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All sample application items and miscellaneous forms can be found at the Corporation's office and on the Corporation's website at "www.wnwater.com". If you are unable to find what you are looking for contact the Corporation's office for further assistance.

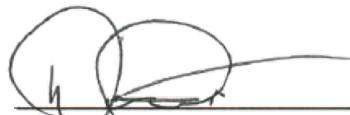
SECTION A.
RESOLUTION

THE BOARD OF DIRECTORS OF WESTWOOD NORTH WATER SUPPLY CORPORATION ESTABLISHED THAT:

1. This Tariff of the Westwood North Water Supply Corporation, as amended on November 25, 2024, consisting of Section A through Section H, and forms inclusive, is adopted and enacted as the current regulations and policies effective as of November 25, 2024.
2. Only those pre-existing written contracts or agreements executed by the present or previous Board of Directors shall remain in effect, unless the contract or agreement requires compliance with changes of the Tariff from time to time.
3. The adoption of this amended Tariff does not prohibit or limit the Corporation from enforcing previous penalties or assessments from before the current effective date.
4. An official copy of this and all policies or records shall be available during regular office hours of the Corporation. The Secretary of the Corporation shall maintain the original copy as approved and all previous copies for exhibit.
5. Rules and regulations of State or Federal agencies having jurisdiction shall supersede any terms of this amended Tariff. If any section, paragraph, sentence, clause, phrase, word, or works of this policy are declared unconstitutional or invalid for any purpose, the remainder of this Tariff and its policies shall not be affected.
6. This Tariff, as amended, has been adopted in compliance in Open Meeting in compliance with the Open Meetings Act, Chapter 551 of the Texas Government code.

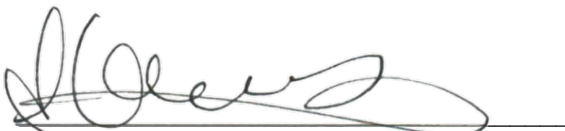
PASSED and **APPROVED** the 25th day of November, 2024.

WESTWOOD NORTH WATER SUPPLY
CORPORATION



David Daniels
Board President

ATTEST:



Shelbi Gehring
Secretary-Treasurer

CERTIFICATE FOR ORDER

We, the undersigned officers of the Board of Directors of **WESTWOOD NORTH WATER SUPPLY CORPORATION**, Montgomery County, Texas, hereby certify as follows:

The Board of Directors of Westwood North Water Supply Corporation convened in regular session on the 25th day of November, 2024, at the regular meeting place thereof, and the roll was called of the duly constituted officers and members of the Board.

David Daniels	President
Christopher Jones	Vice-President
Shelbi Gehring	Secretary/Treasurer
Michael Larrazolo	Director

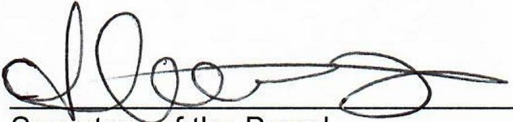
Whereupon among other business, the following was transacted at the meeting: an

ORDER BY WESTWOOD NORTH WATER SUPPLY CORPORATION AMENDING ITS TARIFF AND ADOPTING RULES AND REGULATIONS RELATING TO THE ADMINISTRATION OF ITS WATER UTILITY SERVICES AND ESTABLISHING PENALTIES FOR VIOLATION OF THOSE RULES AND REGULATIONS; PROVIDING AN EFFECTIVE DATE OF NOVEMBER 25, 2024.

was introduced for the consideration of the Board. It was then duly moved and seconded that the Order be adopted, effective November 25, 2024; and, after due discussion, the motion, carrying with it the adoption of the Order, prevailed and carried unanimously.

That a true, full and correct copy of the aforesaid Order adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; and that the Order has been duly recorded in the Board's minutes of the meeting; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the Board as indicated therein; that each of the officers and members consented, in advance, to the holding of the meeting for such purpose; that the meeting was open to the public as required by law; and that public notice of the time, place and subject of the meeting was given as required by Chapter 551, Texas Government Code and the Texas Water Code.

SIGNED and **SEALED** the 25th day of November, 2024.


Secretary of the Board


President of the Board

AS AMENDED NOVEMBER 25, 2024

ORDER BY WESTWOOD NORTH WATER SUPPLY CORPORATION AMENDING ITS TARIFF AND ADOPTING RULES AND REGULATIONS RELATING TO THE ADMINISTRATION OF ITS WATER UTILITY SERVICES AND ESTABLISHING PENALTIES FOR VIOLATION OF THOSE RULES AND REGULATIONS; PROVIDING AN EFFECTIVE DATE OF NOVEMBER 25, 2024.

WHEREAS, the WESTWOOD NORTH WATER SUPPLY CORPORATION (“Corporation”) is a member-owned, non-profit corporation incorporated pursuant to the Texas Water Code, Chapter 67, “Nonprofit Water Supply or Sewer Service Corporations,” and as supplemented by the Texas Business Organizations Code, Chapter 22, “Nonprofit Corporations,” for the purpose of furnishing potable water utility service; and


WHEREAS, Section 13.136(c) of the Texas Water Code requires a water supply corporation to file its tariff with the Public Utility Commission of Texas (“PUC”) and as a part of the tariff, all rules and regulations relating to or affecting the rates, utility service, product, or commodity furnished; and

WHEREAS, the Board of Directors has carefully considered the matter and is of the opinion that the following fees, charges, rules, regulations, and penalties are necessary for the safe and efficient management of the Corporation’s utility facilities.

NOW THEREFORE, BE IT ORDERED by the Board of Directors of Westwood North Water Supply Corporation of Montgomery County, Texas that:

1. The attached Tariff as amended is hereby approved and adopted by the Board of Directors.
2. Notice of the Tariff changes will be sent to the Public Utility Commission of Texas and to the members of the Corporation within 30 days of this Order.
3. This Order shall be and remain in full force and effect from November 25, 2024, from and after the date of its passage and publication as provided by law.

PASSED and **APPROVED** the 25th day of November, 2024.



David Daniels, President of the Board

ATTEST:



Shelbi Gehring, Secretary of the Board

SECTION B. **STATEMENTS**

1. **Organization.** Westwood North Water Supply Corporation is a member-owned, non-profit corporation incorporated pursuant to the Texas Water Code (“Water Code”), Chapter 67, Nonprofit Water Supply or Sewer Service Corporations and as supplemented by the Texas Business Organizations Code (“BOC”), Chapter 22, “Non Profit Corporations,” for the purpose of furnishing potable water service. Corporation operating policies, rates, and regulations are adopted by the Board of Directors elected by the Members of the Corporation.
2. **Non-Discrimination Policy.** Membership in the Corporation and service is provided to all Applicants who comply with the provisions of this Tariff regardless of race, creed, color, national origin, sex, disability, or marital status.
3. **Policy and Rule Application.** These policies, rules, and regulations apply to the water and *or* sewer services provided by the Westwood North Water Supply Corporation, also referred to as Corporation, or (WNWSC). Failure on the part of the Member, Consumer, or Applicant to observe these policies, rules and regulations gives the Corporation the authority to deny or discontinue service according to the terms of this Tariff as amended from time to time by the Board of Directors of the Corporation.
4. **Corporation Bylaws.** The Corporation Members have adopted bylaws (see BOC, Section 22.102) which establish the make-up of the Board of Directors and other important regulations of the Corporation. The bylaws are on file at the Corporation's office.
5. **Fire Protection Responsibility.** The Corporation does not provide nor imply that fire protection is available on any of the distribution system. All hydrants or flush valves are for the operation and maintenance of the system and may be used for refill only by authorized fire departments. The Corporation reserves the right to remove any hydrant, due to improper use or detriment to the system as determined by the Corporation, at any time without notice, refund, or compensation to the contributors unless such hydrants are installed pursuant to the terms of a Non-Standard Service Contract as provided for in Section F, in which event the terms and conditions of the Contract shall apply.
6. **Damage Liability.** The WNWSC is not liable for damages caused by service interruptions, events beyond its control, and for normal system failures. The limits of liability of the WNWSC are the extent of the cost of service provided. By acceptance of Membership, Member consents to waiver of such liability.
7. **Information Disclosure.** The records of the Corporation shall be kept in the Corporation office in Magnolia, Montgomery County, Texas. All information collected, assembled, or maintained by or for the Corporation shall be disclosed to the public in accordance with the Texas Public Information Act. Individual customers may request in writing that their name, address, telephone number, or social security number be kept confidential. Such confidentiality does not prohibit the utility from disclosing this information to an official or employee of the state or a political subdivision of the state acting in an official capacity or an employee of the Corporation acting in connection with the employee's duties. Further, such confidentiality does not prohibit the Corporation from disclosing the name and address of each member on a list to be made available to the Corporation's voting

members, or their agents or attorneys, in connection with a meeting of the Corporation's members. The Corporation shall give its applicants and customers notice of rights to confidentiality under this policy and all prevailing associated fees for such request.

8. ***Grievance Procedures.*** Any Member of the Corporation or individual demonstrating an interest under the policies of this Tariff in becoming a Member of the Corporation shall have an opportunity to voice concerns or grievances to the Corporation by the following means and procedures:
 - a. By presentation of concerns to the Corporation's president or authorized staff member. If not resolved to the satisfaction of the aggrieved party then,
 - b. By presenting a letter to the Board of Directors stating the individual's grievance or concern and the desired result.
 - c. The Board of Directors shall respond to the complaint by communicating the Board's decision in writing.
 - d. Any charges or fees contested as a part of the complaint in review by the Corporation under this policy shall be suspended until a satisfactory review and final decision has been made by the Board of Directors.

9. ***Customer Service Inspections.*** The Texas Commission on Environmental Quality (TCEQ) and the Corporation requires that a customer service inspection certification (CSI) be completed prior to providing continuous water service to new construction and for all new members as part of the activation of standard and some non-standard service. Customer service inspections are also required on any existing service when the corporation has reason to believe that cross-connections or other potential contaminant hazards exist, or after any material improvement, correction or addition to the members' water distribution facilities. This inspection is limited to the identification and prevention of cross connections, potential contaminant hazards and illegal lead materials. (30 TAC 290.46(i-j))

10. PRESSURE VACUUM BREAKERS. (BACK FLOW PREVENTION DEVICES.)

- a. All commercial business are required to have an annual certified back flow test report on file with Westwood North Water Supply Corporation. They must also have a testable backflow device and a certified test report on file with the corporation for irrigation systems as required by TCEQ 290 Water Rules.
- b. Residential irrigation systems, pools and spas are required to have an acceptable air gap or a testable backflow device and a certified test report on file with Westwood North Water Supply Corporation as required by TCEQ 290 Water Rules.

11. ***Submetering Responsibility.*** The Corporation policy is to require individual meters for all apartment houses, manufactured home rental communities, multiple use facilities, condominiums, and commercial retail facilities. Submetering and Non-Submetering by Master Metered Accounts may be allowed by the Board of Directors in the Corporation's water distribution system provided the Master Metered Account customer complies with the Texas Commission on Environmental Quality Chapter 291, Subchapter H rules pertaining to Submetering. The Corporation has no jurisdiction over or responsibility to the tenants. Tenants receiving water under a Master Metered Account are not considered customers of the Corporation. Any interruption or impairment of water service to the tenants is the responsibility of the Master Metered Account Customer. Any complaints regarding submetering should be directed to the Texas Commission on Environmental Quality.

NOTE: The system should check with the Master Metered Account Customer to:

1. See if they have registered with the TCEQ, (Chapter 13 Texas Water Code Subchapter M; and TECQ Rules, Chapter 291, Subchapter H)
2. See that they do not charge their tenants more than the total amount of charges that you have billed. If the aggregate bill is greater than the Corporation's charge, the Master Metered Account Customer is considered by the TCEQ to be a separate Public Water System and will be required to comply with all TCEQ regulations.
3. Protect the System's CCN. Should the Master Metered Account Customer continue to violate these or other State regulations, the Corporation will need to request a Cease and Desist Order from the TCEQ. (Texas Water Code Chapter 13.252 and 30 TAC Chapter 291.118)

SECTION C. **DEFINITIONS**

Active Service – The status of any Member receiving authorized service under the provisions of this Tariff.

Applicant – A person, partnership, cooperative corporation, corporation, agency, public or private organization of any type applying for service with the Westwood North Water Supply Corporation.

Board of Directors -- The governing body elected by the Members of the Westwood North Water Supply Corporation. (BOC, Section 22.001(1))

Bylaws -- The rules pertaining to the governing of the Westwood North Water Supply Corporation adopted by the Corporation Members. (BOC, Section 22.001(2))

Certificate of Convenience and Necessity (CCN) -- The authorization granted under Chapter 13 Subchapter G of the Texas Water Code for Westwood North Water Supply Corporation to provide water service within a defined territory. Westwood North Water Supply Corporation has been issued Certificate Number 11599. Territory defined in the CCN shall be the Certificated Service Area. (See Section D. Certificated Service Area Map)

Commercial – Any business, trade, occupation, profession, or other activity intended to generate revenue for a profit

Commercial account – An account of a business for commercial purposes.

Commercial facility – Any structure or combination of structures at which any business, trade, occupation, profession, or other commercial activity is conducted. A Member that utilizes water within the Member's residence or property for commercial purposes may be required to obtain a separate meter. A business conducted within a Member's residence or property that does not require water in addition to that provided to the Member's residence shall not be considered a separate commercial facility.

Corporation -- The Westwood North Water Supply Corporation. (Section B (1) and (3) of this Tariff)

Developer – Any person, partnership, cooperative corporation, corporation, agency, or public or private organization who subdivides land or requests two (2) or more water service connections on a single contiguous tract of land [as defined in Chapter 13.2502 (e)(1) of the Water Code].

Disconnection of Service -- The discontinuance of water or sewer service by the Corporation to a Member/Customer.

Easement -- A private perpetual dedicated right-of-way for the installation of water pipelines and necessary facilities which allows access to property for future operation, maintenance, facility replacement, facility upgrades, and/or installation of additional pipelines (if applicable). This may also include restrictions on the adjacent area to limit the installation of sewer lines or other facilities that would restrict the use of any area of the easement. (See Sample Application Packet, FmHA Form 442-8 or FmHA Form 442-9)

Equity Buy-In Fee -- Each Applicant shall be required to achieve parity with existing Members. This fee shall be assessed prior to providing or reserving service on a per service unit basis for each tap/lot and shall be assigned and restricted to the tap/lot for which the service was originally requested. (Section G. 5., also see Miscellaneous)

Final Plat -- A complete plan for the subdivision of a tract of land showing or referencing local tax appraisal maps, access to public road(s), number and size of lots, location of dedicated utility easements, and locations of lakes, streams, or rivers on the property. The Westwood North Water Supply Corporation shall determine if a plat submitted for the purpose of this Tariff shall qualify as a final plat.

Hazardous Condition -- A condition that jeopardizes the health and welfare of the Members/Consumers of the Corporation as determined by the Corporation or regulatory authority.

Indication of Interest Fee -- A fee paid by a potential Member of the Corporation for the purpose of determining the feasibility of a construction and /or expansion project. The Indication of Interest Fee may be converted to a Membership Fee upon determination that service to the Applicant is feasible and available. This also applies to applicants applying for, or receiving, Temporary Service. (Section E. 6. b., and Sample Application Packet - USDA RUS-TX Bulletin 1780-9 (Rev. 5/99))

Liquidated Membership -- A Membership that has been canceled due to delinquent charges exceeding the Membership Fee or for other reasons as specified in this Tariff.

Member -- Any person, partnership, cooperative corporation, corporation, agency, or public or private organization who holds a membership in the Corporation and who either currently receives or will be eligible to receive water utility service from the Corporation and who either: (1) is a record owner of a fee simple title to the property in an area served by the Corporation, or (2) is a person who is granted a membership. The Member shall be qualified for service and been certified as a Member in accordance with the Corporation's Tariff. (Texas Water Code Section 13.002(11); Texas Water Code Section 67.016(d))

Membership -- A non-interest bearing stock purchased from the Corporation evidencing a Member's interest in the Corporation. (See Tariff Section E. 6 b and Section 22.151(c))

Membership Fee -- A fee qualified as such under the terms of the Tariff and the bylaws of the Corporation assigned to the real estate designated to receive service. The membership fee shall be refundable upon termination of service and surrendering the Membership. (30 TAC 291.3 Definitions; Texas Water Code 13.043(g))

Membership Transfer Authorization Form -- A written form evidencing Transferor's surrender of Membership pursuant to Section E. 6 c of this Tariff. (See Section E. 6 c of this Tariff and Miscellaneous Transaction Forms).

Proof of Ownership -- When used throughout this Tariff, proof of ownership shall be provided by deed of trust, warranty deed, or other recordable documentation of fee simple title to real estate to be served. (Texas Water Code 67.016 (d))

Residence -- Any structure which is being used for human habitation, which may include kitchen and

bathroom facilities, or other evidence of human habitation as defined by the Corporation.

Rural Utilities Service (RUS) -- An Agency of the United States Department of Agriculture Rural Development Mission Area that provides loan and grant funds for development of rural water and sewer systems serving communities with a population of less than ten thousand (10,000) people.

Renter -- A consumer who rents or leases property from a Member or who may otherwise be termed a tenant. A renter may not be a Member unless a Membership is properly transferred to the renter pursuant to the procedures outlined in Section E. 7. and they meet all other applicable conditions to receive water utility service from the Corporation. (See Tariff Section E. 7.)

Re-Service -- Providing service to an Applicant at a location for which service previously existed. Costs of such re-servicing shall be based on justifiable expenses. (See Tariff Section E. 3. b., E. 4. b and Miscellaneous)

Reserved Service Charge -- A monthly charge for each active account at a specific location for which a meter has not been installed but for which the Corporation and the Applicant have entered into agreement and/or contract for reserving service. This monthly charge shall be based on the Corporation's fixed costs to service the Applicant's dedicated facilities on a per Service Unit basis. This charge reserves service to the Applicant's property designated to receive service. This fee is determined on a case by case basis but shall never exceed the Service Availability Charge for Metered Service on a per Service Unit basis. (See Tariff Section F. 6. d., e)

Service Availability Charge -- (Also known as "minimum monthly charge", "minimum", or the "base rate") The monthly charge assessed each Member/Customer for the opportunity of receiving service. The Service Availability Charge is a fixed rate based upon the meter, service size, or equivalent dwelling unit(s). (See definition of Reserved Service Charge)

Service Application and Agreement -- A written agreement between the Member/Applicant and the Corporation defining the specific type of service requirements requested on the current service application and agreement form, and the responsibilities of each party required before service is furnished. (See Sample Application Packet RUS-TX Bulletin 1780-9 (Rev. 5/99) or Non-Standard Service Contract)

Service Unit -- The base unit of service used in facilities design and rate making. For the purpose of this Tariff, a service unit is a 5/8" X 3/4" water meter. (See Tariff Section G. 6. a., Miscellaneous)

Subdivide -- To divide the surface area of land into lots or tracts. (Local Government Code Chapter 232, Section 232.021 Definitions)

Subdivider -- An individual, firm, corporation, or other legal entity that owns any interest in land and that directly or indirectly subdivides land into lots as a part of a common promotional plan in the ordinary course of business. (Local Government Code Chapter 232, Section 232.021 Definitions; Texas Water Code, Section 13.2502(e)(1))

Subdivision -- An area of land that has been subdivided into lots or tracts. (Local Government Code Chapter 232, Section 232.021 Definitions)

Tariff -- The operating policies, service rules, service extension policy, service rates, rationing policies,

sample application packet, and miscellaneous transaction forms adopted by the Board of Directors. A copy of this Board approved tariff is on file at the Corporation office and as required since September 1, 1989 at the State office of the TCEQ.

Temporary Service -- The classification assigned an applicant that is in the process of construction. This could also apply to service for uses other than permanent (agricultural, road construction, drilling, livestock, etc.). The Board will set the length of time associated with this classification. This classification will change to permanent service after requirements in Section E. 1, E. 2, E. 3, and E. 5 are met. Applicant must have paid an Indication of Interest Fee.

Tenant -- A consumer who rents or leases property from a Member or who may otherwise be termed a renter. A tenant may not be a Member unless a Membership is properly transferred to the tenant pursuant to the procedures outlined in Section E. 7. and they meet all other applicable conditions to receive water utility service from the Corporation. (See Tariff Section E. 7)

Texas Commission on Environmental Quality (TCEQ) -- State regulatory agency having jurisdiction of water and sewer service utilities and appellate jurisdiction over the rates and fees charged by Non-Profit Water and Sewer Service Corporations.

Transferee -- An Applicant receiving a Westwood North WSC Membership by legal means from a person or entity desiring to forfeit and transfer current rights of Membership to another person or entity. (See Tariff Section E. 6 c., Miscellaneous Transaction Forms; Texas Water Code, Section 67.016)

Transferor -- A Member who transfers Membership by legal means to another person or entity desiring to qualify for service at a property for which the Membership is currently issued or to the Corporation. (Texas Water Code, Chapter 67.016)

Water Conservation Penalty -- A penalty that may be assessed under Section H of this Tariff to enforce customer / member water conservation practices during drought contingency or emergency water demand circumstances. (See Texas Water Code Chapter 67.011 (b)).

Westwood North Water Supply Corporation

6310 Weisinger Dr
Magnolia, TX 77354

379-11-2207

Certificate #11599

Boundary Description of Service Area

The service area includes the following Section, Block and Lot Numbers of Westwood Subdivision, recorded in Montgomery County, Texas

COPY

Westwood Section 3 (Record #S949503)

Block 1	Lots	1	through	85
Block 2	Lots	1	through	32
Block 3	Lots	1	through	58
Block 4	Lots	1	through	45
Block 5	Lots	1	through	41
Block 6	Lots	1	through	39
Block 7	Lots	1	through	20
Block 8	Lots	1	through	20
Block 9	Lots	1	through	161
Block 10	Lots	1	through	24
Block 11	Lots	1	through	24
Block 12	Lots	1	through	60
Block 13	Lots	1	through	62
Block 14	Lots	1	through	62
Block 15	Lots	1	through	62
Block 16	Lots	1	through	62

Westwood Section 4 (Record #S949504)

Block 1	Lots	1	through	129
Block 2	Lots	1	through	36
Block 3	Lots	1	through	36
Block 4	Lots	1	through	36
Block 5	Lots	1	through	36
Block 6	Lots	1	through	36
Block 7	Lots	1	through	18
Block 8	Lots	1	through	18
Block 9	Lots	1	through	28

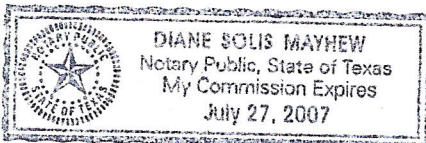
Karen G Slocum

Karen G Slocum
Office Manager
Westwood North Water Supply Corporation

Shirley J Garig

Shirley J Garig
Office Assistant
Westwood North Water Supply Corporation

STATE OF TEXAS
COUNTY OF MONTGOMERY



This instrument was acknowledged before me on the 27th day of June, 2007, by Karen G. Slocum and Shirley J. Garig.

Diane Solis Mayhew

2007-074877

FILED FOR RECORD

379-11-2208

07 JUN 28 AM 9:39

Mark Turnbull
COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

COPY

STATE OF TEXAS
COUNTY OF MONTGOMERY

I hereby certify this instrument was filed in
File Number Sequence on the date and at the time
stamped herein by me and was duly RECORDED in
the Official Public Records of Real Property at
Montgomery County, Texas.

JUN 28 2007



Mark Turnbull

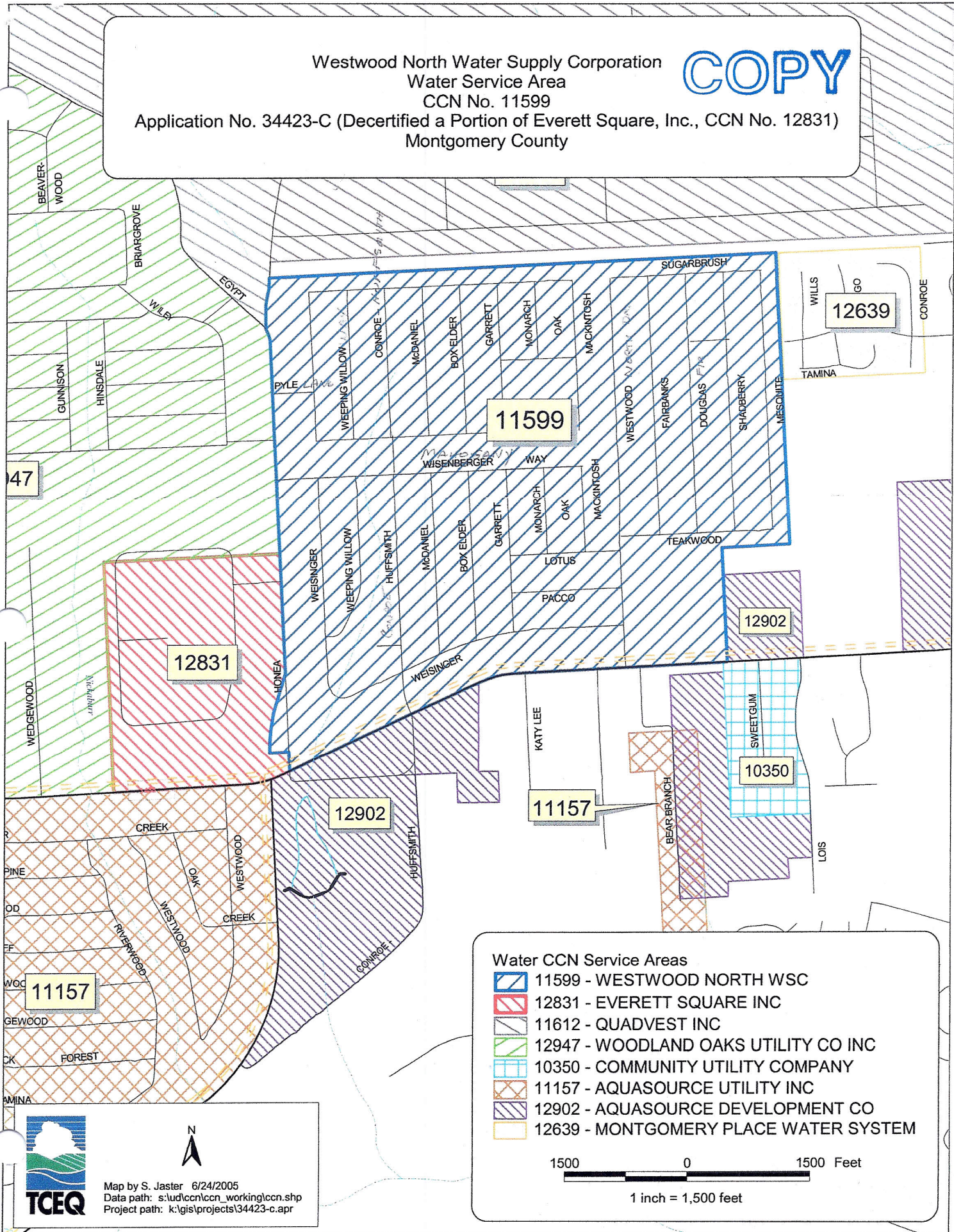
County Clerk
Montgomery County, Texas

RECORDER'S MEMORANDUM:









At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All black-outs, additions and changes were present at the time the instrument was filed and recorded.

Westwood North Water Supply Corporation
 Water Service Area
 CCN No. 11599
 Application No. 34423-C (Decertified a Portion of Everett Square, Inc., CCN No. 12831)
 Montgomery County

COPY



Water CCN Service Areas

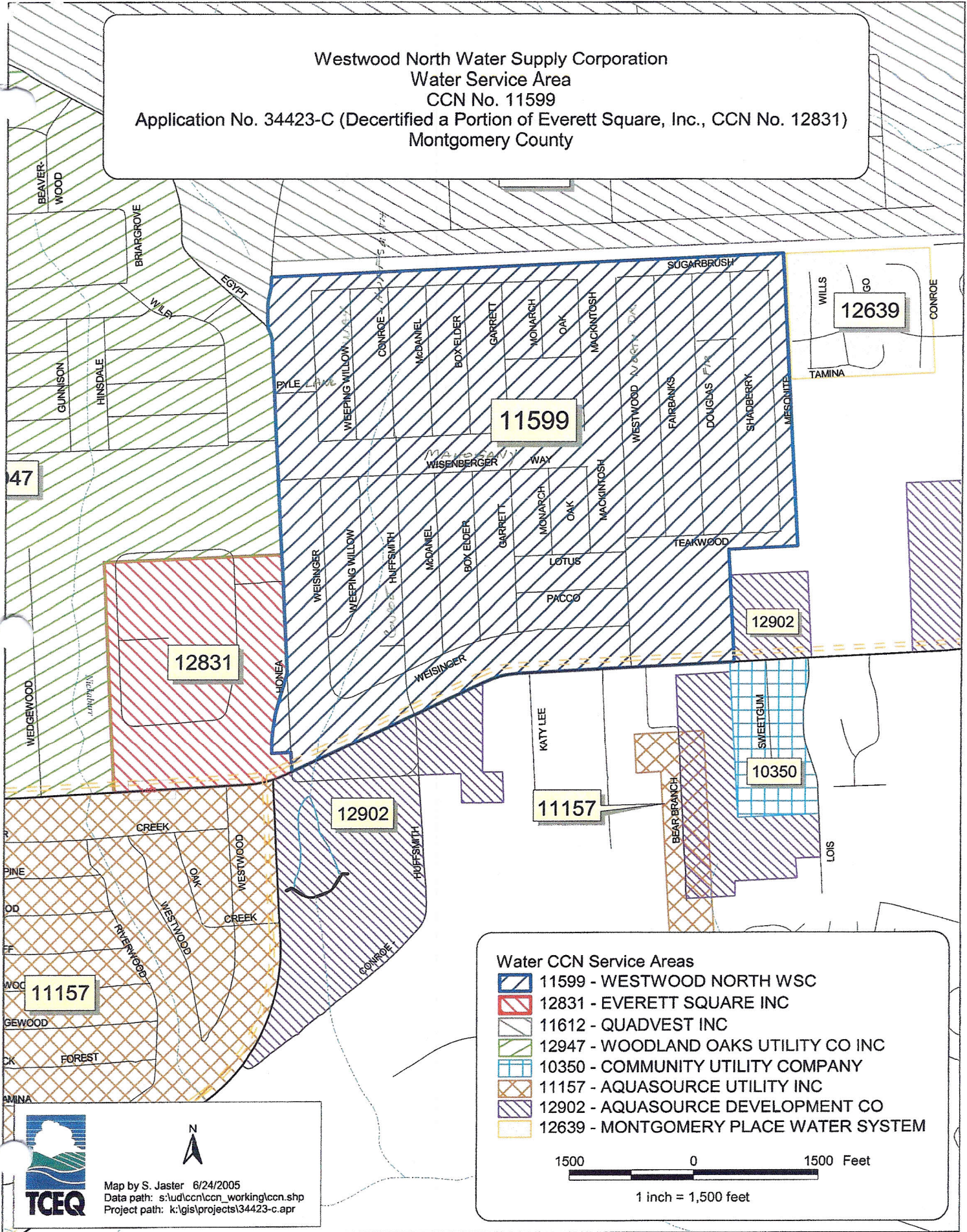
-  11599 - WESTWOOD NORTH WSC
-  12831 - EVERETT SQUARE INC
-  11612 - QUADVEST INC
-  12947 - WOODLAND OAKS UTILITY CO INC
-  10350 - COMMUNITY UTILITY COMPANY
-  11157 - AQUASOURCE UTILITY INC
-  12902 - AQUASOURCE DEVELOPMENT CO
-  12639 - MONTGOMERY PLACE WATER SYSTEM

1500 0 1500 Feet
 1 inch = 1,500 feet











Map by S. Jaster 6/24/2005
 Data path: s:\ud\ccn\working\ccn.shp
 Project path: k:\gis\projects\34423-c.apr

Westwood North Water Supply Corporation
 Water Service Area
 CCN No. 11599
 Application No. 34423-C (Decertified a Portion of Everett Square, Inc., CCN No. 12831)
 Montgomery County



Water CCN Service Areas

-  11599 - WESTWOOD NORTH WSC
-  12831 - EVERETT SQUARE INC
-  11612 - QUADVEST INC
-  12947 - WOODLAND OAKS UTILITY CO INC
-  10350 - COMMUNITY UTILITY COMPANY
-  11157 - AQUASOURCE UTILITY INC
-  12902 - AQUASOURCE DEVELOPMENT CO
-  12639 - MONTGOMERY PLACE WATER SYSTEM

1500 0 1500 Feet

1 inch = 1,500 feet



Map by S. Jaster 6/24/2005
 Data path: s:\ud\ccn\ccn_working\ccn.shp
 Project path: k:\gis\projects\34423-c.apr

SECTION E.

SERVICE RULES AND REGULATIONS

1. ***Service Entitlement.*** An Applicant shall be considered qualified and entitled to water utility service when proper application has been made, terms and conditions of Service and Membership have been met and continue to be met, and all fees have been paid as prescribed. (30 TAC 291.85 (a))
2. ***Application Procedures and Requirements.*** For the purposes of this Tariff, service requested by an Applicant shall be for real estate designated to receive the service provided by the Corporation. Service shall be through a meter tap located on that designated real estate unless otherwise approved by the Board. Service shall be divided into the following two classes:
 - a. **Standard Service** is defined as service to all residential taps on an existing pipeline where pipeline or service facility extensions are not required and special design and/or engineering considerations are not necessary. Typically, this would include 5/8" X 3/4" or 3/4" sized water meter services set on existing pipelines.
 - b. **Non-Standard Service** is defined as any service request which requires a meter of a minimum of one inch (1"), service to a commercial account, service to a Master Metered Account (see E. 2. c. (4) of this Section), or an addition to the supply, storage and/or distribution system. The service requirements as prescribed by Section F of this Tariff shall be required of the Non-Standard Service Applicant prior to providing service.

NOTE: Non-Standard Service shall include service to all commercial taps.

- c. **Requirements/Qualifications for Standard and Non-Standard Service.**
 - 1) The Corporation's Service Application and Agreement Form shall be completed in full and signed by the Applicant. Where applicable in addition to the Applicant, any other person holding or sharing an ownership interest in and receiving service at that property shall sign the Service Application and Agreement Form; however, even if the spouse or other person sharing an ownership interest does not sign the Service Application and Agreement Form, he/she is still responsible for all terms set forth therein, and for any debt obligation related to the account. (See Sample Application RUS-TX Bulletin 1780-9 (Rev. 09/02))
 - 2) A Right-of-Way Easement Form, Sanitary Control Easement, or other such easement form, required by the Corporation, must be completed by the Applicant for the purpose of allowing future facility additions. (See Sample Application - RUS-TX Bulletin 1780-9 (Rev. 09/02), 30 TAC 290.47 Appendix C.) **NOTE:** This requirement may be delayed for Non-Standard Service requests.
 - 3) The Applicant shall provide proof of ownership of property for which service has been requested in a manner acceptable to the Corporation. In the event Applicant is a Transferee, Applicant shall provide a completed Membership Transfer Authorization Form and Transferor's proof of ownership of property for which service has been requested. Proof of ownership shall consist of warranty deed, deed of trust or other recordable documentation of fee simple title to the real estate designated to receive service. (Texas Water Code 67.016 (e), and 13.002 (11)).
 - 4) To enhance the conservation of water resources, the Corporation shall install individual meters owned by the Corporation in an apartment house, manufactured home rental community, multiple use facility, or condominium on which construction begins after January 1, 2003, unless the Corporation determines that installation of individual meters

- are not feasible. If the Corporation determines that installation of individual meters is not feasible, the property owner or manager shall install a plumbing system that is compatible with the installation of submeters or individual meters. The Corporation shall be entitled to the payment of costs, including the costs of individual meter installations, as provided in Section F.4. The cost of individual meter installation shall be prepaid by the property owner as well as the cost of any additional facilities or supply occasioned by the total water service demand represented by full occupancy of the property, as determined under applicable provisions of Section F. It shall be the responsibility of the property owner to obtain the memberships required for each individual meter.
- 5) Notice of application approval and costs of service determined by the Corporation shall be presented to the Applicant in writing and shall remain in effect for a period not to exceed thirty (30) days. After that time the Applicant must re-apply for service. (30 TAC 291.81 (a) (1))
 - 5) If the water main has been located in the public right-of-way and is adjacent to Applicant's property due to the current or previous landowner's refusal to grant easement to the Corporation for the purpose of installing the water main and appurtenances, and the Corporation has documentation of such refusal, the Applicant, prior to receiving the requested service, shall grant easement required under this Tariff and in addition to the normally required fees for new customer service, shall pay such sums as are reasonably necessary to cap the existing line in the ROW and construct the appropriate line or lines within that easement for the Corporation's system-wide service. (see Miscellaneous Transaction Forms)

3. *Activation of Standard Service.*

- a. **New Tap** -- The Corporation shall charge a non-refundable service installation fee as required under Section G of this Tariff. The service installation fee shall be quoted in writing to the Applicant. All fees shall be paid or a deferred payment contract signed in advance of installation. (30 TAC 291.86 (a)(1)(A))
- b. **Re-Service** -- On property where service previously existed, the Corporation shall charge the Membership Fee, where the Membership Fee has been liquidated, reconnection costs, any delinquent charges if the applicant is the person who previously incurred those costs, and costs necessary to restore service. In addition, the Corporation shall charge accumulated Reserved Service Fees that have been entered on the in-active account as monthly debits. This is allowing the Corporation to recover the costs of reserving capacity at the location for which re-service has been requested. If restoration of service is not requested, this fee will accumulate monthly until the total balance of reserved service fees equals the amount of the equity previously paid for service to the property. After this time the service equipment may be removed by the Corporation and future request for service shall be treated as a new application. (see Miscellaneous Section)
- c. **Performance of Work** -- After approval is granted by proper authorities, all tap and equipment installations specified by the Corporation shall be completed by the Corporation staff or designated representative. The tap shall be completed within five (5) working days after approval and receipt of payment of quoted fees. This time may be extended for installation of equipment for Non-Standard Service Request. (see Section F.)
- d. **Inspection of Customer Service Facilities** -- The property of the Applicant/ Member shall be inspected at the customer's expense to ensure compliance with state required Minimum Acceptable Operating Practices for Public Drinking Water Systems as promulgated by the Texas Commission on Environmental Quality or successor agency. (30 TAC 290.46(j)) This includes requiring annual Certified Back Flow Test Reports on file with Westwood North Water Supply Corp. for all commercial businesses. All residential and commercial irrigation systems, pools and

spas are required to have an acceptable air gap or a testable backflow device and a certified test report on file with Westwood North Water Supply Corp. Any backflow device or air gap which is observed to be defective must be repaired and recertified.

- e. **Certified Back Flow Test Reports** – All Certified Back Flow Test Reports must be filed annually at the Corporation office as required by 30 TAC 290.46j. Such reports must be submitted to the Corporation within 30 days of receiving written notice by the Corporation.
- f. **Late Fee for Failure to File Test Reports** – Any Member that fails to submit its annual Certified Back Flow Test Report on its facility within 30 days of written notice by the Corporation shall be assessed a late fee of \$100 per day until the Report is submitted to the Corporation.

4. **Activation of Non-Standard Service.**

- a. **Activation of Non-Standard Service** shall be conducted as prescribed by terms of Section F of this Tariff.
- b. **Re-Service** - The same terms which apply under the Activation of Standard Service Sub-Section on Re-Servicing shall be applied to Non-Standard Re-Service requests. (Section E. 3. b)

5. **Changes in Service Classification.** If at any time the Corporation determines that the customer service needs changed from those originally applied for to a different service classification and the Corporation determines that additional or different facilities are necessary to provide adequate service, the Corporation shall require the Applicant/Member to re-apply for service under the terms and conditions of this Tariff. Applicant/Members failing to comply with this provision shall be subject to the Disconnection with Notice Provisions of this Tariff, Sub-Section 14.a.

6. **Membership.**

- a. **Eligibility** - Eligibility for Membership shall not guarantee service to the Applicant or Transferee; however, qualification for service is a prerequisite to Membership eligibility for new Applicants or continued Membership for Transferees.
- b. **Membership** - Upon qualification for service, qualification for Membership, and payment of the required fees, the Corporation shall certify the Applicant as a Member. The Membership shall entitle the Member to one (1) connection to the Corporation's water utility service and one (1) share of Corporation Stock. The Membership entitles the Member to one (1) vote in the election of directors and in such other matters requiring the approval of the Corporation's Members at any Annual or Special Membership Meeting of the Corporation as prescribed by the Corporation Bylaws. Ownership of more than one (1) Membership shall not authorize the Member to cast more than one (1) vote at any annual or special meeting. Each Membership and Stock thereby represented may be assigned to the specified parcel of land originally designated to receive service at the time of application. (Texas Water Code 67.016) **NOTE (1):** In the event that the Corporation is conducting a potential Members survey for indications of interest in future service for the purpose of determining the feasibility of an initial construction or expansion project under RUS guidelines (see Sample Application Packet), regular application procedures may be modified. An Indication of Interest Fee may be required prior to qualifications for receipt of service by the Applicant but shall only be used or applied as a Membership Fee for Membership purposes (upon issuance of a Membership) if service is ultimately received or reserved by the Applicant as a result of the planned project facilities. If service is not provided within the scope of this project, Indication of Interest Fees shall be refunded, less expenses, within sixty (60) days of the loan closing with the Rural Utilities Service. **NOTE (2):** In the event the applicant is in the process of construction the Membership will be considered TEMPORARY until such time as the final Customer Service Inspection is completed and the forms are returned as required. (See Section C., Section E. Sub-Section 1. *Service Entitlement*)

- c. **Transfers of Membership.** (Texas Water Code 67.016)
- 1) A Member is entitled to transfer his/her Membership in the Corporation only under the following circumstances:
 - (a) The Membership is transferred by will to a person related to the Transferor within the second degree by consanguinity; or
 - (b) The Membership is transferred without compensation to a person related to the Transferor within the second degree by consanguinity; or
 - (c) The Membership is transferred without compensation or by sale to the Corporation; or
 - (d) The Membership is transferred as a part of the conveyance of real estate from which the Membership arose.
 - 2) In the event that Membership is transferred pursuant to the provisions of Sub-Section 6.c. (1) such transfer shall not be completed or recorded on the books and records of the Corporation until such time as the Transferor has provided satisfactory evidence to the Corporation of such transfer through a Membership Transfer Authorization Form. A transfer of Membership shall not be binding on the Corporation until such transfer has been approved as provided by Sub-Section 6.c (3).
 - 3) Qualifications for service upon transfer of Membership set forth in Sub-Section 6.c (1) and 6.c.(2) shall be subject to approval of the Corporation and shall be recorded on the books and records of the Corporation only upon the following terms and conditions:
 - (a) A Membership Transfer Authorization Form has been completed by the Transferor and Transferee;
 - (b) The Transferee has completed the required Application Packet, including granting the Corporation a private utility easement if requested in the form provided by the Corporation; and
 - (c) All indebtedness due the Corporation has been paid; and
 - (d) The Transferee demonstrates Transferor or Transferee's, as applicable, satisfactory proof of ownership of the property designated to receive service and from which the Membership originally arose.
 - 4). If the application packet and other information is not completed on the day transfer of membership is requested the Corporation will give the Transferee written notice of 10 additional days to produce the completed Membership Transfer Authorization Form to the Corporation office. Service will be disconnected on the day following the 10th day according to disconnection with notice requirements. Additional time may be allowed at the direction of the Board of Directors.
- d. **Cancellation of Membership** -- To keep a Membership in good standing, a Service Availability Charge or a Reserved Service Charge must be paid monthly to the Corporation, whether or not water is used. Failure to pay this monthly charge to the Corporation shall jeopardize the Member's Membership standing and give rise to liquidation of the Membership Fee and forfeiture of the Membership. A Member may be relieved of this obligation to pay by surrendering the Membership, properly documented, to the Corporation. The Member shall also complete a Service Discontinuance Request Form prior to termination of service. (See Misc. Transaction Forms.) However, a Member is not relieved of any obligations incurred prior to the date of surrender of a properly endorsed Membership prior to termination of service. Rights to future service at this tap shall be extended on an as-available basis and subject to the terms of the Activation of Service Sub-Section E.3.a. of this Tariff. (Texas Water Code 67.016)
- e. **Liquidation Due To Delinquency** -- When the amount of the delinquent charges owed by the Member equals the Membership Fee, the Membership Fee shall be liquidated and the Membership canceled and transferred back to the Corporation. In the event the Member leaves a balance due on an account guaranteed under the terms of a Service Application and Agreement,

and the delinquent Member owns more than one Membership, the Corporation may liquidate as many of the Member Guarantor's Membership Fees as necessary to satisfy the balance due the Corporation, provided proper notice has been given (see Tariff Section E, Subsection 14.a (1)). The Corporation shall collect any remaining account balances by initiation of legal action. Reinstatement of service shall be subject to the terms of the Activation of Service Sub-Section E.3. of this Tariff.

- f. **Cancellation Due To Policy Non-Compliance** -- The Corporation may cancel a Membership anytime a Member fails to comply with policies of the Corporation, including but not limited to Member's failure to provide proof of ownership of the property from which the Membership arose or a completed Membership Transfer Authorization Form. (Texas Water Code 67.016)
 - g. **Re-assignment of Canceled Membership** -- The Corporation, upon cancellation of Membership under the provisions of this Tariff, may re-assign the Membership rights thereby granted to any person who satisfactorily demonstrates eligibility for Membership, including but not limited to proof of ownership of the property from which the Membership arose or a Membership Transfer Authorization Form. (Texas Water Code 67.016) Membership will not be re-assigned unless the person or entity that has legal title to the real estate has complied with the Corporation's current rates, charges, and conditions of service, including current Membership Fee, set forth in the Tariff and Service Application Package.
 - h. **Mortgaging of Memberships** -- Nothing herein shall preclude a Member from mortgaging his/her Membership. However, notification to the holder of any security interest (mortgagee/lien-holder) of account status of Member/mortgagor will be provided only upon satisfactory completion of requirements for such conditions under the Membership Mortgage Agreement (See Miscellaneous Transaction Forms). Prior to the cancellation of any Membership as provided under Sub-Section E. 6.d. (*Cancellation of Membership*), the Corporation will notify the holder of any security interest in the Membership. The holder of the security interest also must hold a security interest in the real property at which water service is provided under the Membership. The Corporation may transfer the Membership to the holder of such security interest in lieu of cancellation, provided the holder of the security interest pays in full all delinquent and unpaid obligations and provided further that the holder of the security interest has secured title to the real property from which the Membership arose. The Corporation may withhold cancellation of a Membership pending the resolution of any foreclosure proceedings or similar legal proceedings by the holder of the security interest.
 - i. **Cancellation and Re-Assignment of Membership as a Result of Bankruptcy Proceedings** -- Upon notice of the filing of a petition in bankruptcy, the Corporation may require the posting of a deposit or other form of security, acceptable to the Corporation, as a condition for continuing utility service. Unless special circumstances require otherwise, the amount of security shall equal the amount of charges for the month of greatest use during the preceding 12 months. The Corporation shall not require the payment of any security prior to the expiration of 20 days following the date on which the petition is filed. Failure to provide this security by the date specified by the Corporation may result in termination of service according to the *Disconnection With Notice* provisions of Section E (14) (a) of this Tariff, with a copy of the notice to the bankruptcy Trustee.
7. **Owners and Renters.** Any Member having complied with the terms of this Tariff, renting or leasing real estate property designated to receive service according to the terms of this Tariff to other parties, is responsible for all charges due the Corporation. Effective February 1, 2007 bills for all taps will be sent only to the property owner. If the owner elects to rent his/her property, the bills will still go to the owner. Whether the owner chooses to pass those costs along to the renter is up to the owner. The Corporation will no longer collect a rental deposit. This change will be grandfathered. Properties currently being

rented and for which bills are being sent to the renter, will continue to be billed in the same manner until the current renter vacates the premises. At that time the name on the account will revert to the property owner and future rental situations will be handled according to the procedure described above.

8. ***Denial of Service.*** The Corporation may deny service for the following reasons:
 - a. Failure of the Applicant or Transferee to complete all required easements, forms and pay all required fees and charges;
 - b. Failure of the Applicant or Transferee to comply with rules, regulations, policies, and bylaws of the Corporation;
 - c. Existence of a hazardous condition at the Applicant's property which would jeopardize the welfare of the Members/Users of the Corporation upon connection;
 - d. Failure of Applicant or Transferee to provide representatives or employees of the Corporation reasonable access to property, for which service has been requested;
 - e. Failure of Applicant or Transferee to comply with all governmental rules and regulations of the Corporation's Tariff on file with the state regulatory agency governing the service applied for by the Applicant;
 - f. Failure of Applicant to provide proof of ownership of property for which the tap has been requested, to the satisfaction of the Corporation, or failure of Transferee to provide a completed Membership Transfer Authorization Form with Transferor's proof of ownership of the property;
 - g. Applicant's service facilities are known to be inadequate or of such character that satisfactory service cannot be provided.
 - h. Failure of the Applicant or Transferee to comply with applicable regulations for on-site sewage disposal systems if the Corporation has been requested to deny service by the TCEQ or the TCEQ's designated representative under Chapter 366 of the Texas Health and Safety Code.
 - i. Failure of the Applicant or Transferee to pay any previous outstanding delinquent accounts in full. This could be delinquencies resulting from the same account location or other service locations within the system where the Applicant or Transferee has received service. (see E.6)
9. ***Applicant's or Transferee's Recourse.*** In the event the Corporation refuses to serve an Applicant under the provisions of these rules, the Corporation must notify the Applicant, in writing, on the basis of its refusal. The Applicant may file for an appeal, in writing, with the Board of Directors of the Corporation.
10. ***Insufficient Grounds for Refusal of Service.*** The following shall not constitute sufficient cause for the refusal of service to an Applicant:
 - a. Delinquency in payment for service by a previous occupant of the premises to be served;
 - b. Failure to pay a bill to correct previous underbilling due to misapplication of rates more than six (6) months prior to the date of application;
 - c. Violation of the Corporation's rules pertaining to operation of non-standard equipment or unauthorized attachments which interferes with the service of others, unless the customer has first been notified and been afforded reasonable opportunity to comply with said requirements;
 - d. Failure to pay a bill of another customer as guarantor thereof unless the guarantee was made in writing to the Corporation as a condition precedent to service;
 - e. Failure to pay the bill of another customer at the same address except where the change of customer identity is made to avoid or evade payment of a utility bill;
 - f. Failure to comply with regulations or rules for anything other than the type of utility service specifically requested including failure to comply with septic tank regulations.
11. ***Deferred Payment Agreement.*** The Corporation may offer a deferred payment plan to a Member who cannot pay an outstanding balance in full and is willing to pay the balance in reasonable installments as determined by the Corporation, including any Late Penalty Fees or interest on the monthly balance to be

determined as per agreement. (See Miscellaneous Transaction Forms) Failure to make required and timely payments as provided in any deferred payment agreement will void that agreement and service will be discontinued upon notice as provided in Subsection E.14 (a).

12. Charge Distribution and Payment Application.

- a. **The Service Availability Charge or the Reserved Service Charge** is for the billing period from the 1st day of the month to the last day of the month. Charges shall be prorated for meter installations and service termination's falling during the billing period. Billings for this amount shall be mailed on or about the 1st of the month preceding the month for which this charge is due. All services shall be subject to this charge whether or not the service is in use by the Member.
- b. **Gallonge Charge** shall be billed at the rate specified in Section G and billing shall be calculated in thousand (1000) gallon increments. Water charges are based on monthly meter readings and are calculated from reading date to reading date. Readings used in all billing calculations shall be taken by the Corporation's employees or designated representative.
- c. **Posting of Payments** -- All payments shall be posted against previous balances prior to posting against current billings.
- d. **Forms of Payment** -- The Corporation will only accept the following forms of payment: personal check, cashier's check, money order, credit cards or debit cards, or automatic draft on Member's bank account. The Corporation will not accept cash, pay checks, or two-party checks.

13. Due Dates, Delinquent Bills and Service Disconnection Date.

- a. The Corporation shall mail all bills on or about the 1st of the month. All bills are considered the responsibility of each person signing the Service Application and Agreement Form. All bills shall be due and payable upon receipt and are past due beyond the 16th as indicated on the bill, after which time a late fee of \$10.00 shall be applied as described in Section G. A bill is delinquent if not paid by 8 A.M. on the first business day following the 16th day of the month. On that day after all payments received by 8 A.M. are posted, final notices will be sent to residents who have an outstanding balance over the base service availability charge as specified in Section G.5 (a). The disconnect date is indicated on the original bill and the final notice; and will advise that the balance must be paid in full by 8 A.M. of the disconnect date or service will be terminated. A \$100.00 disconnect fee will be automatically added to the account. The disconnect date will not always be the same, since the Corporation does not disconnect on a Friday, Saturday, Sunday or holiday. We will reconnect service as quickly as possible after payment is made. However, it may take up to 36 hours depending upon availability of personnel, as stated in the TCEQ 291 Utility Regulations.
- b. Upon written request, any residential customer 60 years of age or older who occupies the entire premises of a dwelling receiving water utility service from the Corporation may receive extension of the past due date, without penalty. The extension shall not exceed 10 days beyond the usual 16-day payment period for a total of no more than 26 days from the date the bill is issued however the bill must be paid by the published cut off date. A written request must specify extension of the late payment periods for current and subsequent billings.
- c. The Board of Directors may elect not to charge a late fee or disconnect fee in accordance with this Tariff during or after the occurrence of a natural disaster or other incident that impacts the property of Members/Customers or interrupts the management and operation of the system.

14. Rules for Disconnection of Service. The following describes the rules and conditions for disconnection of service.

- a. **Disconnection with Notice** -- Water utility service may be disconnected for any of the following reasons after proper notification has been given.
 - 1) Returned Checks -- The Corporation shall provide a notice requiring redemption of the

returned instrument within ten (10) days of the date of the notice to be made in the Corporation office. Redemption of the returned instrument shall be made by money order or cashier's check. Failure to meet these terms shall initiate disconnection of service. (see Miscellaneous Transaction Forms) Any such instruments returned as insufficient or non-negotiable for any reason for any two billing periods within a 12-month period shall be considered evidence of bad credit risk by the Corporation. The Member/Customer in violation shall be placed on a "money order or cashier's check only" basis for a period of 12 months. The Corporation office will not accept cash.

NOTE: A Member/Customer who fails to pay a delinquent account for utility service, fails to timely provide a deposit or other security under Section E (6) (i), or fails to comply with the terms of a deferred payment agreement shall be placed on a "money order or cashier's check only" plan. (Miscellaneous Transaction Forms);

- 2) Violation of the Corporation's rules pertaining to the use of service in a manner which interferes with the service of others or the operation of non-standard equipment if a reasonable attempt has been made to notify the Member and the Member is provided with a reasonable opportunity to remedy the situation;
- 3) Failure of the Member to comply with the terms of the Corporation's Service Agreement, Tariff, Bylaws, or Special Contract provided that the Corporation has given notice of said failure to comply, and Member has failed to comply within a specified amount of time after notification.
- 4) Failure to provide access to the meter under the terms of this Tariff or to property at which water service is received when there is reason to believe that a hazardous condition or policy violation exists for which access is necessary to verify.
- 5) Misrepresentation by any Applicant or Transferee of any fact on any form, document, or other agreement required to be executed by the Corporation.
- 6) Failure of Member to re-apply for service upon notification by the Corporation that Member no longer meets the terms of the service classification originally applied for under the original service application.
- 7) Cancellation of membership by Member on an account that the Member holds for water service to the Member's renter/lessee, even if the renter/lessee has kept the account balance current under an Alternate Billing Agreement. (Note: The cancellation of membership must be in writing and signed by the Member. CORPORATION ASSUMES NO LIABILITY TO RENTER/LESSEE; MEMBER IS SOLELY RESPONSIBLE FOR COMPLIANCE WITH, AND LIABILITY UNDER ANY FEDERAL, STATE OR LOCAL LAW CREATING OR PROTECTING RIGHTS OF RENTERS/LESSEES.)
- 8) Violation of any applicable regulation pertaining to on-site sewage disposal systems if the Corporation has been requested in writing to disconnect service by the TCEQ or the TCEQ's designated representative under Chapter 366 of the Texas Health and Safety Code.
- 9) Failure by a Customer/Member to pay for all repair or replacement costs resulting from the Customer/Member damaging Corporation system facilities including, but not limited to, water lines, service taps, meter boxes, valves, or meters by engaging in activities such as property excavations, installment of a driveway or roadway requiring encasements, lowering or re-routing of lines or system components, or by any other action. The Corporation will provide the Customer/Member with notice detailing the extent of the damage, the location of the damage, the cost of repair, and whether the damage occurred on private property or on a public right-of-way. Failure to pay the cost of repair or replacement will result in the Customer/Member's service being disconnected in accordance with the Disconnection with Notice Provisions of this Section. Service will remain disconnected until payment is received or an acceptable payment plan is approved.

- b. **Disconnection Without Notice** -- Water utility service may be disconnected without notice for any of the following conditions:
- 1) A known dangerous or hazardous condition exists for which service may remain disconnected for as long as the condition exists, including but not limited to a public health nuisance under Chapter 341 of the Texas Health and Safety Code. If there is a reason to believe a dangerous or hazardous condition exists, the Corporation may conduct a customer service inspection (CSI) to verify the hazardous condition and may notify the county health department. The Corporation will disconnect without notice if the Member/Customer refuses to allow access for the purpose of confirming the existence of such condition and/or removing the dangerous or hazardous condition (30 TAC 290.46 (j) and (i)). Service will be restored when a CSI confirms no health hazard exists, the health hazard has been removed or repaired, or the health hazard has been isolated from the Corporation's water system by the installation of a backflow prevention device.
 - 2) A line leak on the Member's side of the meter is considered a potentially hazardous condition under E.b (1) above. If the Corporation conducts a CSI and discovers that the line leak has created a hazardous condition, the Corporation will provide the Member up to five (5) business days, or another time period determined reasonable under the circumstances, to repair the line prior to disconnection of services.
 - 3) Service is connected without authority by a person who has not made application for service or who has reconnected service without authority following termination of service for nonpayment; and
 - 4) In instances of tampering with the Corporation's meter or equipment, by-passing the meter or equipment, or other diversion of service.
NOTE: Where reasonable, given the nature of the reason for disconnection, a written statement providing notice of disconnection and the reason therefore shall be posted at the place of common entry or upon the front door of each affected residential unit as soon as possible after service has been disconnected.
- c. **Disconnection Prohibited** -- Utility service may not be disconnected for any of the following reasons:
- 1) Failure of the Member to pay for merchandise or charges for non-utility service provided by the Corporation, unless an agreement exists between the Applicant and the Corporation whereby the Member guarantees payment of non-utility service as a condition of service;
 - 2) Failure of the Member to pay for a different type or class of utility service unless a fee for such service is included in the same bill;
 - 3) Failure of the Member to pay charges arising from an underbilling occurring due to any misapplication of rates more than six (6) months prior to the current billing;
 - 4) Failure of the Member to pay the account of another Member as guarantor thereof, unless the Corporation has in writing the guarantee as a condition precedent to service;
 - 5) Failure of the Member to pay charges arising from an underbilling due to any faulty metering, unless the meter has been tampered with or unless such underbilling charges are due under the Inoperative Meters subsection E.18 of this Tariff.
 - 6) Failure of the Member to pay estimated bill other than a bill rendered pursuant to an approved meter reading plan, unless the Corporation is unable to read the meter due to circumstances beyond its control;
 - 7) In response to a request for disconnection by an Owner/Member of rental property, and the renter's account is not scheduled for disconnection under the Rules for Disconnection of Service in this Tariff.
- d. **Disconnection on Holidays and Weekends** -- Unless a dangerous condition exists or the Member requests disconnection, service shall not be disconnected on a day, or on a day preceding

- a day, when personnel of the Corporation are not available to the public for the purpose of making collections and reconnecting service.
- e. **Disconnection Due to Utility Abandonment** -- The Corporation may not abandon a Member or a Certificated Service Area without written notice to its Members and all similar neighboring utilities and approval from the Texas Commission on Environmental Quality.
 - f. **Disconnection for Ill and Disabled** -- The Corporation may not discontinue service to a delinquent residential Member permanently residing in an individually metered dwelling unit when that Member establishes that discontinuance of service will result in some person at that residence becoming seriously ill or more seriously ill if service is discontinued. If a Member seeks to avoid termination of service under this Sub-section, the Member must submit a written statement to the Corporation from the Member's attending physician. The prohibition against service termination shall last one year from the issuance of the utility bill or such lesser period as may be agreed upon by the Corporation and Member's physician.
 - g. **Disconnection of Master-Metered Accounts and Non-Standard Sewer Services** -- When a bill for water utility services is delinquent for a master-metered service complex (defined as a complex in which a single meter serves two (2) or more residential dwelling units), the following shall apply: (30 TAC SUBCHAPTER H. 291.126)
 - 1) The Corporation shall send a notice to the Member as required. This notice shall also inform the Member that notice of possible disconnection will be provided to the tenants of the service complex in five (5) days if payment is not rendered before that time.
 - 2) At least five (5) days after providing notice to the Member and at least five (5) days prior to disconnection, the Corporation shall post notices, stating "Termination Notice" in public areas of the service complex notifying the residents of the scheduled date for disconnection of service.
 - 3) The tenants may pay the Corporation for any delinquent bill in behalf of the owner to avert disconnection or to reconnect service to the complex.
 - h. **Disconnection of Temporary Service** -- When an applicant with a Temporary service fails to comply with the conditions stated in the Service Application and Agreement Form or other rules of this Tariff service may be terminated with notice.
15. **Billing Cycle Changes.** The Corporation reserves the right to change its billing cycles if the workload requires such practice. After a billing period has been changed, the billings shall be sent on the new change date unless otherwise determined by the Corporation.
16. **Back-billing.** The Corporation may back-bill a Member for up to four (4) years (48 months) for meter error, misapplied meter multiplier, incorrect meter readings, or error in computing a Member's bill. Failure to pay the most recent six (6) months billing will result in disconnection of service. Back-billing shall not extend beyond current Membership except in cases involving the transfer of a Membership conditioned upon payment of delinquent obligations by the Transferee, as provided in Section E. Sub-Section 6.h.
17. **Disputed Bills.** In the event of a dispute between the Member and the Corporation regarding any bill, the Corporation shall forthwith make and conduct an investigation as shall be required by the particular case, and report the results in writing thereof to the Member. All disputes under this Subsection must be submitted to the Corporation, in writing, prior to the due date posted on said bill except in cases involving the transfer of a Membership conditioned on payment of delinquent obligations by the Transferee, as provided under Sub-Section 6.h.
18. **Inoperative Meters.** Water meters found inoperative will be repaired or replaced within a reasonable

time. If a meter is found not to register for any period, unless by-passed or tampered with, the Corporation shall make a charge for units used, but not metered, for a period not to exceed three (3) months, based on amounts used under similar conditions during the period preceding or subsequent thereto, or during corresponding periods in previous years.

19. ***Bill Adjustment Due To Meter Error.*** The Corporation shall test any Member's meter upon written request of the Member. In the event the meter tests within the accuracy standards of The American Water Works Association, a test fee as prescribed in Section G of this Tariff shall be imposed. In the event the test results indicate that the meter is faulty or inaccurate, the test fee shall be waived, the meter shall be calibrated or replaced, and a billing adjustment may be made as far back as six (6) months but not extending beyond current Membership except in cases involving the transfer of a Membership conditioned on payment of delinquent obligations by the Transferee, as provided under Sub-Section 6.h. The billing adjustment shall be made to the degree of the meter's inaccuracy as determined by the test. The Member shall complete a Meter Test Request Form prior to the test. (See Misc. Transaction Forms.)

20. ***Meter Tampering and Diversion.***

- a. For purposes of these Sections, meter-tampering, by-passing, or diversion shall all be defined as tampering with the Corporation's service equipment, by-passing the same, or other instances of diversion, such as:
 1. removing a locking or shut-off device used by the Corporation to discontinue service,
 2. physically disorienting the meter;
 3. attaching objects to the meter to divert service or to by-pass;
 4. inserting objects into the meter;
 5. other electrical and mechanical means of tampering with, by-passing, or diverting service;
 6. preventing the supply from being correctly registered by a metering device due to adjusting the valve so that flow is reduced below metering capability; and
 7. unauthorized use of any Corporation service equipment to include but not limited to fire hydrants, fire plugs, flush valves, or any other valves installed and/or owned by the Corporation.
- b. The burden of proof of meter-tampering, by-passing, or diversion is on the Corporation. Photographic evidence or any other reliable and credible evidence may be used; however, any evidence shall be accompanied by a sworn affidavit by the Corporation's staff when any action regarding meter-tampering as provided for in these Sections is initiated. A court finding of meter tampering may be used instead of photographic or other evidence, if applicable. Unauthorized users of services of the Corporation shall be prosecuted to the extent allowed by law under the Texas Penal Code 28.03.
- c. In addition, any homeowner, property owner, and contractor will be responsible for reimbursing the Corporation for the cost of all repairs and water loss due to negligence in breaking the Corporation's water lines or damaging any portion of the Corporation's water system.
- d. If the Corporation determines under Subsection (a) that Tampering has occurred, the Corporation shall charge the offending party the total actual loss to the Corporation, including the membership fee, service investigation deposit, cost of repairs, service trip fee, replacement costs of damaged facilities, equipment damage fee, lost water revenues, and pumpage fees assessed to the Corporation by the Lonestar Groundwater Conservation District and the San Jacinto River Authority.
- e. In addition to actual damages charged under Subsection (d), the Corporation may assess a

penalty against the offending party. The penalty shall not exceed six (6) times the Service Availability Charge.

NOTE: For purposes of this Section, “offending party” means the person or entity that committed the Tampering. So, for example, in an owner/tenant situation where the tenant committed the Tampering, the Corporation cannot charge a penalty to the owner.

21. ***Meter Relocation.*** Relocation of services shall be allowed by the Corporation provided that:

- a. No transfer of Membership is involved;
- b. An easement for the proposed location has been granted to the Corporation;
- c. The Member pays the actual cost of relocation plus administrative fees, and
- d. Service capacity is available at proposed location.

22. ***Prohibition of Multiple Connections To A Single Tap.***

- a. No more than one (1) residential, commercial, or industrial service connection is allowed per meter. The Corporation may consider allowing an apartment building or mobile home/RV park to apply as a "Master Metered Account" and have a single meter (This refers to Section E. 2. c. (4)). Any unauthorized submetering or diversion of service shall be considered a Multiple Connection and subject to disconnection of service. If the Corporation has sufficient reason to believe a Multiple Connection exists, the Corporation shall discontinue service under the Disconnection with Notice provisions of this Tariff.
- b. For purposes of this section, the following definitions shall apply:

1) A “Multiple Connection” is the connection to any portion of a Member’s system that is connected to a primary delivery point already serving one residence, one commercial or industrial facility of a water line serving another residence or commercial or industrial facility. Water lines to outbuildings, barns, or other accessory structures shall not be considered a Multiple Connection if: (i) those structures are located on the same tract of land as the primary delivery point and (ii) such structures are not used as a residence or as a commercial or industrial facility.

2) A “primary delivery point” shall mean the physical location of a meter tap that is installed in accordance with this Tariff and applicable law and which provides water service to the residence or commercial or industrial facility of the Member.

23. ***Member's Responsibility.***

- a. The Member shall provide access to the meter as per the easement and service agreement. If access to the meter is hindered or denied preventing the reading of the meter, an estimated bill shall be rendered to the Member for the month; and a notice shall be sent to the effect that access could not be gained. If access is denied for three (3) consecutive months after proper notification to the Member, then service shall be discontinued and the meter removed with no further notice. (Section E. 3. d.)
- b. The Member shall be responsible for compliance with all utility, local, and state codes, requirements, and regulations concerning on-site service and plumbing facilities.
 - 1) All connections shall be designed to ensure against back-flow or siphonage into the Corporation's water supply. In particular, livestock water troughs shall be plumbed above the top of the trough with air space between the discharge and the water level in the trough. (30 TAC 290.46; Texas Health and Safety Code Chapter 366)
 - 2) The use of pipe and pipe fittings that contain more than 8.0% lead or solder and flux that contain more than 0.2% lead is prohibited for any plumbing installation or repair of any residential or non-residential facility providing water for human consumption and connected to the Corporation's facilities. Customer service pipelines shall be installed by the applicant.

(30 TAC 290.46)

NOTE: Service shall be discontinued without further notice when installations of new facilities or repair of existing facilities are found to be in violation of this regulation until such time as the violation is corrected.

- c. A Member owning more than one (1) Membership shall keep all payments current on all accounts. Failure to maintain current status on all accounts shall be enforceable as per Service Application and Agreement executed by the Member.
- d. The Corporation's ownership and maintenance responsibility of water supply and metering equipment shall end at the meter or other service equipment. Therefore, all water usage registering upon and/or damages occurring to the metering equipment owned and maintained by the Corporation shall be subject to charges as determined by the Corporation's Tariff as amended from time to time by the Board of Directors.
- e. The Corporation shall require each Member to have a cut-off valve on the Member's side of the meter for purposes of isolating the Member's service pipeline and plumbing facilities from the Corporation's water pressure. The valve shall meet AWWA standards (a ball valve is preferred). The Member's use of the Corporation's curb stop or other similar valve for such purposes is prohibited. Any damage to the Corporation's equipment shall be subject to service charges. (This cut-off valve may be installed as a part of the original meter installation by the Corporation.)
- f. The Member is required to notify the Corporation 48 hours prior to digging or excavation activities along or near water lines and appurtenances.

**SECTION F.
DEVELOPER, SUBDIVISION AND NON-STANDARD SERVICE REQUIREMENTS**

1. ***Corporation's Limitations.*** All Applicants shall recognize that the Corporation must comply with local, state, and federal rules and regulations as promulgated from time to time, and with covenants of current indebtedness. The Corporation is not required to extend retail utility service to an Applicant in a subdivision where the responsible party (Applicant/Developer) of the applicable property (subdivision) has failed to comply with the terms of this policy. Section 13.2502 of the Texas Water Code requires that notice be given herein or by publication (see Miscellaneous Transaction Forms) or by alternative means to the Developers/Applicants. (Also see Section F. 11.)
2. ***Purpose.*** It is the purpose of this Section to define the process by which the specific terms and conditions for service to commercial properties and developments, subdivisions and other kinds of Non-Standard Service are determined, including the Non-Standard Service Applicant's and the Corporation's respective costs.

For purposes of the Section, the term "Applicant" shall refer to the individual or entity that desires to secure Non-Standard Service from the Corporation. The Applicant must be the same person or entity that is authorized to enter into a contract with the Corporation setting for the terms and conditions pursuant to which Non-Standard Service will be furnished to the property. In most cases, the Applicant shall be the owner of real property for which Non-Standard Service is sought. In the event that the Applicant is other than the owner of real property, the Applicant must furnish evidence to the Corporation that it is authorized to request Non-Standard Service on behalf of such owner, or that it otherwise has authority to request Non-Standard Service for the real property.

3. ***Application of Rules.*** This Section is applicable to commercial properties and developments, subdivisions, additions to subdivisions, developments, or whenever additional service facilities are required for a single tract of property. Examples of non-standard services for a single tract of land can include, but are not limited to, road bores, extensions to the distribution system, service lines exceeding 1" diameter and service line length to be determined by Board of Directors on an individual case basis. Non-residential service applications typically will be considered Non-Standard. For the purposes of this Tariff, Applications subject to this Section shall be defined as Non-Standard. This Section may be altered or suspended for planned facility expansions when the Corporation extends its indebtedness. The Board of Directors of the Corporation shall interpret on an individual basis whether or not the Applicant's service request shall be subject to all or part of the conditions of this Section.

This Section sets forth the general terms and conditions pursuant to which the Corporation will process Non-Standard Service Requests. The specific terms and conditions pursuant to which the Corporation will provide Non-Standard Service in response to any request will depend upon the nature of such request and may be set forth in a legally enforceable, contractual agreement to be entered into by the Corporation and the service Applicant. The agreement may not contain any terms or conditions that conflict with this Section.

4. ***Non-Standard Service Application.*** The Applicant shall meet the following requirements prior to the initiation of a Non-Standard Service Contract by the Corporation:
- a. The Applicant shall provide the Corporation a completed Service Application And Agreement giving special attention to the item(s) on SPECIAL SERVICE NEEDS OF THE APPLICANT.
NOTE: A minimum of twenty (20) feet of real property easement with road frontage along a county or state-maintained road is required for installation and maintenance of the Corporation water services.
 - b. If the Non-Standard Service Application is for a subdivision, a final subdivision plat approved by the Corporation must accompany the Application showing the Applicant's requested service area. The plat must be approved by all governmental authorities exercising jurisdiction over lot sizes, sewage control, drainage, right-of-way, and other service facilities. Plans, specifications, and special requirements of such governmental authorities shall be submitted with the plat. Applicants for single taps involving extension or upsizing of facilities shall be required to submit maps or plans detailing the location of the requested extension and details of demand requirements.
NOTE: It is the responsibility of the developer/applicant to secure all necessary approvals of the subdivision once an agreement is in place between the Corporation and the Applicant.
 - c. A Non-Standard Service Investigation Deposit shall be paid to the Corporation in accordance with the requirements of Section G.1 (b) for purposes of paying initial administrative, legal, and engineering fees. The Corporation shall refund any balance that remains after it has completed its service investigation, and has completed all legal and engineering services associated with processing a request. In the event such a fee is not sufficient to pay all expenses incurred by the Corporation, the Applicant shall pay to the Corporation all remaining expenses that have been, or will be incurred by the Corporation and Corporation shall have no obligation to complete processing of the request until all remaining expenses have been paid.
 - d. If after the service investigation has been completed, the Corporation determines that the Applicant's service request is for property located, in whole or in part, outside the area described in the Corporation's Certificate of Convenience and Necessity, service may be extended provided that:
 - 1). The service location is not in an area receiving similar service from another retail utility;
 - 2). The service location is not within another retail utility's Certificate of Convenience and Necessity; and
 - 3) The Corporation's Certificate of Convenience and Necessity shall be amended to include the entirety of Applicant's property for which service is requested. Applicant shall pay all costs incurred by Corporation in amending its CCN, including but not limited to engineering and professional fees. If the service location is contiguous to or within one-fourth (1/4) mile of Corporation's Certificate of Convenience and Necessity, Corporation may extend service prior to completing the amendment to its CCN, but will do so only upon Applicant's legally enforceable agreement to fully support such amendment (including but not limited to payment of all professional

- fees, including legal, surveying and engineering fees incurred by Corporation in securing the amendment).
5. **Design.** The Corporation shall study the design requirements of the Applicant's required facilities prior to initiation of a Non-Standard Service Contract by adopting the following schedule:
 - a. The Corporation's Consulting Engineer shall design, or review and approve plans for, all on-site and off-site service facilities for the Applicant's requested service within the Corporation's specifications, incorporating any applicable municipal or other governmental codes and specifications.
 - b. The Consulting Engineer's fees shall be paid out of the Non-Standard Service Investigation Fee under Section 4.
 - c. The Consulting Engineer shall submit to the Corporation a set of detailed plans, specifications, and cost estimates for the project.
 - d. The Corporation's Engineer shall ensure all facilities for any Applicant to meet the demand for service as platted and/or requested in the plans or plat submitted in application for service. The Corporation reserves the right to upgrade design of service facilities to meet future demands provided however, that the Corporation shall pay the expense of such upgrading in excess of the Applicant's facility requirements.

 6. **Non-Standard Service Contract.** Applicants requesting or requiring Non-Standard Service may be required to execute a written contract, drawn up by the Corporation's Attorney, in addition to submitting the Corporation's Service Application and Agreement. Said contract shall define the terms of service prior to construction of required service facilities. The service contract may include, but is not limited to:
 - a. All costs associated with required administration, design, construction, and inspection of facilities for water/sewer service to the Applicant's service area and terms by which these costs are to be paid.
 - b. Procedures by which the Applicant shall accept or deny a contractor's bid, thereby committing to continue or discontinue the project.
 - c. Equity Buy-In Fee (Front-end Capital Contributions) required by the Corporation in addition to the other costs required under this Section.
 - d. Monthly Reserved Service Charges as applicable to the service request.
 - e. Terms by which service capacity shall be reserved for the Applicant and duration of reserved service with respect to the impact the Applicant's service demand will have upon the Corporation's system capability to meet other service requests.
 - f. Terms by which the Applicant shall be reimbursed or compensated for fees duplicated in assessments for monthly rates and Equity Buy-In Fees.
 - g. Terms by which the Corporation shall administer the Applicant's project with respect to:
 - 1) Design of the Applicant's service facilities;
 - 2) Securing and qualifying bids;
 - 3) Execution of the Service Agreement;
 - 4) Selection of a qualified bidder for construction;
 - 5) Dispensing advanced funds for construction of facilities required for the Applicant's service;
 - 6) Inspecting construction of facilities; and

- 7) Testing facilities and closing the project.
- h. Terms by which the Applicant shall indemnify the Corporation from all third party claims or lawsuits in connection with the project.
- i. Terms by which the Applicant shall inform the Corporation in writing of any tenant changes that may require an upgrade in the size of a water meter or additional engineering required to determine the size of the meter needed, with the Applicant or tenant paying all fees and change-out charges required to service the Customer and protect the Corporation water lines and capacity.
- j. Terms by which the Applicant shall dedicate, assign and convey to the Corporation all constructed facilities and related rights (including contracts, easements, rights-of-way, deeds, warranties, and so forth) by which the Corporation shall assume operation and maintenance responsibility for the Applicant's project. The Applicant shall also provide reproducible as-built drawings of all constructed facilities. The as-built drawings must verify that all facilities have been properly located within the easements conveyed to the Corporation.
- j. Terms by which the Board of Directors shall review and approve the Service Contract pursuant to current rules, regulations, and bylaws.

7. Construction of Facilities by Applicant Prior to Execution of Service Contract. The Corporation and the Applicant must execute a Non-Standard Service Contract prior to the purchase of supplies and materials or initiation of construction of facilities by the Applicant. In the event that the Applicant commences construction of any such facilities prior to execution of a Contract with the Corporation, then the Corporation may refuse to provide service to the Applicant. Alternatively, the Corporation may require full costs of replacing/repairing any facilities constructed without prior execution of a contract from any person buying a lot or home from Applicant. At a minimum, the Corporation will require that all facilities be uncovered by the Applicant for inspection by the Corporation, require that any facilities not approved by the Corporation be replaced, or take any other lawful action determined appropriate by the Board of Directors of the Corporation.

- 8. Property and Right-of-Way Acquisition.** With regard to construction of facilities, the Corporation shall require private right-of-way easements or private property as per the following conditions:
- a. If the Corporation determines that right-of-way easements or facility sites outside the Applicant's property are required, the Applicant shall secure easements or title to facility sites in behalf of the Corporation. All right-of-way easements and property titles shall be researched, validated, and filed by the Corporation at the expense of the Applicant. (See Sample Application Packet RUS Form 442-8 or 442-9.)
 - b. All costs associated with facilities that must be installed in public right-of-ways on behalf of the Applicant, due to the inability of the Applicant to secure private right-of-way easements, shall be paid by the Applicant. Alternatively, Applicant shall pay all costs, including legal and other professional fees, and the condemnation award in the event Corporation secures such private easements or facility sites through eminent domain proceedings.

- c. The Corporation shall require an exclusive dedicated right-of-way on the Applicant's property (as required by the size of the planned facilities and as determined by the Corporation) and title to property required for other on-site facilities.
 - d. Easements and facilities sites shall be prepared for the construction of the Corporation's pipeline and facility installations in accordance with the Corporation's requirements and at the expense of the Applicant.
9. ***Irrigation Meters.*** All Commercial facilities of any type are required to have separate irrigation meters for all new irrigation systems installed after November 21, 2024.
10. ***Bids For Construction.*** The Corporation's Consulting Engineer shall advertise for bids for the construction of the Applicant's proposed facilities in accordance with generally accepted practices. Plans and specifications shall be made available, with or without charge, to prospective bidders (as determined by the Corporation Engineer). Although the Corporation reserves the right to reject any bid or contractor, the Corporation shall generally award the contract to the lowest and best bidder in accordance with the following criteria:
 - a. The Applicant shall sign the Service Contract noting willingness to proceed with the project and shall pay all costs in advance of construction associated with the project;
 - b. The Contractor shall provide an adequate bid bond under terms acceptable to the Corporation;
 - c. The Contractor shall secure adequate performance and payment bonding for the project under terms acceptable to the Corporation;
 - d. The Contractor shall supply favorable references acceptable to the Corporation;
 - e. The Contractor shall qualify with the Corporation as competent to complete the work, including but not limited to current water license, OSHA competent person training, and other licenses or certificates as reasonably required to complete the project; and
 - f. The Contractor shall provide adequate certificates of insurance as required by the Corporation.
11. ***Pre-Payment For Construction and Service.*** After the Applicant has executed the Service Agreement, the Applicant shall pay to the Corporation all costs necessary for completion of the project prior to construction and in accordance with the terms of the Non-Standard Service Contract.
12. ***Construction.***
 - a. All roadwork pursuant to state, county and/or municipal standards (as applicable) shall be completed prior to facility construction to avoid future problems resulting from road right-of-way completion and excavation. Subject to approval of the requisite authority, road sleeves may be installed prior to road construction to avoid road damage during construction of Applicant's facilities.
 - b. The Corporation shall, at the expense of the Applicant, inspect the facilities to ensure compliance with Corporation standards.
 - c. Construction plans and specifications shall be strictly adhered to, but the Corporation reserves the right to change-order any specifications, due to unforeseen circumstances during the design phase, to better facilitate construction or operation of the Applicant's facility. All change-order amounts shall be charged to the Applicant.

13. ***Dedication of Water System Extension to the Corporation.***
 - a. Upon proper completion of construction of all on-site service facilities to meet the level and manner of service requested by the Applicant (“the Facilities”), the Facilities shall become the property of the Corporation subject to the warranties required of the Applicant under Subsection (b) below. Any connection of individual customers to the Facilities shall be made by the Corporation.
 - b. Upon transfer of ownership of the Facilities, Applicant shall warrant materials and performance of the Facilities constructed by Applicant for 24 months following the date of transfer.

14. ***Service within Subdivisions***-The Corporation's objective to provide service to any customer located within a subdivision governed by this Section is strictly limited to the Non-Standard Service specified by the Applicant. The Applicant is responsible for paying for all costs necessary for Non-Standard Service to a subdivision as determined by the Corporation under the provisions of this Tariff and specifically the provisions of this Section. If the Applicant fails to pay these costs, the Corporation has the right to require payment of these costs by any one or more of the persons purchasing lots within such subdivision before the Corporation is obligated to provide water/sewer service. In addition, Corporation may elect to pursue any remedies provided by the Non-Standard Service Contract. Applicant is advised that purchasers of lots also may have legal recourse to the Applicant under Texas law.

SECTION G. RATES AND SERVICE FEES

Unless specifically defined in this Tariff, all fees, rates, and charges as stated shall be non-refundable.

1. ***Service Investigation Deposit.*** The Corporation shall conduct a customer service investigation for each service application submitted at the Corporation office. An initial determination shall be made by the Corporation, without charge, as to whether the service request is Standard or Non-Standard. An investigation shall then be conducted and the results reported under the following terms:
 - a. All Standard Service requests shall be investigated without charge and all applicable costs for providing service shall be quoted in writing to the Applicant within ten (10) working days of application.
 - b. All Non-Standard Service requests shall be subject to a deposit of up to **\$2500** to cover a non-refundable Commercial Service Investigation Fee and all administrative, legal, and engineering fees associated with plan review and investigation of the Corporation's ability to deliver service to the Applicant to:
 - (1) provide cost estimates of the project,
 - (2) to present detailed plans and specifications as per final plat,
 - (3) to advertise and accept bids for the project,
 - (4) to present a Non-Standard Service Contract to the Applicant, and
 - (5) to provide other services as required by the Corporation for such investigation. A Non-Standard Service Contract shall be presented to the Applicant within a suitable amount of time as determined by the complexity of the project. (See Section F and *Commercial Water Tap Information* at Miscellaneous Transaction Forms.)
 - c. **Customer Service Inspection Fee.** A Customer Inspection Service Fee of **\$125.00** will be assessed for all residential and commercial customer service inspection certifications. (See Section B.9 of the Tariff.)
 - d. **Temporary Construction Deposit.** A Temporary Construction Deposit of **\$500** shall be assessed all residential and commercial with a refund for all expenses not incurred by the Corporation.
2. ***Membership Fee.*** At the time the application for service is approved, a refundable Membership Fee must be paid for each service requested before service shall be provided or reserved for the Applicant by the Corporation.
 - a. The Membership Fee for water service is **\$100.00** for each service unit.
 - b. Membership fee for oversized or Master Metered Accounts shall be based on multiples of meter size equivalence or actual connections served.
 - c. The Membership Fee is only refundable upon termination of the membership, less any charges owed the Corporation.
3. ***Easement Fee.*** When the Corporation determines that private right-of-way easements and/or facilities sites are necessary to provide service to the Applicant, the Applicant shall be required to make good faith efforts to secure easements on behalf of the Corporation and/or pay all costs incurred by the Corporation in validating, clearing, and retaining such right-of-way in addition to tap fees otherwise required pursuant to the provisions of this Tariff. The costs may include all legal fees

and expenses necessary to attempt to secure such right-of-way and/or facilities sites on behalf of the Applicant. (See Section E. 2. c. (2), Section F. 7. a.)

4. **Tap Fee.** The Corporation shall charge an installation fee for service as follows:
 - a. **Standard Service** shall be **\$850.00**.
 - b. **Non-Standard Service** shall include any and all construction labor and materials, inspection, Commercial Service Inspection fee, administration, legal, and engineering fees, as determined by the Corporation under the rules of Section F of this Tariff, including installation of separate irrigation meters required for Commercial facilities. (See Section G.1 (b) above.)
 - c. **Standard and Non-Standard Service Installations** shall include all costs of any pipeline relocations as per Section E.2. (c) (6) of this Tariff or other system improvements.

5. **Monthly Charges.**

a. **Service Availability Charge**

(1) **Water Service** - The monthly charge for metered water service, which may or may not include allowable gallonage, is based on demand by meter/tap size. Each charge is assessed based on the number of 5/8" X 3/4" meters (as per American Water Works Association) maximum continuous flow specifications (see *Miscellaneous*) equivalent to the size indicated and is used as a base multiplier for the Service Availability Charge and allowable gallonage. Rates and equivalents are as follows:

METER SIZE	5/8" X 3/4" METER EQUIVALENTS	MONTHLY RATE
5/8" X 3/4"	1.0	\$__ 23.00
1"	2.5	\$__ 57.50
1 1/2"	5.0	\$__ 115.00
2"	8.0	\$__ 184.00
3" DISP.	9.0	\$__ 207.00
3" CMPD.	16.0	\$__ 368.00
3" TURB.	17.5	\$__ 402.50
4" CMPD.	25.0	\$__ 575.00
4" TURB.	30.0	\$__ 690.00
6" CMPD.	50.0	\$_ 1,150.00
6" TURB.	62.5	\$_ 1,437.50
8" CMPD.	80.0	\$_ 1,840.00

Charges for nonstandard fee meter/tap for fire flow will be the same according to size as regular meters/taps. The fire line meter will provide water for fire usage only and is not considered potable customer water service. Commercial properties must install a minimum 1" meter effective November 1, 2007.

- b. **Reserved Service Charges**—The monthly charge for each active account at a specific location for which a meter has not been installed but for which the Corporation and the Applicant have entered into agreement and/or contract for reserved service. This monthly charge shall be based on the Corporation's fixed costs to service the Applicant's dedicated facilities on a per Service Unit basis. This charge reserves service to the Applicant's property designated to receive service. This fee is determined on a case by case basis but shall never exceed the Service Availability Charge for Metered Service on a per Service Unit basis.
- c. **Gallonage Charge** - In addition to the Service Availability Charge, a gallonage charge shall be added at the following rates for usage during any one (1) billing period.
 - (1) Water - **\$ 2.00** per 1,000 gallon increments

(2) Regulatory Assessment Fee - The Corporation shall, as required by Section 5.235, Water Code of the State of Texas, collect from each of its retail customers a regulatory assessment equal to one-half of one percent (**0.005**) of the charge for retail water service. This charge shall be collected in addition to other charges for utility service. This fee is collected on all charges pertaining to Section G.5. Monthly Charges of this Tariff. (30 TAC 291.76 d.(3) (i))

- d. **Customer Notice Provisions.** The Corporation shall give written notice of monthly rate changes by mail or hand delivery to all consumers at least 30 days prior to the effective date of the new rate. The notice shall contain the old rates, new rates, effective date of the new rate, date of Board authorization, and the name and phone number of the Corporation's contact person designated to address inquiries about the rate change.
6. **Assessments** – If at the end of the fiscal year, or in the event of emergency repairs, the Board of Directors determines the total amount derived from the collection of water charges to be insufficient for the payment of all costs incident to the operation of the Corporation's system during the year in which such charges are collected, the Board shall make and levy an assessment against each Member of the Corporation as the Board may determine or as may be required by Rural Development, so that the sum of such assessments and the amount collected from water and other charges is sufficient to fully pay all costs of the operation, maintenance, replacement and repayment on indebtedness for the year's operations. (Article XVIII of Bylaws, Section 1.)
7. **Late Payment Fee.** Once per billing period, a penalty of **\$10.00** shall be applied to delinquent bills. This late payment penalty shall not be applied to any balance to which the penalty was applied in a previous billing, but shall be applied to any unpaid balance during the current billing period.
8. **Owner Notification Fee.** The Corporation may, at the request and expense of the Member, notify said Member of a renter/lessee delinquent account status prior to disconnection of service. The Owner Notification Fee shall be **\$10.00** per notification. (See Miscellaneous Transaction Forms.)
9. **Mortgagee/Guarantor Notification Fee.** The Corporation shall assess a fee of **\$10.00** for each notification to a Membership lien-holder under agreement prior to Membership cancellation. (See Miscellaneous Transaction Forms.)
10. **Returned Check Fee.** In the event a check, draft, or any other similar instrument is given by a person, firm, corporation, or partnership to the Corporation for payment of services provided for in this Tariff, and the instrument is returned by the bank or other similar institution as insufficient or non-negotiable for any reason, the account for which the instrument was issued shall be assessed a return check charge of **\$15.00**. (see Miscellaneous Transaction Forms)
11. **Reconnect Fee.** The Corporation shall charge a fee of **\$100.00** for reconnecting service after the Corporation has previously disconnected the service for any reason provided for in this Tariff except for activation of service under Section E.3.b. *Re-Service*.
12. **Service Trip Fee.** The Corporation shall charge a trip fee equal to that of our operator's fee for any service call or trip to the Member's tap as a result of a request by the Member or resident (unless the service call is in response to damage of the Corporation's or another Member's facilities) or for the purpose of disconnecting or collecting payment for services.
13. **Equipment Damage Fee.** If the Corporation's facilities or equipment have been damaged by tampering, by-passing, installing unauthorized taps, reconnecting service without authority, or other

service diversion, a fee shall be charged equal to the actual costs for all labor, material, and equipment necessary for repair, replacement, and other Corporation actions. This fee shall be charged and paid before service is re-established. If the Corporation's equipment has not been damaged, a fee equal to the actual costs for all labor, material, equipment, and other actions necessary to correct service diversions, unauthorized taps, or reconnection of service without authority shall be charged. All components of this fee will be itemized, and a statement shall be provided to the Member. If the Corporation's facilities or equipment have been damaged due to negligence or unauthorized use of the Corporation's equipment, right-of-way, or meter shut-off valve, or due to other acts for which the Corporation incurs losses or damages, the Member shall be liable for all labor and material charges incurred as a result of said acts or negligence.

14. ***Meter Test Fee.*** The Corporation shall test a Member's meter upon written request of the Member. Under the terms of Section E of this Tariff, a charge of **\$50.00** shall be imposed on the affected account.
15. ***Transfer Fee.*** An Applicant for service who is a Transferee shall complete all required application forms, etc., and pay a Transfer Fee of **\$25.00**.
16. ***Information Disclosure Fee.*** All public information except that which has been individually requested as confidential shall be available to the public for a fee to be determined by the Corporation based on the level of service and costs to provide such information, but not to be inconsistent with the terms of the Texas Publication Information Act: Chapter 552, Texas Government Code. The Attorney General's Office should be contacted for the fee prior to quoting a fee to the public.

NOTE: The Corporation does not assess a fee to any Member/Customer requesting in writing that personal information under the terms of the Tariff not be disclosed to the public.

17. ***Regulatory Assessment Fee.*** A fee of 0.005% of the amount billed for water service will be assessed each customer; this assessment is required under Texas law and TCEQ regulations.

NOTE: The regulatory assessment is not to be collected from state agencies, wholesale customers, or buyers of non-potable (not drinkable) water. (Ref. TCEQ RG-199 revised Oct. 2002; TCEQ Section 291.76(c))

18. ***Additional Assessments.*** In the event any federal, state or local government imposes on the Corporation a "per meter" fee or an assessment based on a percent of water, this fee or assessment will be billed and collected as a "pass through" charge to the customer.
19. ***Customer Service Inspection Fee.*** A fee of at least **\$125.00** will be assessed each Applicant before permanent continuous service is provided to new construction. The assessment of the CSI Fee will be based on the current charge by the certified inspector.
20. ***Groundwater District Production Fee.*** A pumpage fee of \$0.00 per thousand gallons of water used by each customer; this pumpage fee is collected from the Corporation to pay the annual fee charged the Corporation by Lonestar Groundwater Conservation District based on the amount of water pumped from the Corporation's wells located within the boundaries of the District.
21. ***San Jacinto River Authority Fee.*** A pass-through fee assessed per thousand gallons used, will be collected to pay the monthly pumpage fee charged the Corporation by the San Jacinto River Authority

(SJRA). This pumpage fee is collected to pay the monthly fee charged by the SJRA in accordance with the Corporation's groundwater reduction plan (GRP) contract with the SJRA, based on the amount of water pumped from the Corporation's wells located within the boundaries of the Corporation and will automatically increase annually as the SJRA pumpage fees increase. The Corporation shall assess a surcharge fee of **\$0.05** (5 cents) per 1000 gallons pumped to cover the Corporation's administrative costs.

22. ***Other Fees.*** All services outside the normal scope of utility operations that the Corporation may be compelled to provide at the request of a customer or Member shall be charged to the recipient based on the cost of providing such service.
23. ***Meter Removal Fee.*** A fee of **\$75.00** shall be charged for removing a meter by the Corporation for any reason authorized by this Tariff.
24. ***Meter Re-installment Fee.*** A fee of **\$75.00** shall be charged to re-install a meter after it has been removed by the Corporation for any reason authorized by this Tariff.
25. ***Meter Relocation Fee.*** A fee shall be charged for relocating a meter from one location to another. The fee will be based on the actual costs of relocation of the meter. Relocation is limited to the existing property designated to receive service. An easement shall be granted when necessary for the proposed new location.
26. ***Late Fee for Certified Back Flow Test.*** If a Member fails to file with the Corporation the Member's annual Certified Back Flow Test Report after 30 days' written notice to the Member by the Corporation, the Corporation shall assess a late fee of \$100 per day to the Member until the Test Report has been submitted to the Corporation. (See Section E.3 (d), (e) and (f))

DROUGHT CONTINGENCY PLAN
FOR:
Westwood North Water Supply Corporation
6310 Weisinger Dr, Magnolia, TX 77354
CCN# 11599
Revised August 21, 2023

1. INTRODUCTION

The goal of this plan is to cause a reduction in water use in response to drought or emergency conditions so that the water availability can be preserved. Since emergency conditions can occur rapidly, responses must also be enacted quickly. This plan has been prepared in advance considering conditions that will initiate and terminate the rationing program.

A Drought/Emergency Management Committee consisting of two Board Members appointed by the Board and the System Manager will monitor usage patterns and public education efforts and will make recommendations to the Board on future conservation efforts, demand management procedures or any changes to this plan. The Committee will develop public awareness notices, bill stuffers, and other methods that will begin and continue as a constant type of reminder that water should be conserved at all times, not just during a drought or emergency. This Committee will also review and evaluate any needed amendments or major changes due to changes in the WSC service area population, distribution system or supply. This review and evaluation will be done on an annual basis unless conditions necessitate more frequent amendments.

The plan will be implemented according to the three stages of rationing as imposed by the Board. Section 6 describes the conditions that will trigger these stages.

2. PUBLIC INVOLVEMENT

Opportunity for the public to provide input into the preparation of the Plan was provided by the Board by scheduling and providing public notice of a public meeting to accept input on the Plan. Notice of the meeting was provided to all customers. In the adoption of this plan, the Board considered all comments from customers.

3. PUBLIC EDUCATION

The Westwood North Water Supply Corporation will periodically provide the public with information about the Plan, including information about the conditions under which each stage of the Plan is to be initiated or terminated and the drought response measures to be implemented in each stage. The Committee will develop public awareness notices, bill stuffers, and other methods that will begin and continue as a constant type of reminder that water should be conserved at all times, not just during a drought or emergency.

4. COORDINATION WITH REGIONAL WATER PLANNING GROUP

Being located within Region H, a copy of this Plan has been provided to that Regional Water Planning Group and the Lone Star Groundwater Conservation District.

5. NOTICE REQUIREMENTS

Upon determination that a mild, moderate or severe water shortage condition exist, notification of decision to initiate water restriction will be provided by public posting notice(s) on website and at the entrances of the community.

1. The date restrictions will begin.
2. The circumstances that triggered the restrictions.
3. The stages of response and explanation of the restrictions to be implemented, and,
4. An explanation of the consequences for violations.

6. TRIGGER CONDITIONS

The Drought Emergency Management Committee is responsible for monitoring water supply and demand conditions on a monthly basis (or more frequently if conditions warrant) and shall determine when conditions warrant initiation or termination of each stage of the plan, that is, when the specified triggers are reached. The Committee will monitor monthly operating reports, water supply or storage tank levels and/or rainfall as needed to determine when trigger conditions are reached. The triggering conditions described below take into consideration: the vulnerability of the water source under drought of record conditions; the production, treatment and distribution capacities of the system, and member usage based upon historical patterns.

a. Stage I - Mild Condition: Stage I water allocation measures may be implemented when one or more of the following conditions exist:

- 1) Water consumption has reached 80 percent of daily maximum supply for three (3) consecutive days.
- 2) There is an extended period [at least eight (8) weeks] of low rainfall and daily use has risen 20 percent above the use for the same period during the previous year.
- 3) Response for Stage I – Mild Condition: Target is achieving a 15% reduction in daily maximum supply.

b. Stage II - Moderate Conditions: Stage II water allocation measures may be implemented when one of the following conditions exist:

- 1) Water consumption has reached 80 percent of the amount available for three (3) consecutive days.
- 2) The water level in any of the water storage tanks cannot be replenished for three (3) consecutive days. Example: The highest recorded water level drops ten (10) feet or more for three (3) consecutive days.
- 3) Response for Stage II – Moderate Condition: Target is achieving a 15% reduction in daily maximum supply.

c. Stage III - Severe Conditions: Stage III water allocation measures may be implemented when one of the following five conditions exist:

- 1) Failure of a major component of the system or an event which reduces the minimum residual pressure in the system below 25 psi for a period of 24 hours or longer.

- 2) Water consumption of 90 percent or more of the maximum available for three (3) consecutive days.
- 3) Water consumption of 100 percent of the maximum available and the water storage levels in the system drop during one 24-hour period.
- 4) Natural or man-made contamination of the water supply source(s).
- 5) The declaration of a state of disaster due to drought conditions in a county or counties served by the District
- 6) Reduction of wholesale water supply due to drought conditions.
- 7) Other unforeseen events which could cause imminent health or safety risks to the public.
- 8) Response for Stage III – Sever Condition: Target is achieving a 25% reduction in daily maximum supply.

7. STAGE LEVELS OF WATER ALLOCATIONS

The stage levels of water allocations are to be placed in effect by the triggers in Section 6. The System shall institute monitoring and enforce penalties for violations of the Drought Plan for each of the Stages listed below. The water allocation measures are summarized below.

a. Stage I - Mild Conditions

- 1) Outdoor watering for even numbered addresses will be Monday, Wednesday & Saturday only. Outdoor watering for odd numbered addresses can water Tuesday, Thursday & Sunday only.
- 2) Outdoor watering between 10:00AM and 6:00 PM will be discouraged.
- 3) The system will reduce flushing operations.
- 4) Reduction of customers' water use will be encouraged through notices on monthly bills, social media, and on the bulletin board at the WSC building, in addition to signs posted at entrances to the community.

b. Stage II - Moderate Conditions

- 1) Outdoor watering at even numbered addresses will be restricted to Wednesday & Saturday only.
Odd numbered addresses will be restricted to Thursday & Sunday only. Outdoor watering will be allowed anytime if it is by means of a faucet filled bucket or watering can of five (5) gallons or less.
- 2) Outdoor water use will be restricted to midnight to 10:00 AM and 6:00 PM to midnight on the designated days.
- 3) All non-essential outdoor water use (washing of sidewalks or driveways, vehicle washing, filling of swimming pools, failure to repair a controllable leak within a reasonable period, etc.) will be prohibited.
- 4) Customers will be notified by signs posted at entrances to the community, the bulletin board at the WSC Building, social media, and notices on monthly bills.

c. Stage III - Severe Conditions

- 1) All outside watering prohibited.
- 2) District shall continue enforcement and educational efforts.

NOTE:

There may be additional restrictions imposed by Governmental Entities.

Meters will be read as often as necessary to ensure compliance with this program for the benefit of all the customers.

8. PRO ACTIVE CURTAILMENT

In the event that the triggering criteria specified in Section 6 for Stage III – Severe Water Conditions have been met, the designated official is hereby authorized to initiate allocating of water supplies on a pro rata basis in accordance with Texas Water Code Section 11.039.

Westwood North Water Supply Corporation will include a provision in every wholesale water contract entered into or renewed after adoption of the plan, including contract extensions, that in case of a shortage of water resulting from drought, the water to be distributed will be divided in accordance with Texas Water Code Section 11.039.

9. INITIATION AND TERMINATION PROCEDURES

Once a trigger condition occurs, the District, or its designated responsible representative, shall, based on recommendation from the Chairperson of the Drought/Emergency Management Committee, decide if the appropriate stage of rationing shall be initiated. The initiation may be delayed if there is a reasonable possibility the water system performance will not be compromised by the condition. If water allocation is to be instituted, customers will be notified by public posting, notice(s) on website.

Notice of the proposed water allocation measure shall be posted in public places at the initiation of each stage. In addition, upon adoption of Stage II or Stage III, a notice will be placed at the entrances of the community. The customer notice shall contain the following information:

1. The date restrictions will begin.
2. The circumstances that triggered the restrictions.
3. The stages of restrictions to be implemented, and,
4. An explanation of the consequences for violations.

If the water allocation program extends 30 days, then the Chairperson of the Drought/Emergency Management Committee or manager shall present the reasons for the allocations at the next scheduled Board Meeting and shall request the concurrence of the Board to extend the allocation period. When the trigger condition no longer exists then the Committee Chair with the approval of WSC Board president may terminate the water allocations provided that such an action is based on sound judgment. Written notice of the end of allocations shall be by the same method as initiation notice. A water allocation period may not exceed 60 days without extension by action of the Board.

10. PENALTIES FOR VIOLATIONS

a. First Violation – The customer will be notified by a written notice of their specific violation and the penalty to be assessed for continued violations.

b. Second Violation – The District will assess a \$50.00 fine.

c. Third Violation – The District will assess a \$100.00 fine.

d. Each subsequent violation – The District will assess a \$200.00 fine per violation.

e. After the fifth (5th) violation water service will be terminated.

These provisions apply to all customers of the District.

11. EXEMPTIONS OR WAIVERS

The Drought/Emergency Management Committee may, in writing, grant temporary variance for existing water uses otherwise prohibited under this Plan, if it is determined that failure to grant such variance would cause an emergency condition adversely affecting the health or sanitation for the public or the person requesting such variance.

Persons requesting an exemption from the provisions of this Ordinance shall file a petition for variance with the Drought/Emergency Management Committee within 5 days after the Plan or a particular drought response stage has been invoked or after a condition justifying the variance first occurs. All petitions for variances shall be reviewed by the Committee and shall include the following:

- a. Name and address of the petitioner(s).
- b. Purpose of water use.
- c. Specific provision(s) of the Plan from which the petitioner is requesting relief.
- d. Detailed statement as to how the specific provision of the Plan adversely affects the petitioner or what damage/ harm will occur to the petitioner or others if petitioner complies with this Plan.
- e. Description of the relief requested.
- f. Period of time for which the variance is sought.
- g. Alternative water use restrictions or other measures the petitioner is taking or proposes to take to meet the intent of this Plan and the compliance date.

Any variance for a subsequent water allocation must be petitioned again. The fact that a variance has been granted in response to a petition will have no relevance to the Committee's decision on any subsequent petition. No variance shall be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

12. IMPLEMENTATION

The Board establishes a Drought/Emergency Management Committee by Resolution, the Chairperson of which will be the responsible representative to make Drought and Emergency Water Management actions. This Committee will review the procedures in this plan annually or sooner, as needed. Modifications may be required to accommodate system growth, changes in water use demand, available water supply and/or other circumstances.

This Plan, as amended, was adopted by the Board at a properly noticed meeting held on August 21st, 2023.

Drought/Emergency Management Committee

Committee Chairman

Christopher Jones
Board President

Michael Baylor
Vice President


H₂O Innovation
District Operator's System Manager
281-353-9809

PASSED AND APPROVED this 21st day of August, 2023



PRESIDENT, BOARD OF DIRECTORS

ATTEST:



SECTARY TREASURER, BOARD OF DIRECTORS

