees to the District's representative at the time the application for such connection for said property is made. No connection shall be made until such tap, park and capital recovery fees are paid.

C. Tap and Inspection Fees.

1. The tap fee for each single family water Connection shall be \$600.00 per Living Unit Equivalent for the size water meter required.

2. The tap fee for all other water Connections shall be the then-current cost of the water meter times three.

3. The tap fee for each wastewater Connection shall be \$600.00 per Living Unit Equivalent for the size water meter required.

4. Sewer taps involving excavation of the sewer main shall be performed by the District at cost plus 25% in addition to said tap fee.

5. Said tap fees are in addition to the cost of all inspections of said connection and other plumbing inspections required by the District.

6. If more than one (1) yard line inspection is required before a tap is approved by the District's Representative, the fee for each additional inspection shall be \$50.00 per Connection. Said re-inspection fees shall be payable to the District upon demand.

7. Plumbing inspections of new residential and residential construction shall be conducted by the District in accordance with Article 6243-101, Sections 2(5) and 5(B) of the Texas Civil Statutes, as amended in 2001. The District shall conduct a series of five inspections (rough-in, service lines, copper, top-out and final). The fee for single family residences shall be \$250 for the five inspections. Such fee shall be due at the time the water and wastewater tap fees are paid. In the event of a failure, an additional charge of \$50 per additional inspection shall be charged. Irrigation system inspections shall be \$50 per inspection. In the event the property is not accessible when a plumbing inspection appointment has been scheduled, such inspection will

be deemed a failure.

D. Capital Recovery Fees. The capital recovery fee for District water and wastewater customers shall be equal to that water and wastewater impact fees charged by the City of Round Rock for new development and/or new connections to be served by the City of Round Rock's water system, as that water impact fee is amended from time to time by the City of Round Rock.

E. Erosion Control Inspections and Fees. Before a tap will be issued to a builder and before the builder disturbs soil or begins construction, the builder must install the approved erosion control facilities on the lots to be disturbed pursuant to the District's Rules. In the event a builder proceeds to disturb the soil or to begin construction without approved erosion control facilities in place, the builder shall be fined an initial \$500.00 fine which shall be deducted from the builder's deposit and backbilled to the builder to restore the builder's deposit to \$1,000.00. If the builder fails to provide an erosion control plan to the District's Representative within five (5) business days after being notified in writing of the violation, the builder shall be assessed a \$250.00 per day fine until the plan is filed. Once the plan is approved, the builder shall have five (5) business days to install the approved erosion control facilities. In the event the builder fails to install such erosion control facilities within five (5) business days, builder shall be assessed a \$250.00 per day fine until the erosion control facilities are in place. Once installation has occurred, the builder shall call the District's Representative for an inspection. The District's Representative may require a 24-hour notification prior to such inspection. Inspections requested Monday through Thursday will be performed the following day, excluding holidays. Inspections requested on Friday will be performed the next Monday, excluding holidays. The first inspection shall be performed at no additional charge to the builder. In the event the erosion controls are not installed in accordance with the plan approved in accordance to the Rules, the inspection will be deemed to have failed and a reinspection after correction of the deficiencies shall be required. The fee for each reinspection shall be \$50.00. The fee for reinspection shall be deducted from the builder's deposit and backbilled to the builder to restore the builder deposit to \$1,000.00. The installation must comply with the approved plan as determined by the District's Representative. In the event any erosion control devices need repair or replacement during the construction on any lot, the District operator will notify the builder of the current deficiencies: which must be repaired within 48 hours. If not repaired within 48 hours, the builder shall be fined an initial \$500.00 and \$250.00 per day thereafter until corrected, which fines shall be deducted from the builder deposit and backbilled to the builder to restore its builder deposit to \$1,000.00 and to pay any fine amounts above the existing builder deposit.

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

G. Park Fee. Not used/Reserved for future use.

III. Out of District or Annexation Requests.

Each application to the Board of Directors for approval of an out-of-district service or

annexation request filed pursuant to the District's policy relating to the same shall be accompanied by a filing fee of \$500.00 per request or \$5.00 per acre, whichever is greater. Any costs to the District over and above the amount of said fee shall be the responsibility of the applicant and shall be payable to the District upon demand.

Any customer located outside the boundaries of the District shall be solely responsible for maintaining the utility lines and facilities located outside the boundaries of the District and exclusively serving such customer.

IV. Water and Wastewater Service.

A. Applications for Service and Online Customer Account Profile Fee. Any party desiring to receive service from the District's water or wastewater systems shall make an application for such service to the District's Representative in the form approved by the Board of Directors of the District. Such party must pay a \$5 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. Security Deposit. With the exception of temporary service for builders of residential property in the District, a security deposit shall be paid to the District's Representative by each customer prior to service in the following amounts:

<u>Meter Size</u>	<u>Security Deposit</u>
5/8" (non-owner occupied)	\$200.00
5/8" (owner occupied)	\$150.00
3/4" (owner/non-owner occupied)	\$150.00
1"	\$150.00
1-1/2"	\$200.00
2"	\$250.00
Over 2"	Two Times Estimated Monthly Usage

Security deposits shall 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. After twelve consecutive months of timely payment by the customer, the District shall refund the security deposit to the customer or apply the deposit against amounts due. Upon discontinuation of service the deposit shall be applied against amounts due, including any disconnection fees, whether because of the customer's delinquency or upon the customer's request. Any portion of the deposit remaining after deduction of such amounts shall be refunded to the customer. In no event shall the security deposit bear interest for the benefit of the customer. A residential customer whose account has been paid in full may transfer his security deposit if he moves from one address to another within the District; otherwise security deposits will not be transferable.

C. Transfers of Service Within the District. In the event a customer moves from

one address within the District to another address within the District and immediately transfers service, the security deposit of the customer may be transferred to the new address. Such transfer is contingent upon the customer's timely paying the final bill for the previous address. In the event payment of the final bill is not made when due, such deposit, if held by the District, shall be used toward payment of the final bill and an additional deposit shall be required to be made by the customer for the new address. Should the customer fail to pay such, additional deposit, if required by the District, the account shall be delinquent and service may be terminated pursuant to Article V below.

D. Transfer Fee. A customer who desires to transfer service from one address within the District to another address shall pay a transfer fee of \$30.00 and shall be collected at the time of the transfer of service.

E. Security Deposit – Builder. The builder shall make a one-time \$1,000.00 deposit covering all houses he is building or intends to build within the District. The District's Representative shall carefully monitor the building of all houses covered by such \$1,000.00 deposit to make sure that the sanitary sewer and water service connection at each such house has been inspected and approved prior to its being covered. In any instance in which this procedure is not followed, the District's Representative shall require the builder to uncover the sanitary sewer or water service connection so that it may be inspected. Any cost to the district for additional inspections or other work resulting from a violation of this requirement shall be deducted from the \$1,000.00 security deposit and the builder shall be billed for such amount as necessary to fully restore the \$1,000.00. The District's Representative will not approve a water tap for any such builder less and until such builder's security deposit has been reestablished at the full \$1,000.00 amount on a monthly basis. A connection permit will be granted after inspection confirms that all requirements of this Rate Order have been met. The \$1,000.00 security deposit will be refunded when the builder finishes his building program within the District. In no event shall the security deposit bear interest for the benefit of the builder.

F. Water and Sewer Service Rates. The following rates and charges for the sale of water and the collection and disposal of sewage shall be in effect for all customers within and outside the District from the effective date of this Order:

1. General Provisions.

a. Bills for sewer service shall calculate sewer volume as the equivalent of the average amount of water used by the customer during the winter season, based upon the average of the monthly reading of the customer's water meter for the preceding December, January and February.

b. Anything herein to the contrary notwithstanding, no charge for wastewater service shall be made based on water used as a result of a Special Connection for water authorized pursuant to the Rules.

c. If a residential customer does not have an acceptable history of water usage during the preceding December, January, and February, bills for sewer service shall

be computed based upon (i) the customer's current monthly water usage; or (ii) on the basis of 10,000 gallons water usage per month, whichever is less.

d. A customer may elect to have his bill paid by bank draft beginning at such time the District's Representative has installed computer software to initiate such a program on behalf of the District. The District's Representative shall provide necessary applications for the customer's authorization to pay his bill by bank draft. At any time should the customer's bank refuse payment, the customer will be notified in writing to make payment directly to the District.

2. Monthly Base Residential Water, Wastewater and Solid Waste Collection Rates.

Usage Charge Per Fee Unit (including solid waste collection) \$43.00 (3/4" and 5/8" meters will have the same base usage charge)

Wastewater Gallonage Charge: \$4.29 per 1,000 gallons

Water Gallonage Charge:

October 1, 2016 through September 30, 2017

0 to 30,000 gallons \$3.27 per 1,000 gallons
Gallons in excess of 30,000 per month \$4.08 per 1,000 gallons

October 1, 2017 and beyond

0 to 30,000 gallons \$3.65 per 1,000 gallons
Gallons in excess of 30,000 per month \$4.57 per 1,000 gallons

3. Association Meter. The Walsh Ranch Owner's Association, Inc. (the "HOA") owns property served by a 1-1/2" water meter. The HOA shall be charged the same rates as charged to residential customers within the District, except that the Water Gallonage Charge will increase to the higher priced tier for all gallons above 150,000 gallons per month (instead of increasing at 30,000 gallons per month), based on the Living Unit Equivalent chart in Section 1 above.

4. Out of District Rates. The school, which is a public entity located outside the boundaries of the District, shall be charged the same rates as charged to residential customers within the District, except that the Water Gallonage Charge will increase to the higher priced tier for all gallons above 400,000 gallons per month (instead of increasing at 30,000 gallons per month).

5. Fire Hydrant Meter Fees. Sale of District water on a temporary basis from fire hydrants within and outside the District must be authorized in writing by the District's Representative. There shall be charged and collected for each fire hydrant meter a fire hydrant meter fee in the amount of \$50 per month or any part of a month plus \$4.00 per 1,000 gallons usage. The applicant shall be billed for water use on a monthly basis. Delinquent accounts shall be processed as for other customers. A security deposit in the amount of \$700.00 shall be paid to

the District's Representative prior to issuance of any fire hydrant meter. Such security deposit shall be refunded to the applicant at the time the meter is returned in good working order less any amounts due for damage to the meter.

6. The District shall charge each customer any regulatory assessment required by the Texas Commission on Environmental Quality.

7. Leaks. 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. Service may be disconnected for failure to comply with this provision.

V. Delinquent Accounts.

A. The District shall bill each customer monthly for all services rendered in the preceding month. All bills shall be due on the 20th day after they are mailed to the customer. Bills will be treated as delinquent if not paid by the date specified in the bill.

B. A late charge of 10% of the amount of the bill shall be added for each monthly billing date the delinquent amount remains unpaid. Such amount shall be increased as the District's costs from its general manager increases from time to time for assessment of delinquent accounts. A written termination notice shall be sent if a bill remains delinquent for sixty (60) days, which notice shall (i) be sent by first class mail; (ii) state the amount due; (iii) state the date upon which water service will be terminated, which date shall be not less than seven (7) days from the date such notice is sent; (iv) state the place at which the account may be paid; (v) state that installment plans may be available due to financial hardships; and (vi) state that any errors in the bill may be corrected by contacting the District's Representative, whose telephone number shall also be given in such notice. If a bill remains delinquent for ninety (90) days, or is paid with a check which is dishonored, water service shall be discontinued until the customer's entire account has been paid in full in accordance with this paragraph unless an installment plan has been approved by the District's Representative. A delinquent bill renders the entire amount delinquent and the entire amount must be paid in order to avoid interruption of service. In the event the customer contacts the District's Representative after receiving the notice of termination, the District's Representative may, at its opinion, allow the customer to make arrangements to pay the delinquent amount in installments to be approved by the District's Representative. Approved installment plans are permitted to allow continuation of service up to 6 months as long as outstanding delinquent balance does not exceed \$500. If the outstanding delinquent balance exceeds \$500 or the installment payment obligations are not satisfied in 6 months, water service shall be discontinued until the customer's entire account has been paid in full. The District's Representative shall present all approved installment plans to the District Board for review and consideration of late charge waivers.

C. Any determination by the District's Representative or the District's engineer or authorized agent of the District or any dispute regarding the terms and provisions of this Order may be appealed to the Board of Directors of the District which shall conduct a hearing, or appoint a committee to conduct a hearing, on the matter. The District's Representative and/or

attorney shall provide customer with information regarding appeals and hearing procedures upon the customer's request.

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

E. The District further reserves the right to charge a customer paying a bill with a check which is dishonored a fee of \$35, which amount may be revised from time to time by the District's Representative based on the prevailing or usual charges made for dishonored checks and drafts by other vendors in the same general area as the District. In the event a customer has presented a dishonored check, the District's Representative may require payment for a delinquent bill and all future bills to be made by money order, cashier's check or cash. After twelve months of timely payments, a customer may petition the District's Representative for the right to pay by personal check.

VI. Discontinuation of Service.

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

1. Water System.
 - a. when meter removed \$100.00
 - b. when meter not removed \$ 40.00
2. Wastewater System. Two times the cost incurred by the District.

VII. Transfer of Service.

In the event service at an address is to be transferred from one customer name to another customer name there shall be no fee for the transfer:

VIII. Penalties.

Use of water without an authorized meter shall result in the offending party being subject to the payment of a fine in an amount not to exceed \$1,000.00 per violation and payment for the cost of water at 10 times the normal gallonage rate. In addition, the offending party shall be liable to the District for any costs incurred by the District in connection with any repairs or corrections necessitated by any such violation, and any reasonable and necessary costs associated with the investigation and enforcement of these provisions, including attorneys' fees and costs of court.

In the event a builder is fined for violation of erosion control requirements and such fine


is not paid within twenty (20) days of the issuance of the fine, no additional water taps will be issued to such builder until such fines are paid.

IX. The Secretary of the Board is hereby directed to file a copy of this Order in the principal office of the District.

X. All provisions of this Order will be effective on the date set forth on page 1 of this Order.


PASSED AND APPROVED September 13, 2017.

(SEAL)



Rashid D. Shamsie, Jr., President
Board of Directors

ATTEST:



Name: Satyana rayana Irrinki
Title: Assistat Secretary