Tariff for Hilltop Lakes Water Supply Corporation

Hilltop Lakes WSC 21 Hilltop Blvd. Hilltop Lakes, Texas 77871

Telephone: 936-855-2995

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SECTION A. RESOLUTIONS

THE BOARD OF DIRECTORS OF HILLTOP LAKES WATER SUPPLY CORPORATION ESTABLISHES THAT:

- This Tariff of the Hilltop Lakes Water Supply Corporation, serving in <u>Leon County</u> consisting of Sections A. through K. and forms inclusive, is adopted and enacted as the current regulations and policies effective as of April 23 2024.
- Only those preexisting 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 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 and a copy may be viewed on the Corporation's website. The Secretary of the Corporation shall maintain the original copy as approved and all previous copies for exhibit.
- Rules and regulations of state or federal agencies having jurisdiction shall supersede any terms of this policy. If any section, paragraph, sentence, clause, phrase, word, or words of this policy are declared unconstitutional or invalid for any purpose, the remainder of this policy shall not be affected.
- This tariff has been adopted in compliance with the <u>Open Meetings Act. Chapter 551</u> of the Texas Government Code.

PASSED and APPROVED this 23 day of April, 2024.

President, Hilltop Lakes Water Supply Corporation

Secretary, Hilltop Lakes Water Supply Corporation

SECTION B. STATEMENTS

- 1. *Organization*. The Hilltop Lakes Water Supply Corporation ("Corporation" or "WSC") is a member-owned, nonprofit corporation incorporated pursuant to the <u>Texas Water Code Chapter 67</u>, and the provisions of the Texas Business Organizations Code applicable to member owned member controlled nonprofit corporations for the purpose of furnishing potable water utility 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 services provided by the Corporation. Failure on the part of the Member, Customer, 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 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.* Fire risers installed within the Corporation's water distribution system are provided at the convenience of the Corporation and do not imply any responsibility on the part of the Corporation to meet fire flow requirements of local, county, state or federal governmental agencies. Fire risers are for volunteer fire department use and shall remain in place for such use as "refill only" of fire trucks. The Corporation reserves the right to remove any fire risers, due to improper use or detriment to the system as determined by the Corporation, at any time without notice.
- 6. Damage Liability. The Corporation is not liable for damages caused by service interruptions, events beyond its control, and for normal system failures. The limits of liability of the Corporation is the extent of the cost of service provided. By acceptance of Membership, the Member consents to waiver of such liability.
- 7. Information Disclosure. The records of the Corporation shall be kept in the Corporation office in Hilltop Lakes, 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 and other applicable law. In no event and under no circumstances shall the Corporation disclose the Social Security Number of any member or customer to any person other than an employee of the Corporation. Chapter 182, Subchapter B of the Texas Utilities Code makes confidential a water utility customer's address, telephone number, account records, and information relating to the volume or units of utility usage, or the amounts billed to or collected from the individual for utility usage. However, an individual customer may request in writing that this information be released upon request. The Corporation shall give its applicants and customers notice of their right to request disclosure of this information under this policy. The confidentiality provision in Chapter 182, Subchapter B of the Texas Utilities Code 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 entitled to vote 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.

- 8. Customer Notice of Rate Change. The Corporation will give written notice of rate changes by mail or hand delivery and by email and the Corporation's website, if applicable, to all customers at least 30 days prior to the effective date of the new rate. The notice will contain the old rates, new rates, effective date of the new rate, meaning the first date of the applicable billing cycle where the new rate will take effect, date of Board authorization, and the name and phone number of the Corporation's contact person designated to address inquiries about the rate change.
- 9. *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 manager 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.
- 10. *Customer Service Inspections*. The Corporation requires that a customer service inspection certification 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 nonstandard 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(j)) (See Tariff Section G. 4.)
- 11. *Voluntary Contributions Policy*. The Corporation's board has approved and set up guidelines for accepting Voluntary Contributions on Behalf of Emergency Service Providers in our service area. The policy adopted sets up the guidelines for collection, accounting, and distribution of funds to the respective local Emergency Service Response entities. (<u>Texas Water Code Sections 13.143</u> & <u>Section 67.017</u>) (See Voluntary Contribution Policy)
- 12. **Prohibition Against the Resale of Water.** The meter and/or sewer connection is for the sole use of the Member or customer and is to provide service to only one (1) dwelling or one (1) business. Extension of pipe(s) to share or resell water to any other persons, dwellings, businesses, or property, etc., is prohibited.

SECTION C. DEFINITIONS

Active Service - Service status of any Member receiving authorized water 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 Corporation. A person must have reached age of majority (18) in Texas to apply for service. (Section 129.001, Civil Practice & Remedies Code)

Base Rate – The monthly charge assessed each Member/Customer for the opportunity of receiving service. The Base Rate is a fixed rate based upon the meter size as set forth in the equivalency chart in Section G.

Board of Directors – The governing body elected by the Members of the Corporation that is vested with the management of the affairs of the Corporation. (Section 22.001(1), Texas Business Organizations Code)

Bylaws – The rules pertaining to the governing of the Corporation adopted by the Corporation Members. (Section 22.001(2), Texas Business Organizations Code)

Certificate(s) of Convenience and Necessity (CCN) – The authorization granted under <u>Chapter 13</u> <u>Subchapter G of the Texas Water Code</u> for the Corporation to provide water utility service within a defined territory. The Corporation has been issued Certificate Number(s) 10341. Territory defined in the CCN shall be the Certificated Service Area. (See Section D. Certificated Service Area Map(s))

Corporation – The Hilltop Lakes Water Supply Corporation.

Debt Owed to Corporation – All debts accrued by an individual customer that shall include but not be limited to past due bills from the current or other/former service location(s) of the customer, deferred payment agreements, fees and penalties incurred in accordance with this Tariff, disconnect/reconnect fees, Corporation assessments, and any other monetary amount accrued and owed to the Corporation.

Developer – Any person, partnership, cooperative corporation, corporation, agency, or public or private organization who subdivides land or requests more than two water or sewer service connections on a single contiguous tract of land [as defined in Section 13.2502 (e)(1) of the Texas 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) for both service to an Applicant and system-wide service. The easement will be filed in the real property records of the appropriate county or counties.

Equity Buy-In Fee – Each Applicant for new service where a new service tap is necessary shall be required to achieve parity with the contributions to the construction or acquisition of the Corporations assets related to capacity that have been made previously by existing Members. This fee shall be calculated

annually after receipt of the system audit and assessed prior to providing (or reserving service for nonstandard service applicants) on a per service unit basis for each property and shall be assigned and restricted to that property for which the service was originally requested. (See <u>Section G. 7.</u>, also See <u>Section K</u>, Calculation of Average Net Equity Buy in Fee)

Extreme Weather Emergency – a period beginning when the previous day's highest temperature recorded for the Corporation's service area did not exceed 28 degrees Fahrenheit and the temperature is predicted to remain at or below that level for the next 24 hours according to the nearest National Weather Service reports for that area. An extreme weather emergency is over on the second business day the temperature exceeds 28 degrees Fahrenheit [as defined in 16 TAC 24.173(b)(2)].

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 water easements, and location(s) of lakes, streams, or rivers through the property. The Corporation shall determine if a plat submitted for the purpose of this Tariff shall qualify as a final plat. For purposes of evaluating Subdivision service requests under Section F. the Corporation may accept preliminary plats or plats awaiting final approval pending execution of agreement for service by the Corporation.

FmHA – Abbreviation for Farmers Home Administration, an agency for the U. S. Department of Agriculture, providing loans and grant funds for development of rural water systems serving communities with a population of less than ten thousand (10,000) people. Includes succeeding agencies such as Rural Economics and Community Development.

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

Installation Fee - A fee charged for all costs necessary for installation of the type of service requested. (*See* Section G. for breakdown of costs included in the fee.)

Liquidated Membership – A Membership that has been canceled due to delinquent charges or for other reasons as specified in this Tariff. (See <u>Section E.19 e.</u>)

Member – Any person, partnership, cooperative corporation, corporation, agency, or public or private organization who holds a membership in the Corporation and who is a record owner of fee simple title to the property in an area served by the water supply or sewer service corporation or a person who is granted a membership and who either currently receives or will be eligible to receive water utility service from the corporation. An applicant must be qualified for service and must have been certified as a member in accordance with the Corporation's Tariff before service will be activated.(<u>Texas Water Code Section 13.002(11)</u>, <u>Texas Water Code Section 67.016(d)</u>)

Membership – A non-interest-bearing stock or right of participation purchased from the Corporation evidencing a Member's interest in the Corporation. (See Tariff Section E.19 and E.19 and E.19 are E.19 and E.19 are E.19 and E.19 are E.19 and E.19 are E.

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. The membership fee cannot be more than 12 times the minimum monthly base rate.

Meter Test Fee - A fee assessed by the Corporation upon written request of the Member for testing the accuracy of the meter.

Public Utility Commission (PUC) – State regulatory agency having jurisdiction over water and sewer service utilities and appellate jurisdiction over the rates and fees charged by Nonprofit Water and Sewer Service Corporations

Proof of Ownership – For the purpose of this tariff, applicants for service and membership shall provide proof of ownership of the real estate. (See <u>Texas Property Code</u>, <u>Title 3</u>, <u>Chapter 12</u>, <u>Section 12.001 and 12.0011</u>)

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 customer who rents or leases property from a Member or who may otherwise be termed a tenant. (See Tariff Section E. 18.)

Re-Service – Providing service to an Applicant at a location for which service previously existed and where there is an existing setting for a meter. Costs of such re-servicing shall be based on justifiable expenses in connection with such re-servicing. (See Tariff Section E. 1. b., and Section J Miscellaneous Request for Service Discontinuance & Membership Cancellation)

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.

Service Classification – A type of service which warrants a specific charge for service based on specific criteria such as usage, meter size, demand, type application, etc. as determined by the Corporation upon evaluation of the service requirements of the

Service Investigation Fee – A fee for costs associated with determining if service is available and determining cost of service. (See Tariff Section F. 3. (c), F. 4., and G. 26).

Service Trip Fee - A fee charged for any service call or trip to the Member's tap as a result of a request by the Member or tenant for response to damage of the Corporation's or another Member's facilities; for customer service inspections due to suspicion of meter tampering, bypass or diversion of service; or for the purpose of disconnecting or collecting payment for services.

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.

Subdivision – An area of land that has been subdivided into lots or tracts.

Surrendered Membership – A Membership in which service has been discontinued upon request of the Member and all indebtedness due the Corporation has been paid in full.

Tap fee – All current labor and materials necessary to provide individual metered water or wastewater service.

Tariff – The operating policies, service rules, service extension policy, service rates, water use restriction 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 by law at the State Office of the PUC.

Temporary Service – The classification assigned to an applicant that is in the process of construction. The Board will set the length of time associated with this classification. This classification will change to permanent service after requirements in Tariff Section <u>E. 25</u>, <u>E. 26</u>, <u>E. 27</u>, and <u>E. 28</u> are met. Applicant must have paid an Indication of Interest Fee.

Texas Commission on Environmental Quality (TCEQ) – State regulatory agency having jurisdiction over drinking water, water supply and water quality issues for Nonprofit Water and Sewer Service Corporations.

Transfer Fee - A fee assessed by the Corporation for costs associated with transferring membership. (See Tariff Section E. 19. c., Section G. 28 and Texas Water Code Section 67.016)

Transferee – An Applicant receiving a Membership by legal means from a Transferor desiring to forfeit and transfer current rights of Membership to another person or entity. (See Tariff Section E. 19. c., Section G. 28 and 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, Section 67.016)

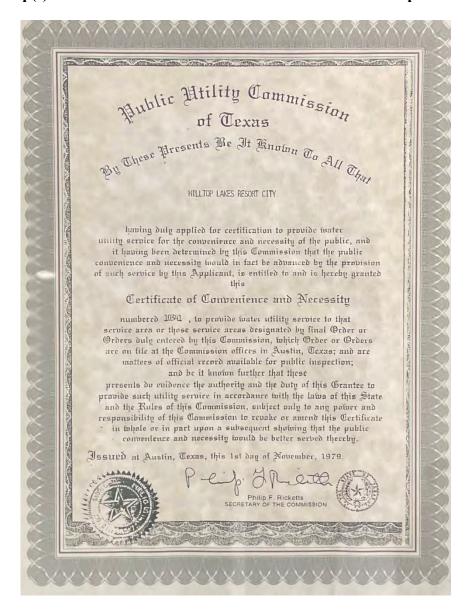
Usage – Amount billed for water service based on actual or estimated usage.

- 1. **Actual Usage** Amount billed or to be collected based on actual meter reading.
- 2. **Estimated Usage** Amount billed or to be collected based on either the member's historical average usage for the prior month or for the same month of the prior year where date is available. (See <u>Section E.5.b.</u>; See also PUC Rules <u>16 TAC §24.165(i)</u> regarding estimated bills.)

Water Conservation Penalty – A penalty that may be assessed under <u>Section H</u> of this Tariff to enforce customer/member water conservation practices during drought contingency or emergency water demand circumstances. (See <u>Texas Water Code Section 67.011 (b)</u> and <u>Section H. 7.</u>)

SECTION D. GEOGRAPHIC AREA SERVED

This section should include an area map showing the Corporation's water and/or wastewater certificated service area. Therefore, the Corporation must make sure that its current service area(s) correspond to the area and/or facilities as approved by the PUC in its Certificate(s) of Convenience and Necessity. It is the responsibility of the Corporation to properly file a map(s) showing its service area with the PUC and to file for any changes in that service area. This copy of the Commission's official service map(s) will serve as documentation in the event of future disputes over service areas.



CERTIFICATE OF CONVENIENCE AND NECESSITY

To Provide Water Service Under Texas Water Code and Public Utility Commission Substantive Rules

Certificate No. 10341

Name: Hilltop Lakes Water Supply Corporation Address: 21 Hilltop Blvd.

PO Box 1460

Hilltop Lakes, Texas 77871

II. General Description and Location of Service Area:

The area covered by this certificate is located approximately 10 miles west of Normangee, Texas encompassing the community of Hilltop Lakes. See map.

III. Certificate Maps:

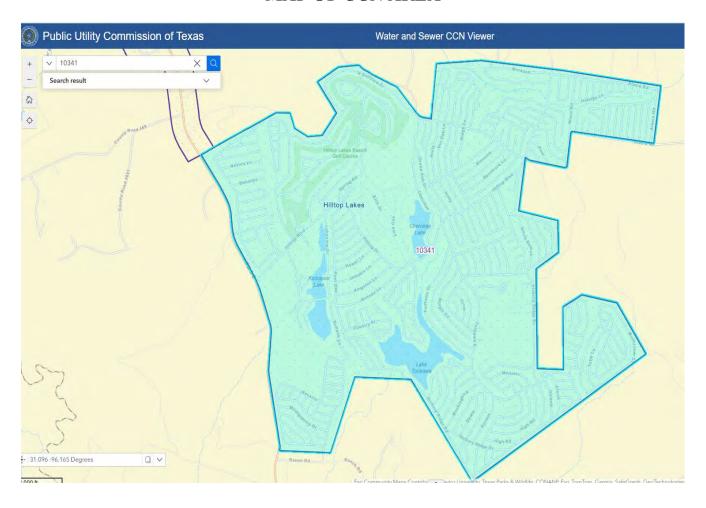
I. Certificate Holder:

The certificate holder is authorized to provide water service in the area(s) identified on the Commission's official service area map, CNN 10341, maintained in the offices of the Public Utility Commission, 701 N. Congress Avenue, P.O. Box 13326, Austin, TX 78711-3326 with all attendant privileges and obligations.

This certificate is issued under Application No. 1450006 and subject to the rules and orders of the Commission, the laws of the State of Texas, conditions contained herein and may be revoked for violations thereof. The certificate is valid until amended or revoked by the Commission.

Issued Dated:	_
ATTEST:	
	For the Commission

MAP OF CCN AREA



SECTION E. SERVICE RULES AND REGULATIONS

- **1.** Activation of Standard Service. Before receiving service, applicants must comply with all the following requirements, as applicable:
 - a. New Tap The corporation shall charge a nonrefundable service installation fee as required under Section G. of this tariff. The service installation fee shall be quoted in writing to the applicant. Any debt owed to the Corporation and all fees shall be paid, or a deferred payment contract signed in advance of installation. (16 TAC 24.163(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 or refunded), reconnection costs, any debt owed to the Corporation if the applicant is the person that previously incurred those charges, and other applicable costs necessary to restore service.
 - c. **Performance of Work** All tap and equipment installations specified by the corporation shall be completed by the corporation staff or designated representative after all requirements for service have been met. The tap for a standard service request shall be completed within fifteen (15) working days after requirements for service have been met. This time may be extended for installation of equipment for Nonstandard Service Request. (16 TAC 24.161(a)(4), See Section F.)
 - d. **Inspection of Customer Service Facilities** The property of the Applicant/Member shall be inspected 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. The customer must, at his or her expense, properly install, inspect, test, maintain and provide all required documentation of any approved backflow prevention device required by the Corporation. (30 TAC 290.46(j); Section I. Service Application and Agreement)
- **2.** Activation of Nonstandard Service. Activation of Nonstandard Service shall be conducted as prescribed by terms of Section F. of this Tariff.
- **3.** 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.
- **4.** *Back-billing*. If a Member is undercharged the corporation may back-bill the Member. Back-billing may not exceed 12 months unless such undercharge is a result of meter tampering, bypass, or diversion by the customer as defined in this tariff (See 16 TAC Section 24.165(h)). If the underbilling is \$25 or more, the utility shall offer to such member/customer a deferred payment plan option for the same length of time as that of the underbilling.

5. Bill Adjustment.

Leak Adjustment Policy

Customer service issues, such as higher-than-normal water bills caused by leaks on the customer's side of the meter, can potentially expose utilities to costly complaints at the Public Utility Commission of Texas (PUCT). They can also form the basis for new legislation with the potential for industry-wide impact. Therefore, the TRWA Legal Department recommends that all systems adopt a leak adjustment policy that allows for a reduced charge on high water bills caused by leaks if certain conditions are met.

The TRWA leak adjustment policy is modeled after the policies already used by several member systems. We recommend adding it to your current tariff as we have done below in Section F of our Sample Tariff. The leak adjustment policy is the underlined text in Subsection (c).

- a. 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. 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 Section Forms.)
- b. Due to Estimated Billing If the Corporation has estimated usage because the Corporation is unable to access the meter due to circumstances beyond the Corporation's control, such as a natural disaster; or because access is hindered or denied by a Member, the Corporation shall adjust the bill once access has been regained and actual usage is determined. (See Section E. 20. a.)
- c. Due to Leak If a Member's monthly bill is higher than normal due to a leak on the Member's side of the meter, the Member may submit a written leak adjustment request to the Corporation. Upon approval of a leak adjustment by the Corporation, the Member shall be charged the amount of one month's average bill for the previous twelve (12) months. Any additional consumption above the Member's average bill shall be charged at the Corporation's current lowest-tier rate that fully covers the cost of service associated with the additional consumption. The Corporation may grant an adjustment if each of the following apply:
 - (1) the amount of excess water usage reflected in the contested bill is at least three (3) times the Member's average monthly usage;
 - (2) the leak has been verified by the Corporation's manager or other representative;
 - (3) the Member submits documentary evidence that the leak has been repaired within ninety (90) days of repair, including a statement from a plumber and/or receipt(s) for parts purchased to repair the leak; and
 - (4) the Member has not requested a leak adjustment during the previous twenty-four (24) months regardless of the number of meters serving the Member's property or properties.

- **6.** *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.
- 7. 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 (See Section E. 11. a.)

8. Charge Distribution and Payment Application.

- a. The Base Rate is for the billing period from the 27th day of the month to the 26th day of the following 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 30th 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. Gallonage Charge shall be billed at the rate specified in <u>Section G</u>, and billing shall be calculated in one thousand (1,000) 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 and late fees prior to posting against current billings.
- d. Forms of Payment: The Corporation will accept the following forms of payment: cash, personal check, cashier's check, money order, credit card, automatic debit on customer's bank account, or draft on bank. The Corporation will not accept two-party checks, pay checks, or any other instrument of payment that is not made out to the Corporation. The Corporation reserves the right to require exact change and may refuse to accept payments made using more than \$1.00 in coins. The Corporation will not assess the credit card processing fee associated with credit card payments to those customers that make payment by credit card in accordance with consumer laws.
- 9. **Deferred Payment Agreement.** The Corporation may offer a written deferred payment schedule to a Member or rental tenant 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 Section J. Miscellaneous Transaction Forms). The Corporation must offer a deferred payment schedule for bills due during an Extreme Weather Emergency for at least 30 days from the date an Extreme Weather Emergency ends. The Member or rental tenant must accept the deferred payment schedule within seven (7) days from receipt of the written deferred payment schedule from the

Corporation. The failure to make required and timely payments as provided in any deferred payment schedule will void that agreement and service will be discontinued. The Corporation may consider another deferred payment schedule provided payments will be made by automatic bank draft or credit/debit card. Nonpayment of any amount under an additional deferred payment schedule will cause service to be disconnected immediately and service will not be restored until the account is paid in full and all other charges resulting from the disconnection of service are fully paid. In the event the requestor is a tenant of rental property the Corporation shall notify the owner/member of the deferred payment schedule.

10. *Denial of Service.* The Corporation may deny service for any of the following reasons:

- a. Failure of the Applicant or Transferee to complete all application requirements, including granting an easement, completing all forms, and paying 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 or Transferee to provide proof of ownership, to the satisfaction of the Corporation, of property for which the tap has been requested;
- g. Applicant's service facilities are known to be inadequate or of such character that satisfactory service cannot be provided;
- h. Failure of 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; and
- i. Failure of the Applicant or Transferee to pay any previous outstanding delinquent account(s) in full. This could be delinquencies resulting from the same account location or other service location(s) within the system where the Applicant or Transferee received service. (Also see E 19.)
- **11.** *Disconnection of Service Rules.* The following describes the rules and conditions for disconnection of service. Notwithstanding any language to the contrary in the Service Application and Agreement Form, the Corporation may only discontinue service for the reasons set forth in this Section.

- 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 mail, via the U.S. Postal Service, 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 cash, money order, or certified check. Failure to meet these terms shall initiate disconnection of service. (see Miscellaneous Transaction Forms) Any such instruments returned as insufficient or nonnegotiable 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 "cash-only" basis for a period of 12 months. *NOTE:* "cash only," means certified check, money order, or cash.
 - 2) Failure to pay a delinquent account for utility service, failure to timely provide a deposit or other security under <u>Section E.10. i.</u>, or failure to comply with the terms of a deferred payment agreement (See <u>Section J. Miscellaneous Transaction Forms</u>);
 - 3) 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 nonstandard 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;
 - 4) Failure of the Member to comply with the terms of the Corporation's Service Agreement, Tariff (including, where appropriate, Section H), 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.
 - 5) Failure to provide access or hindering 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. Conditions that may hinder access include, but are not limited to, fences with locked gates, vehicles or objects placed on top of meters or meter boxes, and unrestrained animals.
 - 6) Misrepresentation by any Applicant or Transferee of any fact on any form, document, or other agreement required to be executed by the Corporation.
 - 7) 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.
 - 8) 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. The cancellation of membership must be in writing and signed by the Member. CORPORATION ASSUMES NO LIABILITY RENTER/LESSEE; **MEMBER** IS SOLELY RESPONSIBLE COMPLIANCE WITH, AND LIABILITY UNDER ANY FEDERAL, STATE OR LOCAL CREATING OR **PROTECTING** RIGHTS LAW OF RENTERS/LEESSEES.

- 9) Violation of any applicable regulation or 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.
- 10) Failure to pay charges arising from service trip fee as defined in <u>Section G. 27</u>., meter reread fee, or meter read fee when customer on self-read plan failed to submit their meter reading.
- 11) Failure by a Member to pay for all repair or replacement costs resulting from the Member damaging 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 /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 Member's service being disconnected in accordance with the Disconnection with Notice Provisions in this Section. Service will remain disconnected until payment is received or an acceptable payment plan is approved.
- 12) Failure to disconnect or secure additional service tap(s) for an RV or other service connection (See <u>E. 24</u> of this Section) after notification by the Corporation of violation of the Prohibition of Multiple Connections.
- 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 as defined in Texas Health and Safety Code Sections 341.011 or 343.011. If there is 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 local county health office. The Corporation will disconnect without notice if the Member 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(i)) and 290.46(j)). 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 paragraph b. 1, as stated 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 service.
 - Service is connected without authority by a person/entity 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 tap or equipment, by-passing the meter or equipment, or other diversion of water 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 nonutility service provided by the Corporation, unless an agreement exists between the Applicant and the Corporation whereby the Member guarantees payment of nonutility 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 Section E. 14. 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) Failure of the Member to pay a bill due during an Extreme Weather Emergency if the Member has requested, accepted, and is in compliance with the terms of a deferred payment schedule under Section F. 9. of this Tariff. (16 TAC 24.173)
- 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 PUC.
- f. **Disconnection for Ill Customers** The Corporation may not discontinue service to a delinquent residential Member or tenant under an alternative billing agreement permanently residing in an individually metered dwelling unit when that Member or tenant establishes that

discontinuance of service will result in some person at that residence becoming seriously ill or more seriously ill if service is discontinued. To avoid disconnection under these circumstances, the Member or tenant must provide a written statement from a physician to the Corporation prior to the stated date of disconnection. Service may be disconnected in accordance with Subsection (a) of this Section if the next month's bill and the past due bill are not paid by the due date of the next month's bill, unless the Member or tenant enters into a Deferred Payment Agreement (see Miscellaneous Transaction Forms). The Corporation shall provide notice to an owner of rental property in the event a tenant requests service not be discontinued due to illness as per this subsection.

- g. **Disconnection of Master-Metered Accounts** 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:
 - 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 at 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 on behalf of the owner to avert disconnection or to reconnect service to the complex.
- h. **Disconnection of Temporary Service** When an applicant with 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.
- i. **Seasonal Disconnection** A member may, in a written request, voluntarily suspend service for a period not exceeding nine months within a twelve-month period. If service is reestablished before the end of the ninth month, the member will be assessed a Seasonal Reconnect Fee. If service is not reestablished after the ninth month, then service may be reestablished in accordance with the reservice requirements set forth in of <u>Section E.1.b.</u> this Tariff.
- **12.** *Disputed Bills.* In the event of a dispute between the Member and the Corporation regarding any bill, the Corporation shall make and conduct an investigation as 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.

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

a. The Corporation shall mail all bills on or about the 30th 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 date indicated on the bill (allowing approximately fifteen (15) days to pay), after which time a penalty shall be

applied as described in Section G. The time for payment by a political subdivision may be different than your regular due date. (See <u>Texas Government Code 2251.021</u>) A bill is delinquent if not paid on or before the past due date. Payments made by mail will be considered late if postmarked after the past due date. A two day grace period may then be allowed for delayed payments prior to mailing of final notices. Final notices shall be mailed allowing ten (10) additional days for payment prior to disconnection. The ten (10) additional days shall begin on the day the final notice is deposited with the U.S. Postal Service with sufficient postage. If the past due date for the regular or final billing is on a weekend or holiday, the past due date for payment purposes shall be the next day the Corporation office is open for business after said weekend or holiday. For all disputed payment deadlines, the date postmarked on each bill will determine the beginning of each billing cycle or final notice mailings.

- b. The board of directors or general manager may elect to not 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 or interrupts the management and operation of the system.
- c. 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 shall receive extension of the past due date, without penalty. The extension shall not exceed 10 days beyond the usual 15-day payment period for a total of no more than 25 days from the date the bill is issued. The request may specify extension of the late payment periods for current and subsequent billings. (Texas Utilities Code Sections 182.001 182.005) If this request originates from a tenant at a rental property the owner / member will be notified in writing of any extension request.
- d. All insufficient fund checks, accounts closed or money orders that have had a "stop payment order" issued for payment of a water bill will be deemed delinquent as if no payment was received and the meter is subject to disconnection with notice on the regular disconnection day.
- **14.** *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 six (6) months, based on amounts used under similar conditions during the period preceding or subsequent thereto, or during corresponding periods in previous years.
- **15.** *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 member or 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 nonstandard 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 member or customer as guarantor thereof unless the guarantee was made in writing to the Corporation as a condition precedent to service; and
- e. Failure to pay the bill of another member or 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.
- **16.** *Line Extension Reimbursement.* An approved Applicant may have to pay on a prorated basis a line reimbursement fee to the Corporation for the purpose of reimbursing a member or other party that made the capital outlay to extend service to that area. (See Miscellaneous Transaction Forms)
- 17. Members and Renters. Any Member (property owner) having complied with the requirements of this Tariff, renting, leasing, or having made occupancy arrangements for property designated to receive service according to the terms of this Tariff to other parties, is responsible for all charges due the Corporation. The membership for rental, leased, or occupied properties shall be in the name of the owner of the property as required by this Tariff. The Corporation may bill the renter, lessee, tenant, or occupant for utility service (at Member request) as a third party. The Member shall be required to sign an Alternate Billing Agreement if the Member requests that the renter/occupant be billed for utility service, and payment of a service deposit will be required. Payment of the service deposit must be received from the Member or renter/occupant before alternate billing can begin. The Member who owns the property is fully responsible for any and all unpaid account balance left by the renter/occupant and exceeding the amount of the service deposit. (See Section J. Miscellaneous Transaction Forms.) The Corporation will notify the Member of the renter/occupant's past due payment status. Such notification may be subject to a service charge (see Section J. Miscellaneous Transaction Forms).

If at any time the member requests that membership be canceled thereby discontinuing service to an occupied rental property, the Corporation shall provide written notice to the tenant(s) a minimum of five (5) days prior to the scheduled disconnection date.

18. 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, payment of the required fees, and any debt owed to the Corporation, the Corporation shall certify the Applicant as a Member. The Membership shall entitle the Member to one (1) connection to the Corporation's water service. 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

thereby represented may be assigned to the specified parcel of land originally designated to receive service at the time of application. (Texas Water Code Section 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 Definitions, E. 26., G. 4. and Section J. CSI Certificate)

c. Transfers of Membership. – (Texas Water Code Section 67.016)

- 1) A Member or executor of estate (court order or other legal instrument) is entitled to transfer 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 Subsection 19. c. (1) of this Section, 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. A transfer of Membership shall be considered a new application for service and is not binding on the Corporation until such transfer has been approved as provided by Subsection 19. c. (3) of this Section.
- 3) Qualifications for service upon transfer of Membership set forth in <u>Subsection 19. c. (1)</u> of this and <u>19. c. (2)</u> of this Section 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) The Transferee has completed the required Application Packet including granting the Corporation with a private utility easement on the form provided by the Corporation;
 - (b) The membership has not been fully or partially liquidated; and
 - (c) The Transferee demonstrates satisfactory evidence 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 completed documentation 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 manager or board.
- d. Cancellation of Membership To keep a Membership in good standing, a Base Rate 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 Section E 1. of this Tariff. (Texas Water Code Section 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 11. a.). The Corporation shall collect any remaining account balances by initiation of legal action. Re-instatement of service shall be subject to the terms of the Activation of Service Subsection E. 1. b. of this Tariff.
- f. Cancellation Due to Policy Noncompliance 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. (Texas Water Code Section 67.016)

g. Re-assignment of Canceled Membership.

- 1) The Corporation, upon cancellation of Membership under the provisions of this Tariff, may re-assign the canceled Membership to a person or entity that has legal title to the real estate from which the canceled membership arose and for which water service is requested (<u>Texas Water Code Section 67.016</u>). 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.
- 2) The Corporation shall reassign a canceled Membership to a person or entity that acquires the real estate from which the Membership arose through judicial or nonjudicial foreclosure. The Corporation will require proof of ownership resulting from the foreclosure and compliance with the corporation's current rates, charges, and conditions of service,

including current membership fee, set forth in the tariff and service application package. In the event of foreclosure by a mortgage institution, the Corporation may allow a property management company to acquire the Membership if the management company provides written documentation showing that the management company is legally responsible for the management of the property and it is not feasible for the mortgage institution to be the Member.

- 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 Subsection E. 19. 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. 11. of this Tariff, with a copy of the notice to the bankruptcy Trustee.
- j. Cancellation and Re-Assignment of Membership as a Result of Divorce or Death (or Dissolution of Joint Tenancy) The Corporation shall transfer the membership to a spouse (or joint tenant) or heir who has been awarded the property designated to receive service. The Corporation must be provided adequate documentation of the ownership rights of the spouse (or joint tenant) or heir requesting transfer, such as final divorce decree, temporary court order, probate decree, affidavit of heirship, or agreement. In no event shall any membership(s) be transferred if the transferee does not otherwise meet the qualifications for membership and for service.

19. Member's Responsibility.

a. The Member shall provide access to the meter tap location 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. Conditions that may hinder access include, but are not limited to, fences with locked gates, vehicles or objects placed on top of meters or meter boxes, and unrestrained animals.

- 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 water connections shall be designed to ensure against on-site 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 & Safety Code Chapter 366)
 - 2) The use of pipe and pipe fittings that contain more than 0.25% lead or solder and flux that contain more than 0.2% lead is prohibited for any plumbing installation or repair of any residential or nonresidential facility providing water for human consumption and connected to the Corporation's facilities. Customer service pipelines shall be installed by the applicant. The service pipeline must be installed from the meter to the place of consumption and the Member is required to keep the service pipeline in good repair. The Member's responsibility shall begin at the discharge side of the meter. (30 TAC 290.46; 16 TAC 24.163(a); RUS-TX Bulletin 1780-9 (Rev. 05/17))
- 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 shall end at the meter. 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 located outside of the meter box and within two feet of the meter 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 system 48 hours prior to digging or excavation activities along or near water lines and appurtenances.
- **20.** *Meter Relocation.* Relocation of services shall be allowed by the Corporation provided that:
 - a. The relocation is limited to the existing property designated to receive service;
 - b. A current easement for the proposed location has been granted to the Corporation; and
 - c. The Member pays the actual cost of removing and relocation of the meter tap plus administrative fees.
 - d. Service capacity is available at proposed location.

22. Meter Tampering and Damage to Property.

- a. For purposes of this Section, the term "Tampering" shall mean meter-tampering, by-passing, or diversion of the Corporation's service equipment, or other instances of diversion, including:
 - 1) Removing a locking or shut-off devise used by the Corporation to discontinue service;
 - 2) physically disorienting the meter tap;
 - 3) attaching objects to the meter tap to divert service or to by-pass;
 - 4) inserting objects into the meter tap;
 - 5) other electrical and mechanical means of tampering with, by-passing, or diverting service;
 - 6) connection or reconnection of service without Corporation authorization;
 - 8) connection into the service line of adjacent customers of the Corporation; and
 - 8) preventing the supply from being correctly registered by a metering device tap due to adjusting the valve so that flow is reduced below metering capability.

The burden of proof of Tampering is on the Corporation. Law enforcement reports, 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 Tampering is initiated. A court finding of 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 Sections 28.03, 12.21 and 12.22.

- b. If the Corporation determines under subsection (a) that Tampering has occurred, the Corporation shall disconnect service without notice as set forth in <u>Subsection E.11.b</u>. and charge the person who committed the Tampering the total actual loss to the Corporation, including the cost of repairs, replacement of damaged facilities, and lost water revenues.
- c. A person who otherwise destroys, defaces, damages or interferes with Corporation property will be charged the total actual loss to the Corporation including but not limited to the cost of repairs, replacement of damaged facilities, and lost water revenues. The Corporation also will prosecute the offending party to the extent allowed under law pursuant to Texas Water Code Section 49.228 and other applicable laws.
- d. In addition to actual damages charged under subsection (b), the Corporation may assess a penalty against the offending party. The penalty shall not exceed six (6) times the Base Rate.

Note: For purposes of this section, "offending party" means the person who committed the Tampering or damaged the property.

- **23.** *Ownership of equipment.* All water meters and equipment and materials required to provide water service to the point of customer connection; water meter or service tap, is the property of the Corporation upon installation, and shall be maintained by the water system only.
- **24.** *Prohibition of Multiple Connections to A Single Tap.* No more than one (1) residential, commercial, or industrial service connection is allowed per each meter tap. 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 for a first violation and for subsequent violations, service will be disconnected without notice in accordance with Paragraph <u>E. 11. b.</u> (30 TAC 290.44; See Sample Application Packet <u>RUS-TX Bulletin 1780-9</u> (Rev. 05/17)).

- **25.** *Service Entitlement.* The Applicant(s) 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. (16 TAC 24.161(a))
- **26.** *Service Location and Classification.* For the purposes of this Tariff, service requested by the Applicant(s) shall be for real estate designated to receive the service at each service connection 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 on a specific property designated to receive service 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. **Nonstandard Service** is defined as any service request which requires a larger meter service, service to a Master Metered Account (see <u>E. 2.</u> of this section), or an addition to the supply, storage and/or distribution/collection system. The service requirements as prescribed by <u>Section F.</u> of this Tariff shall be required of the Nonstandard Service Applicant prior to providing service.
- **27.** *Service Requirements.* The Corporation's Service Application and Agreement Form shall be completed in full and signed by the Applicant(s). Where applicable, in addition to the applicant, any other person 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, they are still responsible for all terms set forth therein, and for any debt obligation related to this or any other account the applicant(s) may have used in the past or currently. (See Sample Application RUS-TX Bulletin 1780-9 (Rev. 05/17))
 - a. A Right-of-Way 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. 05/17), 30 TAC 290.47 Appendix B.) NOTE: This requirement may be delayed for Nonstandard Service requests.
 - **b.** The Applicant shall provide proof of ownership to property for which service has been requested in a manner acceptable to the Corporation. Proof of ownership shall consist of warranty deed, deed of trust or other recordable documentation of title to the real estate designated to receive service. (Texas Water Code Sections 67.016 (d), and 13.002 (11) See also Uniform Partition of Heirs Property Act, Property Code Chapter 23A).
 - c. 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. (16 TAC 24.153 (a)(1)).
 - d. 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 the easement(s) 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 or easements for the Corporation's system-wide service. (See Miscellaneous Transaction Forms.)

f. The Corporation shall post on its website or provide to each service applicant or transferee a copy of the Disclosure of Personal Information Request Form. *See* Section J, Miscellaneous Transaction Forms. *See also*, Texas Utilities Code Section 182.052(c).

Note to utilities: if the form is posted on the website, the utility must provide customers with a way to return the form either by mail or electronically.

SECTION F. NONSTANDARD SERVICE REQUIREMENTS

Part I. General Requirements. This section details the requirements for all types of nonstandard service requests.

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 by covenants of current indebtedness.

1. *Purpose.* It is the purpose of this Section to define the process by which the specific terms and conditions for service to subdivisions and other kinds of Nonstandard Service are determined, including the Nonstandard 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 Nonstandard 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 forth the terms and conditions pursuant to which Nonstandard Service will be furnished to the property. In most cases, the Applicant shall be the owner of real property for which Nonstandard 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 Nonstandard Service on behalf of such owner, or that it otherwise has authority to request Nonstandard Service for the real property.

2. Application of Rules. This Section is applicable to subdivisions, additions to subdivisions, developments, or whenever additional service facilities are required for a single tract of property. Examples of nonstandard services for a single tract of land can include, but are not limited to, road bores, extensions to the distribution system, service lines exceeding 3/4" diameter. Nonresidential or residential service applications requiring a larger sized meter typically will be considered nonstandard. For the purposes of this Tariff, Applications subject to this Section shall be defined as Nonstandard. This Section may be altered or suspended for planned facility expansions when the Corporation extends its indebtedness. The Board of Directors of the Corporation or their designee 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 Nonstandard Service Requests. The specific terms and conditions pursuant to which the Corporation will provide nonstandard 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.

- **3.** *Nonstandard Service Application.* The Applicant shall meet the following requirements prior to the initiation of a Nonstandard Service Contract by the Corporation:
 - a. The Applicant shall provide the Corporation a completed Nonstandard Service Application (See <u>Section I.</u> this Tariff). The Applicant shall specify any Special Service Needs, such as large meter size, size of subdivision or multi-use facility.

b. A final plat (See Section C.) 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 Applicant to secure all necessary approvals of the subdivision once an Agreement is in place between the Corporation and the Applicant.

- c. A Nonstandard Service Investigation Fee shall be paid to the Corporation in accordance with the requirements of Section G. 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 upon the Corporation's request all additional expenses that have been, or will be incurred by the Corporation and Corporation shall have no obligation to complete processing of the Application 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 (CCN), service may be extended provided that:
 - 1) The service location is not in an area receiving similar service from another retail Corporation;
 - 2) The service location is not within another retail Corporation's CCN; and
 - 3) The Corporation's CCN 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 CCN, 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 administrative, legal, surveying and engineering fees incurred by Corporation in securing the amendment).
- **4.** *Design.* The Corporation shall approve the design requirements of the Applicant's required facilities prior to initiation of a Nonstandard Service Contract in accordance with the following schedule:
 - a. The Corporation's 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 engineer's fees shall be paid out of the Nonstandard Service Investigation Fee under <u>Section F. 3.</u>

- c. The 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 that all facilities for any Applicant meet the demand for service as platted and/or requested in the plans or plat submitted in the 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 that which is reasonably allocable to the level and manner of service requested by the Applicant.
- **5.** Nonstandard Service Contract. Applicants requesting Nonstandard Service may be required to execute a written contract, drawn up by the Corporation's Attorney (See Section I. Sample Forms), in addition to submitting the Corporation's Nonstandard Service Application. 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. Terms by which service capacity shall be reserved for the Applicant and duration of reserved service with respect to the demand which the level and manner of the service will have upon the Corporation's system facilities.
 - d. Terms by which the Applicant shall be reimbursed or compensated for fees duplicated in assessments for monthly rates and Equity Buy-In Fees.
 - e. 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 Contract;
 - (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.
 - f. Terms by which the Applicant shall indemnify the Corporation from all third-party claims or lawsuits in connection with the project.
 - g. 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.

- h. Terms by which the Board of Directors shall review and approve the Service Contract pursuant to current rules, regulations, and bylaws.
- 6. Construction of Facilities by Applicant Prior to Execution of Service Contract. The Corporation and the Applicant must execute a Nonstandard 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 or, in a subdivision, to any person purchasing a lot or home from 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, and take any other lawful action determined appropriate by the Board of Directors of the Corporation.

7. Dedication of Water System Extension/Improvements to Corporation.

- a. Upon proper completion of construction of all on-site and off-site service facilities (the "Facilities") to meet the level and manner of service requested by the Applicant, the Facilities shall become the property of the WSC. The Facilities shall thereafter be owned and maintained by WSC subject to the warranties required of Applicant under Subsection b. Any connection of individual customers to the Facilities shall be made by the WSC.
- b. Upon transfer of ownership of the Facilities, Applicant shall warrant materials and performance of the Facilities constructed by Applicant for 12 months following the date of the transfer.
- **8.** Property and Right-of-Way Acquisition. With regard to construction of facilities, the Corporation shall require private right-of-way easements or purchase of 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 else title to facility sites on 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)
 - b. No facilities shall be constructed in the public right-of-way without prior written consent of the Corporation. All additional costs associated with facilities that must be installed in public rights-of-way on behalf of the Applicant, if authorized by the Corporation, due to the inability of the Applicant to secure private right-of-way easements, such as road bores and TxDOT approvals shall be paid by the Applicant. Alternatively, Applicant shall pay all costs, including administrative, 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 easement 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 and off-site facilities.

- d. Easements and facilities sites shall be prepared for the construction of the Corporation's pipelines and facility installations in accordance with the Corporation's requirements at the expense of the Applicant.
- **9.** *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 (as per Engineer's determination), to prospective bidders. Although the Corporation reserves the right to reject any bid or contractor, the Corporation shall generally award the contract to the lowest qualified bidder in accordance with the following criteria:
 - a. The Applicant shall execute the Service Contract evidencing 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/sewer license, OSHA competent person training, and other licenses/certificates as required to complete the project); and
 - f. The Contractor shall provide adequate certificates of insurance as required by the Corporation.
- **10.** *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 Nonstandard Service Contract.

11. 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, approved road sleeves/casings 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 issue change-orders of 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.
- **12. Service within Subdivisions** The Corporation's objective to provide service to any customer located within subdivision governed by this section is strictly limited to the nonstandard service

specified by the Applicant. The purchaser of any lots who do not receive service because this service has not been specified or paid for by the Applicant shall have no recourse to the Corporation but may have recourse to the Applicant/Developer.

13. *Final approval*. Upon final approval by the Corporation and acceptance of proposal for service by the Applicant, a nonstandard service contract will be executed, and the Corporation shall provide service according to the conditions contained in the Nonstandard Service Contract.

SECTION G. RATES AND SERVICE FEES

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

- 1. 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/sewer charges, this fee or assessment will be billed and collected as a "pass through" charge to the customer.
- 2. 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 or wastewater 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. (See Article XVIII of USDA Model Bylaws, Section 1 Rev. 12-2011 or your Corporations bylaws or other governing documents)
- **3.** Customer History Report Fee. A fee of \$5.00 shall be charged to provide a copy of the Member's record of past account information in response to a Member's request for such a record.
- **4.** *Customer Service Inspection Fee.* A fee of \$150.00 will be assessed each Applicant before permanent continuous service is provided to new construction.
- 5. 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 in 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. 28.; Section F. 8. b.)

6. Equipment Damage Fee.

a. 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 and tenant if an Alternate Billing Agreement is in place. If the Corporation's facilities or equipment have been damaged due to negligence or unauthorized use of 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.

- b. If the Corporation's facilities or equipment have been damaged in any respect due to excavation, digging, or any other activity that damages Corporation water lines and facilities, a fee shall be charged equal to the actual costs for all labor, water loss, materials and equipment necessary for repair or replacement of the Corporation's water lines and facilities. In addition to the fee for the costs of all labor, materials, and equipment, an automatic penalty of six (6) times the then-applicable base rate shall also be assessed, and shall apply upon each occurrence of a violation of this section. A penalty under this section is in addition to any other penalty or remedy provided by the laws of the State of Texas or this Tariff. A penalty under this section is concurrent with and in addition to a penalty or fee incurred under any other provision in this Tariff.
- 7. Equity Buy-In Fee. In addition to the Membership Fee, each Applicant for new service that requires a new service tap shall be required to achieve parity with the contributions to the construction or acquisition of the Corporation's assets related to capacity that have been made previously by existing Members. This fee shall be assessed immediately prior to providing service on a per-service unit basis for each service requested and shall be assigned and restricted to that property for which the service was originally requested. This fee shall be set aside for future capacity improvements such as line upgrades, new tanks, treatment, or production. The formula applied to such fee calculated annually after receipt of the system audit is as follows:

Sample Calculation:

Total Contributions and Assets of the Corporation minus (-)

Accumulated Depreciation minus (-)

Outstanding Corporation Debt Principle minus (-)

Developer Contributions minus (-)

Grants received divided by

Total Number of Members / Customers equals = Average Net Equity Buy-In Fee

Note: The Water Fee for oversized or Master Metered Accounts shall be based on the multiples of meter size equivalences. (See Chart in Subsection 16 below.)

- **8.** Groundwater District Production Fee. A fee per thousand gallons of water used by each Member. The fee shall be set at the same rate as the Mid-East Texas Ground Water Conservation District. This fee is collected to pay a portion of the annual fee charged to the Corporation by Mid-East Texas Groundwater Conservation District based on the amount of water pumped from the Corporation's wells located within the boundaries of the District.
- **9.** Information Copy Fee. A fee for the copying of any public information will be charged to the person requesting that information in compliance with the cost rules of the <u>Texas Government Code Section 552.261</u> et. seq.
- **10.** *Installation Fee.* The Corporation shall charge an installation fee for service as follows:
 - a. Standard Service shall include all:
 - 1) Tap fee all current labor and materials necessary to provide individual metered water or wastewater service.
 - 2) Engineering fee.
 - 3) Legal fee.
 - 4) Customer service inspection fee.

- 5) Administrative costs.
- 6) Any additional site-specific equipment or appurtenances necessary to provide water or wastewater service.

Standard service fees shall be charged on a per tap basis as computed immediately prior to such time as metered service is requested and installed.

- b. **Nonstandard Service** shall include:
 - 1) Facility improvement costs including, but not limited to, tanks, piping, main lines, hydrants, and other labor materials necessary to provide service at the level required by Water Code and as requested by the applicant;
 - 2) line and facility inspection fees;
 - 3) administrative costs including, but not limited to, contract administration costs, processing invoices, disbursement of checks to contractors;
 - 4) legal fees, including but not limited to, contract development, easements, water rights, permits, and CCN amendments for the area;
 - 5) engineering fees; and
 - 6) any additional site-specific equipment or appurtenances necessary to provide water or wastewater service as determined by the Corporation under the terms of Section F. of this Tariff (includes tap fees).
- c. **Standard and Nonstandard Service Installations** shall include all costs of any pipeline relocations as per <u>Section E. 28. e.</u> of this Tariff.
- 11. *Late Payment Fee.* Once per billing period, a penalty of \$20 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 period but shall be applied to any unpaid balance during the current billing period.

NOTE: The Corporation cannot charge political subdivisions and state agencies the late payment fee. (Texas Government Code Chapter 2251.021 and Section E. 13.)

- **12.** *Line Extension Reimbursement Fee.* An approved Applicant may have to pay, on a prorated basis, a line reimbursement fee to the Corporation for the purpose of reimbursing a member or other entity that made the initial capital outlay to extend service to that area.
- **13.** *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. The membership fee cannot be more than 12 times the minimum monthly base rate.
 - a. The Membership Fee for water service is \$100.00 for each service unit.
- **14.** *Meter Tampering and Damage to Property Penalty*. In addition to the Equipment Damage Fee, the Corporation may charge a penalty for "Tampering" as defined in Section E. 22. The penalty may only be assessed against the person who committed the Tampering. The penalty cannot be assessed against the Member for the Tampering committed by their tenant. The penalty shall not exceed six (6) times the Base Rate and is assessed in addition to the actual cost of the damages and repairs. A penalty under this section is concurrent and in addition to a penalty or fee incurred under any other provision in this Tariff.

15. Monthly Charges.

a. Base Rate

Water Service - The monthly charge for standard metered water service is for a 5/8" X 3/4" meter. The 5/8" X 3/4" meter charge is used as a base multiplier for larger nonstandard meters in accordance with the following chart based on American Water Works Association maximum continuous flow specifications:

Meter Size	5/8" x 3/4" Meter Equivalents	Monthly Rate
5/8" x 3/4"	1.0	\$ 40.89
1"	2.5	\$75.00
2"	8.0	\$349.00

- b. **Gallonage Charge** In addition to the Base Rate, a gallonage charge shall be added at the following rates for usage during any one (1) billing period.
 - 1) Water: \$40.89 per 0-2,000 gallons
 - \$ 4.25 per 1,000 gallons for 2,001 to 5,000 gallons
 - \$ 4.57 per 1,000 gallons for 5,001 gallons to 10,000 gallons
 - \$ 4.72 per 1,000 gallons for 10,001 gallons to 15,000 gallons
 - \$ 5.04 per 1,000 gallons for 15,001 and over gallons
 - 2) The Corporation shall, as required by <u>Texas Water Code Section 5.701</u>, collect from each of its retail customers a regulatory assessment equal to one-half of one percent of the charge for retail water or wastewater service. This charge shall be collected in addition to other charges for utility service. This fee is collected on all charges pertaining to <u>Section G. 16</u>. Monthly Charges of this Tariff. <u>30 TAC 291.76(d)</u>
 - 3) The Corporation, as a part of its billing process, collects voluntary contributions on behalf of the Hilltop Lakes Volunteer Fire Department and Emergency Medical Service. The Corporation shall retain from the proceeds the lesser amount of five percent or the total administrative costs for billing, collecting, and disbursing the voluntary contributions.
- **16.** *Mortgagee/Guarantor Notification Fee.* The Corporation shall assess a fee of \$5.00 for each notification to a Membership lien-holder under agreement prior to Membership cancellation. (See <u>Miscellaneous Transaction Forms</u>.)
- 17. *Meter Test Fee.* The Corporation shall test a Member's meter upon written request of the Member. (See Meter Test Authorization and Test Report Form in Section J) Under the terms of <u>Section E</u>. of this Tariff, a charge of \$25.00 shall be imposed on the affected account.
- **18.** *Non-Pay Connection Fee.* The Corporation shall charge a fee of \$50 for service interruption due to non-payment except for activation of service under <u>Section E. 1.b.</u> Re-Service. This fee shall be applied to the affected account at the time service/work order paperwork leaves the Corporation office.
- 19. Other Fees. All services outside the normal scope of utility operations that the Corporation may be

- compelled to provide at the request of (or for the account administration of) a Member, or the general public shall be charged to the recipient based on the cost of providing such service, or may be calculated at a rate of \$50 per hour per Corporation employee performing such service.
- 20. Owner Notification Fee. The Corporation shall assess a fee of \$15.00 per notification to a Member of a renter/lessee delinquent account status prior to disconnection of service. (See <u>Miscellaneous Transaction Forms</u>.)
- **21.** *Re-Service (Reconnect) Fee.* The Corporation shall charge a reconnection fee of \$350.00 for activation of services as described under <u>Section E.1.b.</u> Re-Service.
- 22. Regulatory Assessment. A fee of 0.5% of the amount billed for water/sewer 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 Sept. 2017)
- **23.** *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 nonnegotiable for any reason, the account for which the instrument was issued shall be assessed a return check charge of \$25.00. (See <u>Miscellaneous Transaction Forms</u>)
- **24.** Renter Application Fee A fee of \$50 will be charged to process/set-up billing services.
- **25.** *Renter Deposit (Service Deposit).* For property being rented to, leased to, or occupied by another party and designated to receive service according to the terms of this Tariff, the Corporation shall collect a residential service deposit of \$200.00, or a commercial service deposit of \$500.00, prior to service connection or account activation. Service deposits may also be required for existing Member accounts with a history of disconnection for non-payment. Service deposits are refundable less the amount of any unpaid water service bills or damage to property as described under Section E.22. Meter Tampering and Damage To Property
- **26.** Service Investigation (Service Inquiry) Fee. The Corporation shall conduct a service investigation for each inquiry about new service submitted to the Corporation. An initial determination shall be made by the Corporation as to whether the service request is Standard or Nonstandard. An investigation shall then be conducted and the results reported under the following terms:
 - a. All inquiries or requests for new Standard Service shall be subject to a \$150 Service Inquiry Fee (see Section K.), and all applicable costs for providing service shall be quoted in writing (or other means as agreed) to the Applicant within ten (10) business days of receipt of the inquiry form, fee payment, and sufficient information describing the service being requested.
 - b. All Nonstandard Service requests shall be charged \$150 for initial determination of service availability and may be subject to an additional fee, appropriate to each project, of sufficient amount to cover all administrative, legal, and engineering fees associated with further investigation of the Corporation's ability to deliver service to the Applicant:
 - 1) to 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 Nonstandard Service Contract to the Applicant, and
- 5) to provide other services as required by the Corporation for such investigation. A Nonstandard 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.5.)
- **27.** *Service Trip Fee.* The Corporation shall charge a trip fee of \$50.00 for any service call or trip to the Member's tap as a result of a request by the Member or tenant for response to damage of the Corporation's or another Member's facilities; for customer service inspections due to suspicion of meter tampering, bypass or diversion of service; or for the purpose of disconnecting or collecting payment for services. For service trips that extend beyond one hour, such as when an extended line location is required, the Corporation shall charge \$50.00 per employee per hour for each additional hour required.
- **28.** *Transfer Fee.* A Fee of \$50.00 shall be assessed for the transfer of any membership.

SECTION H. DROUGHT CONTINGENCY AND EMERGENCY WATER DEMAND MANAGEMENT PLAN

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 water use restriction program.

A Drought/Emergency Management Committee consisting of two Board Members 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 a regular basis of every five years unless conditions necessitate more frequent amendments.

The plan will be implemented according to the three stages of water use restrictions as imposed by the Board. Paragraph 4 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. Coordination with Regional Water Planning Group

Being located within the Mid-East Texas Water Development Board (name of regional water planning area or areas), a copy of this Plan has been provided to that Regional Water Planning Group.

4. 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) Water supply is reduced to a level that is only 20 percent greater than the average consumption for the previous month.
 - 3) 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.
- **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 90 percent of the amount available for three 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 two feet or more for three consecutive days.
- 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 20 psi for a period of 24 hours or longer.
 - 2) Water consumption of 95 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 Corporation.
 - 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.

5. Stage Levels of Water Allocations

The stage levels of water allocations are to be placed in effect by the triggers in Paragraph 4. 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) Alternate day, time of day, or duration restrictions for outside water usage allowed. (System will notify Customers which restriction is in effect)
- 2) The system will reduce flushing operations.
- 3) Reduction of customers' water use will be encouraged through notices on bills or other method.

b. Stage II - Moderate Conditions

- 1) All outside water use is prohibited (except for a livestock or other exemption or variance granted under this section).
- 2) Make public service announcements as conditions change.

c. Stage III - Severe Conditions

- 1) All outside watering prohibited.
- Water use will be restricted to a percentage of each member's prior month usage. This percentage may be adjusted as needed according to demand on the system. Notice of this amount will be sent to each customer.
- 3) Corporation shall continue enforcement and educational efforts.

NOTE:

- Refer to your water purchase contract for additional restrictions/requirements that may be imposed by stipulations from the wholesale supplier.
- 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.

6. Initiation and Termination Procedures

Once a trigger condition occurs, the Corporation, or its designated responsible representative, shall, based on recommendation from the Chairperson of the Drought/Emergency Management Committee, decide if the appropriate stage of water use restrictions 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, written notice to the customers shall be given.

Written notice of the proposed water use restrictions measure shall be mailed or delivered to each affected customer upon the initiation of each stage. Notice may be sent by email only if the customer chooses the option to receive email notices instead of mailed notices and provides a valid email address. In addition, upon adoption of Stage II or Stage III, a notice will be placed in a local newspaper or announced on a local radio or television station. The customer notice shall contain the following information:

- a. The date water restriction shall begin;
- b. the expected duration;
- c. the stage (level) of water allocations to be employed;
- d. penalty for violations of the water allocation program; and
- e. affected area or areas.

A sample Customer Notice of Water Restrictions conditions is included in <u>Miscellaneous Transaction Forms</u> of this tariff.

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 responsible official may terminate the water allocations provided that such an action is based on sound judgment. Written notice of the end of allocations shall be given to customers. A water allocation period may not exceed 60 days without extension by action of the Board.

7. Penalties for Violations

- **a.** First Violation The customer/member will be notified by a written notice of their specific violation and their need to comply with the tariff rules. The notice will also inform the customer that additional violations will trigger more severe penalties and may result in termination of service regardless of whether the customer pays the penalties.
- **b. Second Violation** The Corporation may install a flow restricting device in the customer's service line to limit the amount of water that will pass through the meter in a 24 hour period. The cost of this shall be the actual cost to do the work and shall be paid by the customer.

c. Subsequent Violations – The Corporation my terminate service for a period of seven (7) days. There will be a charge to restore service.

These provisions apply to all customers of the Corporation.

8. 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 and if one or more of the following conditions are met:

a. Compliance with this Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is in effect.

Alternative methods can be implemented which will achieve the same level of reduction in water use.

Persons requesting an exemption from the provisions of this Plan shall file a petition for variance with the Drought/Emergency Management Committee within five (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:

- Name and address of the petitioner(s).
- Purpose of water use.
- Specific provision(s) of the Plan from which the petitioner is requesting relief.
- Detailed statement as to how the specific provision of the Plan adversely affects the petitioner
 or what damage or harm will occur to the petitioner or others if petitioner complies with this
 Plan.
- Description of the relief requested.
- Period of time for which the variance is sought.
- 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.
- Other pertinent information, as requested by the Committee.

Variances granted by the Committee shall be subject to the following conditions, unless specifically waived or modified by the Committee or Board of Directors:

• Variances granted shall include a timetable for compliance.

• Variances granted shall expire when the water allocation is no longer in effect, unless the petitioner has failed to meet specified requirements. No variance allowed for a condition requiring water allocation will continue beyond the termination of water allocation under Section F. 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.

9. 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 more frequently. Modifications may be required to accommodate system growth, changes in water use demand, available water supply and/or other circumstances.

This plan was adopted by the Board at a properly noticed meeting held on August 14, 2000.

SECTION I: APPLICATION PACKET

Water Supply Corporation Service Application and Agreement Form (<u>USDA RUS-TX Bulletin</u> <u>1780-9</u> (Rev. 5/2017))

Right-of-Way Easement (Location Required)

Right-of-Way Easement (General)

Nonstandard Service Application

Nonstandard Service Contract

CORPORATION USE ONLY Hilltop Lakes Water Supply Corporation Date Approved: (Rev. 4/2024) Service Classification: Cost: Work Order Number: ____ Eng. Update: _____ WATER SUPPLY CORPORATION Account Number: Service Inspection Date: SERVICE APPLICATION AND AGREEMENT Please Print: DATE APPLICANT'S NAME _____ CO APPLICANT'S NAME **CURRENT BILLING ADDRESS: FUTURE BILLING ADDRESS:** PHONE NUMBER Home (______ - ____ Cell (______) ___ - ____ PROOF OF OWNERSHIP PROVIDED BY _____ DRIVER'S LICENSE NUMBER OF APPLICANT LEGAL DESCRIPTION OF PROPERTY (Include name of road, subdivision with lot and block number) PREVIOUS OWNER'S NAME AND ADDRESS (if transferring Membership) PROPERTY SIZE/ACREAGE______SQUARE FOOTAGE OF RESIDENCE/STRUCTURE____ NUMBER IN FAMILY LIVESTOCK & NUMBER SPECIAL SERVICE NEEDS OF APPLICANT DO YOU AGREE TO RECEIVE ALERTS BY EMAIL AND/OR TEXT (Check only one): \square YES \square NO NOTE: FORM MUST BE COMPLETED BY APPLICANT ONLY. A MAP OF SERVICE LOCATION REQUEST MUST BE ATTACHED.

The following information is requested by the Federal Government in order to monitor compliance with Federal laws prohibiting discrimination against applicants seeking to participate in this program. You are not required to furnish this information, but are encouraged to do so. This information will not be used in evaluating your application or to discriminate against you in any way. However, if you choose not to furnish it, we are required to note the race/national origin of individual applicants on the basis of visual observation or surname.

applicants on the basis of visual boservation	of Surfame.
Ethnicity: Hispanic or Latino	Race:
☐ Not of Hispanic or Latino	☐ White ☐ Black or African American ☐ American Indian/Alaska Native
	Asian Native Hawaiian or Other Pacific Islander
Gender: Male Female	

Service Application and Agreement page 2 of 5

AGREEMENT made this	day of	,,
between		Water Supply
Corporation, a corporation organized	l under the laws of the State of	Texas (hereinafter called the
Corporation) and		
		(hereinafter called the Applicant
and/or Member),		
Witnesseth:		

The Corporation shall sell and deliver water and/or wastewater service to the Applicant and the Applicant shall purchase, receive, and/or reserve service from the Corporation in accordance with the bylaws and tariff of the Corporation as amended from time to time by the Board of Directors of the Corporation. Upon compliance with said policies, including payment of a Membership Fee, the Applicant qualifies for Membership as a new applicant or continued Membership as a transferee and thereby may hereinafter be called a Member.

The Member shall pay the Corporation for service hereunder as determined by the Corporation's tariff and upon the terms and conditions set forth therein. The Applicant may request a copy of the Corporation's tariff. A copy of this agreement shall be executed before service may be provided to the Applicant.

The Board of Directors shall have the authority to discontinue service and cancel the Membership of any Member not complying with any policy or not paying any utility fees or charges as required by the Corporation's published rates, fees, and conditions of service. At any time service is discontinued, terminated or suspended, the Corporation shall not re-establish service unless it has a current, signed copy of this agreement and the member/applicant has complied with all terms and conditions that caused the service discontinuance/termination.

If this agreement is completed for the purpose of assigning utility service as a part of a rural domestic water and/or wastewater system loan project contemplated with the Rural Development, an Applicant shall pay an Indication of Interest Fee in lieu of a Membership Fee for the purposes of determining:

- a. The number of taps to be considered in the design and
- b. The number of potential ratepayers considered in determining the financial feasibility of constructing
 - 1) a new water system or
 - 2) expanding the facilities of an existing water system.

The Applicant hereby agrees to obtain, utilize, and/or reserve service as soon as it is available. Applicant, upon qualification for service under the terms of the Corporation's policies, shall further qualify as a Member and the Indication of Interest Fee shall then be converted by the Corporation to a Membership Fee. Applicant further agrees to pay, upon becoming a Member, the monthly charges for such service as prescribed in the Corporation's tariff. Any breach of this agreement shall give cause for the Corporation to liquidate, as damages, the fees previously paid as an indication of interest. In addition to any Indication of Interest Fees forfeited, the Corporation may assess a lump sum of \$300.00 as liquidated damages to defray any losses incurred by the Corporation. If delivery of service to said location is deemed infeasible by the Corporation as a part of this project, the Applicant shall be denied Membership in the Corporation and the Indication of Interest Fee, less expenses, shall be refunded. The Applicant may re-apply for service at a later date under the terms and conditions of the Corporation's policies. For the purposes of this agreement, an Indication of Interest Fee shall be of an amount equal to the Corporation's Membership Fees.

All water shall be metered by meters to be furnished and installed by the Corporation. The meter and/or wastewater connection is for the sole use of the Member or customer and is to provide service to only one (1) dwelling or one (1) business. Extension of pipe(s) to transfer utility service from one property to another, to share, resell, or submeter water to any other persons, dwellings, businesses, or property, etc., is prohibited.

The Corporation shall have the right to locate a water service meter and the pipe necessary to connect the meter on the Member's property at a point to be chosen by the Corporation, and shall have access to its property and equipment located upon Member's premises at all reasonable and necessary times for any purpose connected with or in the furtherance of its business operations, and upon discontinuance of service the Corporation shall have the right to remove any of its equipment from the Member's property. The Member shall install, at their own expense, any necessary service lines from the Corporation's facilities and equipment to the point of use, including any customer service isolation valves, backflow prevention devices, clean-outs, and other equipment as may be specified by the Corporation. The Corporation shall also have access to the Member's property for the purpose of inspecting for possible cross-connections, potential contamination hazards, illegal lead materials, and any other violations or possible violations of state and federal statutes and regulations relating to the federal <u>Safe Drinking Water Act</u> or <u>Chapter 341 of the Texas Health & Safety Code</u> or and the corporation's tariff and service policies. The Corporation may contact Applicant in the event of an emergency.

The Corporation is responsible for protecting the drinking water supply from contamination or pollution which could result from improper practices. This service agreement serves as notice to each customer of the restrictions which are in place to provide this protection. The Corporation shall enforce these restrictions to ensure the public health and welfare. The following undesirable practices are prohibited by state regulations:

a. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by an airgap or an appropriate backflow prevention assembly in accordance with state regulations.

- b. No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the proper installation of an airgap or a reduced pressure-zone backflow prevention assembly and a service agreement must exist for annual inspection and testing by a certified backflow prevention device tester.
- c. No connection which allows condensing, cooling, or industrial process water to be returned to the public drinking water supply is permitted.
- d. No pipe or pipe fitting which contains more than 0.25% lead may be used for the installation or repair of any public water supply.
- e. No solder or flux which contains more than 0.2 % lead may be used for the installation or repair plumbing of any plumbing in a residential or nonresidential facility providing water for human consumption and connected to a public drinking water supply system.

The Corporation shall maintain a copy of this agreement as long as the Member and/or premises is connected to the public water system. The Member shall allow their property to be inspected for possible cross-connections, potential contamination hazards, and illegal lead materials. These inspections shall be conducted by the Corporation or its designated agent prior to initiating service and periodically thereafter. The inspections shall be conducted during the Corporation's normal business hours.

The Corporation shall notify the Member in writing of any cross-connections or other undesirable practices which have been identified during the initial or subsequent inspection. The Member shall immediately correct any undesirable practice on their premises. The Member shall, at their expense, properly install, test, and maintain any backflow prevention device required by the Corporation. Copies of all testing and maintenance records shall be provided to the Corporation as required. Failure to comply with the terms of this service agreement shall cause the Corporation to either terminate service or properly install, test, and maintain an appropriate backflow prevention device at the service connection. Any expenses associated with the enforcement of this agreement shall be billed to the Member.

In the event the total water supply is insufficient to meet all of the Members, or in the event there is a shortage of water, the Corporation may initiate the Emergency Rationing Program as specified in the Corporation's Tariff. By execution of this agreement, the Applicant hereby shall comply with the terms of said program.

By execution hereof, the Applicant shall hold the Corporation harmless from any and all claims for damages caused by service interruptions due to waterline breaks by utility or like contractors, tampering by other Member/users of the Corporation, normal failures of the system, or other events beyond the Corporation's control.

The Applicant shall grant to the Corporation permanent recorded easement(s) dedicated to the Corporation for the purpose of providing reasonable rights of access and use to allow the Corporation to construct, maintain, replace, upgrade, parallel, inspect, test and operate any facilities necessary to serve that Applicant as well as the Corporation's purposes in providing system-wide service for existing or future members.

By execution hereof, the Applicant shall guarantee payment of all other rates, fees, and charges due on any account for which said Applicant owns a Membership Certificate. Said guarantee shall pledge any and all Membership Fees against any balance due the Corporation. Liquidation of said Membership Fees shall give rise to discontinuance of service under the terms and conditions of the Corporation's tariff.

By execution hereof, the Applicant agrees that noncompliance with the terms of this agreement by said Applicant shall constitute denial or discontinuance of service until such time as the violation is corrected to the satisfaction of the Corporation.

Any misrepresentation of the facts by the Applicant on any of the four pages of this agreement shall result in discontinuance of service pursuant to the terms and conditions of the Corporation's tariff.

Witnesseth	Applicant Member
Approved and Accepted	Date Approved

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVERS LICENSE NUMBER.

RIGHT-OF-WAY EASEMENT (Location of Easement Required)

	KNOW	\mathbf{ALL}	MEN	\mathbf{BY}	THESE	PRE	SENT	'S ,	that
				_ ("Grantor"	'), in conside	eration of	ten dol	llars (\$10	(00.0)
and	other	good	and	valuable	consid	leration	p	aid	by
					, ("Gı	antee"),	the	receipt	and
suffic	iency of which	ch is hereby	acknowle	dged, does h	ereby grant,	bargain,	sell,	transfer,	and
conve	y to said Gran	itee, its succ	essors, and	assigns, a perj	petual exclus	sive easem	nent (tl	ne "Perpe	etual
Easen	nent") and a te	emporary con	nstruction e	asement (the	"Temporary	Easemen	t"), ov	er and ac	cross
the 1	property mo	re particul	arly descr	ibed in ins	strument re	corded	in V	ol	,
Page_	, Г	Deed Record	ds,		Count	y, Texas	. Th	ne Perpe	etual
Easen	nent and Ter	nporary Co	nstruction	Easement sh	all be coll	ectively 1	referre	d to as	the
"Ease	ments". It is	expressly un	derstood an	d agreed bety	ween the par	ties that t	he Eas	sements	shall
be sub	ject to and go	overned by tl	ne following	g provisions:					

- 1. The Perpetual Easement hereby granted shall not exceed fifteen feet (15') in width and shall be used only for the purposes of constructing, installing, and laying and thereafter accessing and using, operating, inspecting, repairing, maintaining, replacing, upgrading and removing water distribution lines [and/or sewer collection lines] and appurtenances and facilities (the "Facilities") in that certain area of the tract of land owned by Grantor described on Exhibit "A" attached hereto and incorporated herein for all purposes (the "Easement Tract"). Grantee, its agents, employees, contractors, and representatives, shall have the right and privilege of ingress and egress across the Easement Tract as may be necessary for the purposes described herein. Grantee shall have the right to place new or additional Facilities within the Easement Tract.
- 2. In addition to the Perpetual Easement granted above, Grantor hereby grants the Temporary Construction Easement to Grantee over and across the Easement Tract and that certain area of the tract of land owned by Grantor that is fifteen feet (15') in width and parallel to the boundary of the Easement Tract, as further described or depicted in Exhibit "A", for purposes of ingress and egress and constructing and installing the Facilities. The Temporary Construction Easement shall automatically terminate one hundred eighty (180) days from the date such construction and installation of the Facilities is completed. Grantee agrees to use its reasonable best efforts to remove from the Temporary Construction Easement only such trees, brush, and shrubs as are reasonably necessary for Grantee to construct the Facilities.
- 3. Grantee shall have such other rights and benefits necessary and/or convenient for the full enjoyment and use of the rights herein granted, including without limitation, (a) the reasonable right of ingress and egress over and across lands owned by Grantor which are contiguous to the Easement Tract; (b) the reasonable right from time to time to remove any and all paving, undergrowth and other obstructions that may injure Grantee's Facilities or interfere with the construction, maintenance, inspection, operation, protection, repair,

- alteration, testing, replacement, upgrading, relocation, substitution or removal thereof; and (c) the right to abandon-in-place any and all Facilities, such that Grantee shall have no obligation or liability to Grantor, or its successors or assigns, to move or remove any such Facilities.
- 4. In the event the city, county or state hereafter widens or relocates any public road so as to require the relocation of the Facilities as installed, Grantor further grants to Grantee an additional easement over and across the land described above for the purpose of laterally relocating the Facilities as may be necessary to clear the road improvements, which easement hereby granted shall be limited to a strip of land of fifteen feet (15') in width, the center line thereof being the Facilities as relocated.
- 5. The consideration recited herein shall constitute payment in full for all rights of Grantee, and Grantee will maintain such easement in a state of good repair and efficiency and will take all reasonable measures to restore the grounds and surfacing materials of the Easement Tract as close to the condition which existed as set forth in Exhibit "A" prior to Grantee's use as reasonably possible. Grantee is not responsible for restoration of landscaping, structures, pavement, or other improvements made by Grantor in, on and over the Easement Tract after the date of the grant made herein.
- 6. This agreement together with other provisions of this grant shall constitute a covenant running with the land for the benefit of the Grantee, its successors, and assigns. The Easements and the related rights and privileges herein granted shall be subject to all valid and subsisting encumbrances, conditions, covenants, restrictions, reservations, exceptions, rights-of-way and easements of record, including all laws, regulations and restrictions by municipal, county, state or other governmental authority applicable to and enforceable against the Easements.
- 7. Grantor does hereby bind itself, its successors and assigns, to WARRANT AND FOREVER DEFEND, all and singular, the easement herein granted to Grantee, or Grantee's successors and assigns, against every person whomsoever claiming, or to claim, the same or any part thereof.

IN WITNESS WHI	_	he said Grant , 20_		execu	ted this	s instrum	ent this	
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(SEAL)								

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVERS LICENSE NUMBER.

RIGHT-OF-WAY EASEMENT (General Type Easement)

KN	OW	ALL	MEN	BY	THESE PRESENT		rs,	that	
					("Grantoı	r"), in consider	ation	of ten do	ollars
(\$10.00)	and	other	good	and	valuable	consideration	on	paid	by
						("Grantee"),	the	receipt	and
sufficiency	of which	h is hereb	y acknowl	edged, d	oes hereby	grant, bargain,	sell,	transfer,	and
convey to s	said Gran	tee, its succ	cessors, and	l assigns,	a perpetual e	exclusive easen	nent (t	he "Perp	etual
Easement") and a te	mporary co	onstruction	easement	t (the "Tempe	orary Easemen	t"), ov	er and ac	cross
ac	res of la	nd, more	particularly	describ	ed in instru	ment recorded	in V	ol	,
Page	, De	ed Record	s,		Coun	ity, Texas. Gra	ntor c	ovenants	that
Grantor is	owner c	of the above	ve describe	d lands	and that said	d lands are fro	ee and	l clear o	f all
encumbran	ces and 1	iens except	t the follow:	ing:					
									—.

The Perpetual Easement and Temporary Construction Easement shall be collectively referred to as the "Easements". It is expressly understood and agreed between the parties that the Easements shall be subject to and governed by the following provisions:

- 1. The Perpetual Easement hereby granted shall not exceed fifteen feet (15') in width and shall be used only for the purposes of constructing, installing, and laying and thereafter accessing and using, operating, inspecting, repairing, maintaining, replacing, upgrading and removing water distribution lines [and/or sewer collection lines] and appurtenances and facilities (the "Facilities") on the property. Grantee is hereby authorized to designate the course of the Easements herein conveyed except that when the pipeline(s) is/are installed, the Perpetual Easement herein granted shall be limited to a strip of land fifteen feet (15') in width, the center line thereof being the pipelines as installed. Grantee shall have the right to place new or additional Facilities within the Perpetual Easement.
- 2. In addition to the Perpetual Easement granted above, Grantor hereby grants the Temporary Construction Easement to Grantee adjacent to the Perpetual Easement as installed and that certain area of the tract of land owned by Grantor that is fifteen feet (15') in width and parallel to the boundary of the Perpetual Easement, for purposes of ingress and egress and constructing and installing the Facilities. The Temporary Construction Easement shall automatically terminate one hundred eighty (180) days from the date such construction and installation of the Facilities is completed. Grantee agrees to use its reasonable best efforts to remove from the Temporary Construction Easement only such trees, brush, and shrubs as are reasonably necessary for Grantee to construct the Facilities.
- 3. Grantee shall have such other rights and benefits necessary and/or convenient for the full enjoyment and use of the rights herein granted, including without limitation, (a) the reasonable right of ingress and egress over and across lands owned by Grantor which are contiguous to the Easements; (b) the reasonable right from time to time to remove any and all paving,

undergrowth and other obstructions that may injure Grantee's Facilities or interfere with the construction, maintenance, inspection, operation, protection, repair, alteration, testing, replacement, upgrading, relocation, substitution or removal thereof; and (c) the right to abandon-in-place any and all Facilities, such that Grantee shall have no obligation or liability to Grantor, or its successors or assigns, to move or remove any such Facilities.

- 4. In the event the city, county or state hereafter widens or relocates any public road so as to require the relocation of the Facilities as installed, Grantor further grants to Grantee an additional easement over and across the land described above for the purpose of laterally relocating the Facilities as may be necessary to clear the road improvements, which easement hereby granted shall be limited to a strip of land of fifteen feet (15') in width, the center line thereof being the Facilities as relocated.
- 5. The consideration recited herein shall constitute payment in full for all rights of Grantee, and Grantee will maintain such easement in a state of good repair and efficiency and will take all reasonable measures to restore the grounds and surfacing materials prior to Grantee's use as reasonably possible. Grantee is not responsible for restoration of landscaping, structures, pavement, or other improvements made by Grantor in, on and over the Perpetual Easement after the date of the grant made herein.
- 6. This agreement together with other provisions of this grant shall constitute a covenant running with the land for the benefit of the Grantee, its successors, and assigns. The Easements and the related rights and privileges herein granted shall be subject to all valid and subsisting encumbrances, conditions, covenants, restrictions, reservations, exceptions, rights-of-way and easements of record, including all laws, regulations and restrictions by municipal, county, state or other governmental authority applicable to and enforceable against the Easements.
- 7. Grantor does hereby bind itself, its successors and assigns, to WARRANT AND FOREVER DEFEND, all and singular, the easement herein granted to Grantee, or Grantee's successors and assigns, against every person whomsoever claiming, or to claim, the same or any part thereof.

IN WITNESS W		OF the said Grant		executed the	nis instrument t	his
			IKNOWLI lividual)	EDGEMEN	NT	
STATE OF TEXAS COUNTY OF	§ §					
This instrument	was	acknowledged	before	me on		by
(SEAL)						

SAMPLE HILLTOP LAKES WATER SUPPLY CORPORATION NONSTANDARD SERVICE APPLICATION

Please Print or Type Clearly	
Applicant's Name/Company	
Address/City/State/ZIP:	
Phone number ()	FAX ()
E-mail	
plat or parcel of land where of requirements include the name of numbers, right of way dimension county road numbers, total acr Instrument must show proof of own "approved plat" must be provided to the county of service application.	or development:
\Box Line Extension \Box C	Multi-family □ Mobile Home Park □ Trailer Park □ School Commercial/Industrial Park □ Large Meter (>1") Other
Please list all water demand criter studies completed for the propose	ria for each meter or meter equivalent, or attach any engineering ed service:
Maximum number of proposed lo	ots: Range of standard lot sizes:
Acreage(s)	

Please attach the following information, as applicable:

- A proposed calendar of events, including design, plat approval, construction phasing and initial occupancy.
- If applying for a single tap that requires a line extension, road bore, or upsizing of facilities, maps or plans detailing the location of the requested service installation and/or extension and details of demand requirements.

Required Fees

Applicant is required to pay a Nonstandard Service Investigation Fee of \$500.00 (minimum) to the Corporation in accordance with Section G of the Corporation's tariff for purposes of paying initial administrative, legal, and engineering fees. The Corporation will 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 the Investigation Fee is not sufficient to pay all expenses incurred by the Corporation, the Applicant agrees to pay all additional expenses that have been or will be incurred by the Corporation and Corporation will have no obligation to complete processing of the Applications until all remaining expenses have been paid.

Corporation's response to service request

The Corporation will prepare a written response to Applicant's service request within 90 days from the date the application was submitted, and the required fees were paid. The Corporation's response will state the timeframe within which the requested service can be provided, and the costs for which the Applicant will be responsible, which may include capital improvements, easements or land acquisition costs, and professional fees.

Applicant has received and reviewed <u>Section F</u> of the Corporation's tariff and agrees to comply with all the requirements contained therein.

Under penalties of perjury, I declare that I have reviewed the information presented in this Application, including accompanying documents, and to the best of my knowledge and belief, the information is true, correct and complete.

Print Applicant/Name of Company	For Corporation Use Only
	Date application received
Signature of Authorized Representative	Amount Fees Paid / Date Paid
Date	Signature WSC staff member

SAMPLE HILLTOP LAKES WATER SUPPLY CORPORATION NONSTANDARD SERVICE CONTRACT

COUNTY OF				
THIS CONTRACT is made and entered hereinafter referred to as "Applicant", and referred to as "WSC" or "Corporation".	•		Corporation,	hereinafter
WHEREAS, Applicant is engaged in d Leon, County, Texas, more particularly known		l	acre	s of land in
subdivision, according to the plat thereof reco	orded at Vol, I		of the Plat	Records of

WHEREAS, WSC owns and operates a water system which supplies potable water for human consumption and other domestic uses to customers within its service area; and,

WHEREAS, Applicant has requested WSC to provide such water service to the Property through an extension of WSC's water system, which includes all on-site and off-site service facilities to meet the level and manner of service requested by the Applicant, such extension being hereinafter referred to as "the Water System Extension"; NOW THEREFORE:

KNOW ALL MEN BY THESE PRESENTS:

THAT for and in consideration for the mutual promises hereinafter expressed, and other good and valuable consideration, the sufficiency of which is hereby acknowledged by the parties, Applicant and WSC agree and contract as follows:

1. Engineering and Design of the Water System Extension.

- (a) The Water System Extension shall be engineered and designed by a Texas Licensed Professional Engineer in accordance with the applicable specifications of the WSC and all governmental agencies having jurisdiction. All plans and specifications must be reviewed and approved by WSC's consulting engineer prior to the issuance of any request for bids for the construction of the Water System Extension. After such approval of the plans and specifications by the WSC's consulting engineer, the plans and specifications shall become part of this Agreement by reference and shall more particularly define "the Water System Extension".
- (b) The Water System Extension must be sized to provide continuous and adequate water service to the Property based on plans for the development as provided to WSC by the Applicant. WSC may require the Water System Extension to be oversized in anticipation of the needs of other customers of the WSC, subject to the obligation to reimburse the Applicant for any such oversizing as provided below. Applicant agrees that WSC shall not be required to reimburse Applicant for any oversizing required by another entity with jurisdiction over the activities of Applicant.

(c) If the Property is to be developed in phases, and Applicant desires the water system to be constructed in corresponding phases and such phased construction is deemed acceptable to WSC in its sole discretion, Applicant shall be required to execute a separate Non-Standard Service Contract for each development and construction phase. The execution of one or more separate Non-Standard Service Contracts will not provide to or vest in Applicant any capacity reservations or service rights for any property not expressly covered by the executed contracts. The Property to be covered and served under each contract shall be clearly designated in a plat reviewed and approved by WSC's consulting engineer to be incorporated into the applicable contract for all purposes.

2. Required Sites, Easements or Rights-of-Way.

- (a) Applicant shall be responsible for dedicating or acquiring any easements across privately owned land or sites (including off-site) which are necessary for the construction or operation of the Water System Extension. WSC prohibits the placement of any water lines or other infrastructure to be dedicated to WSC in the public right-of-way. The Water System Extension, or any portion thereof, shall therefore not be constructed in the public right-of-way without prior written consent of WSC, and Applicant shall be responsible for obtaining any Governmental approvals necessary to construct the Water System Extension in public right-of-way if approved by WSC.
- (b) Any easements acquired by the Applicant shall be in a form approved by WSC (see Form of Easement, attached to this Contract and made a part hereof) and shall be assigned to WSC upon proper completion of the construction of the Water System Extension.
- (c) The validity of the legal instruments by which the Applicant acquires any such easements and by which Applicant assigns such easements to WSC must be approved by WSC's attorney.

3. Construction of the Water System Extension

- (a) The WSC's consulting engineer shall advertise for bids for the construction of the Water System Extension in accordance with generally accepted bidding practices and shall award the contract for the construction of the Water System Extension subject to the approval of the WSC. WSC may reject any bid.
- (b) The Water System Extension shall be constructed in accordance with the approved plans and specifications. WSC shall have the right to inspect all phases of the construction of the Water System Extension. Applicant must give written notice to WSC of the date on which construction is scheduled to begin so that WSC may assign an inspector. WSC may charge reasonable inspection fees based on the actual costs of labor, travel and incidental expenses of the inspectors, plus 10% overhead.

4. Dedication of Water System Extension to WSC.

(a) Upon proper completion of construction of the Water System Extension and final inspection thereof by WSC, the Water System Extension shall become the

property of the WSC. The Water System Extension shall thereafter be owned and maintained by WSC subject to the warranties required of Applicant under Subsection (b). Any costs of remediation or rehabilitation necessary to bring the Water System Extension into compliance with all state, federal and WSC standards prior to acceptance by WSC shall be borne by the Applicant. Any connection of individual customers to the Water System Extension shall be made by the WSC.

(b) Upon transfer of ownership of the Water System Extension, Applicant shall warrant materials and performance of the Water System Extension constructed by Applicant for ____ months following the date of the transfer through a maintenance bond in the name of WSC.

5. <u>Cost of the Water System Extension</u>.

- (a) Applicant shall pay all costs associated with the Water System Extension as a contribution in aid of construction, including, without limitation, the cost of the following:
 - (1) Engineering and design;
 - (2) easement or right -of-way acquisition;
 - (3) construction;
 - (4) inspection;
 - (5) attorneys' fees;
 - (6) governmental or regulatory approvals required to lawfully provide service;
 - (7) all fees required under the WSC's Tariff.

Applicant shall indemnify WSC and hold WSC harmless from all of the foregoing costs.

- (b) Nothing herein shall be construed as obligating the Applicant to maintain the Water System Extension subsequent to its dedication and acceptance for maintenance by WSC.
- (c) If WSC has required the Water System Extension to be oversized in anticipation of the needs of the other customers of WSC, WSC shall reimburse Applicant for the additional costs of construction attributable to the oversizing, as determined by the WSC's consulting engineer, in three annual installments without interest beginning one year after dedication of the Water System Extension to WSC.

6. Service from the Water System Extension.

- (a) After proper completion and dedication of the Water System Extension to WSC, WSC shall provide continuous and adequate water service to the Property, subject to all duly adopted rules and regulations of WSC and the payment of the following:
 - (1) All standard rates, fees and charges as reflected in WSC's approved tariff;
 - (2) Any applicable Equity Buy-In fee adopted by WSC;
- (b) It is understood and agreed by the parties that the obligation of WSC to provide water service in the manner contemplated by this Contract is subject to the

issuance by the Texas Commission on Environmental Quality or Public Utility Commission and all other governmental agencies having jurisdiction of all permits, certificates or approvals required to lawfully provide such service.

- (c) Unless the prior approval of WSC is obtained, the Applicant shall not:
 - (1) construct or install additional water lines or facilities to service areas outside the property;
 - (2) add any additional lands to the Property for which water service is to be provided pursuant to this Agreement; or
 - (3) connect or serve any person or entity who, in turn, sells water service directly or indirectly to another person or entity.
- 7. Conveyance of Groundwater Rights. The owner of real property that will be developed as a residential subdivision pursuant to a Non-standard Service Application will, simultaneous with the execution and delivery of this Contract, execute and deliver a groundwater rights warranty deed conveying to the WSC all groundwater and associated groundwater rights that may be produced, pooled, or accessed from the Property. (see Form of Groundwater Rights Deed, attached to this Contract and made a part hereof)

8. Effect of Force Majeure.

In the event either party is rendered unable by force majeure to carry out any of its obligations under this Contract, in whole or in part, then the obligations of that party, to the extent affected by the force majeure shall be suspended during the continuance of the inability, provided however, that due diligence is exercised to resume performance at the earliest practical time. As soon as reasonably possible after the occurrence of the force majeure relied upon to suspend performance, the party whose contractual obligations are affected thereby shall give notice and full particulars of the force majeure to the other party.

The cause, as far as possible, shall be remedied with all reasonable diligence. The term "force majeure" includes acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, orders of the government of the United States or the State of Texas or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraints of government and civil disturbances, explosions, breakage, or accidents to equipment, pipelines, or canals, partial or complete failure of water supply, and any other inability's of either party, whether similar to those enumerated or otherwise, that are not within the control of the party claiming the inability and that could not have been avoided by the exercise of due diligence and care. It is understood and agreed that the settlement or strikes and lockouts shall be entirely within the discretion of the party having the difficulty and that the requirement that any force majeure be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing party if the settlement is unfavorable to it in the judgment of the party having the difficulty.

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9.	Notices.
<i>一</i> .	1100000

Any notice to be given hereunder by either party to the other party shall be in writing and may be affected by personal delivery or by sending said notices by registered or certified mail, return receipt requested, to the address set forth below. Notice shall be deemed given when deposited with the United States Postal Service with sufficient postage affixed. Any notice mailed to the WSC shall be addressed:
Any notice mailed to Applicant shall be addressed:
Either party may change the address for notice to it by giving written notice of such

Either party may change the address for notice to it by giving written notice of such change in accordance with the provisions of this paragraph

10. Breach of Contract and Remedies.

- (a) If either party breaches any term or condition of this Contract, the non-breaching party may, at its sole option, provide the breaching party with a notice of the breach within sixty (60) days of discovery of the breach by the non-breaching party. Upon notice of breach, the breaching party shall have sixty (60) days to cure the breach. If the breaching party does not cure the breach within the sixty (60) days, the non-breaching party, below, shall have all rights at law and in equity including the right to enforce specific performance of this Contract by the breaching party, the right to perform the obligation in question and to seek restitution for all damages incurred in connection therewith.
- (b) In the event of termination of this Contract by a non-breaching party, such action shall not affect any previous conveyance.
- (c) The rights and remedies of the parties provided in this Contract shall not be exclusive and are in addition to any other rights and remedies provided by law and under this Contract.

11. INDEMNIFICATION.

DEVELOPER HEREBY AGREES TO INDEMNIFY, SAVE, AND HOLD WSC HARMLESS FROM AND AGAINST ANY AND ALL DAMAGES, OR LIABILITY THEREFORE, LOSS, COSTS, CHARGES, REASONABLE ATTORNEYS' FEES, AND/OR EXPENSES OF WHATSOEVER KIND OR CHARACTER WHICH THE WSC SHALL OR MAY, AT ANY TIME SUFFER, SUSTAIN, OR INCUR BY REASON OF OR IN CONSEQUENCE OF ANY ACTIONS OF THE DEVELOPER, OR ITS AGENTS, EMPLOYEES, OR

CONTRACTORS, IN CONNECTION WITH ANY OF THE PROVISIONS OF THIS CONTRACT. DEVELOPER HEREBY ASSUMES RESPONSIBILITY AND LIABILITY FOR THE INJURY OR DEATH OF ANY PERSON, OR LOSS OF DAMAGE TO ANY PROPERTY CONTRIBUTED TO OR CAUSED BY THE NEGLIGENCE OF DEVELOPER, OR ITS AGENTS, EMPLOYEES, OR SUBCONTRACTORS, IN THE EXECUTION OF ANY WORK IN CONNECTION WITH THIS CONTRACT, NOT INVOLVING ANY NEGLIGENCE OF THE WSC OR ITS AGENTS, EMPLOYEES, OR CONTRACTORS. IN CASE OF ANY SUIT OR OTHER PROCEEDING SHALL BE BROUGHT ON ACCOUNT OF ANY MATTER COVERED BY THE INDEMNIFICATION SPECIFIED IN THIS SECTION, DEVELOPER WILL ASSUME THE WSC'S DEFENSE AT DEVELOPER'S EXPENSE AND WILL PAY ALL FINAL JUDGMENTS RENDERED THEREON.

12. <u>Insurance</u>. Each prime contractor and subcontractor working on the Water System Extension must maintain current liability insurance of not less than \$1.5 million general aggregate. Developer shall cause each prime contractor and subcontractor working on the Water System Extension to submit a certificate of additional insured or policy endorsement proving coverage under this section to the WSC prior to beginning work on the Water System Extension.

13. Third Parties.

It is the express intention of the parties that the terms and conditions of this Contract may be enforced by either party but not by any third party or alleged third-party beneficiary.

14. Captions.

Captions are included solely for convenience of reference and if there is any conflict between captions and the text of the Contract, the text shall control.

15. Context.

Whenever the context requires, the gender of all words herein shall include the masculine, feminine, and neuter, and the number of all words shall include the singular and the plural.

16. **Mediation.** [Optional]

Prior to the institution of legal action by either party related to any dispute arising under this Contract, said dispute shall be referred to mediation by an independent mediator mutually agreed upon by both parties. The cost of the mediator shall be shared equally by both parties.

17. Litigation Expenses.

Either party to this Contract who is the prevailing party in any legal proceeding against the other party, brought in relation to this Contract, shall be entitled to recover court costs and reasonable attorneys' fees from the non-prevailing party.

18. Intent.

The parties hereto covenant and agree that they shall execute and deliver such other

and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the intent of this Contract.

19. **Multiple Originals.**

This Contract may be executed in multiple originals, any copy of which shall be considered to be an original.

20. Authority.

The signatories hereto represent and affirm that they are authorized to execute this Contract on behalf of the respective parties hereto.

21. Severability.

The provisions of this Agreement are severable, and if any word, phrase, clause, sentence, paragraph, section, or other part of this Agreement or the application thereof to any person or circumstance shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such word, phrase, clause, sentence, paragraph, section, or other part of this Agreement to other persons or circumstances shall not be affected thereby and this Agreement shall be construed as if such invalid or unconstitutional portion had never been contained therein.

22. Entire Agreement.

This Agreement, including any exhibits attached hereto and made a part hereof, constitutes the entire agreement between the parties relative to the subject matter of this Agreement. All prior agreements, covenants, representations, or warranties, whether oral or in writing, between the parties are merged herein.

23. Amendment.

No amendment of this Agreement shall be effective unless and until it is duly approved by each party and reduced to a writing signed by the authorized representatives of the WSC and the Applicant, respectively, which amendment shall incorporate this Agreement in every particular not otherwise changed by the amendment.

24. Governing Law.

This Agreement shall be construed under and in accordance with the laws of the State of Texas and all obligations of the parties are expressly deemed performable in Leon County, Texas.

25. **Venue.**

Any action at law or in equity brought to enforce or interpret any provision of this Contract shall be brought in a state court of competent jurisdiction with venue in Leon County, Texas.

26. Successors and Assigns.

This Agreement shall be binding on and shall inure to the benefit of the heirs, successors and assigns of the parties.

27. Assignability.

The rights and obligations of the Applicant hereunder may not be assigned without the prior written consent of the WSC.

28.

Effective Date.
This Agreement shall be effective from and after the date of due execution by all parties.

IN WITNESS WHEREOF each of the parties has caused this Agreement to be executed by its duly authorized representative in multiple copies, each of equal dignity, on the date or dates indicated below.

Hilltop Lakes Water Supply Corporation	APPLICANT	
By:	By:	
Name:	Name:	
Title:	Title:	
Date:	Date:	

SECTION J. MISCELLANEOUS TRANSACTION FORMS

ALTERNATE BILLING AGREEMENT FOR RENTAL ACCOUNTS

NAME:		METER #:
ADDRESS:		ACCT #:
account to the person(s)	LTOP LAKES WATER SUPPLY CORPO and address below until further written n	•
I understand that under to this account prior to	this agreement that I will be given notice by disconnection of service. A notification fovisions of the Corporation's Tariff.	
service to an occupied 1	quest that my membership be canceled at rental property, that the Corporation will nection five (5) days prior to the schedule	provide the above listed person with
CORPORATION, I am with the Corporation's	s the property owner and member of Harris responsible to ensure that this account be Tariff Section E. 10 e and E. 18. If service antil all debt on the account has been paid	alance is kept current, in accordance has been disconnected, this account
Signature	Date	

DISCLOSURE OF PERSONAL INFORMATION CONTAINED IN UTILITY RECORDS

<u>Chapter 182, Subchapter B of the Texas Utilities Code</u> makes confidential a customer's address, telephone number, account records, social security number, ¹ and information relating to the volume or units of utility usage, or the amounts billed to or collected from the individual for utility usage. However, utility customers may elect to authorize disclosure of this information by completing the form at the bottom of this page and returning it to:

HILLTOP LAKES WATER SUPPLY CORPORATION PO Box 1460 Hilltop Lakes, Texas 77871

Customers may rescind a request for disclosure by providing submitting a written request to the address above. Your response is not necessary if you wish for your information to remain confidential.

WE MUST STILL PROVIDE THIS INFORMATION UNDER LAW TO CERTAIN PERSONS.

Regardless of the confidentiality provision in Utilities Code Sec. 182.052, we must still provide this information to (1) an official or employee of the state or a political subdivision of the state, or the federal government acting in an official capacity; (2) an employee of a utility acting in connection with the employee's duties; (3) a consumer reporting agency; (4) a contractor or subcontractor approved by and providing services to the utility or to the state, a political subdivision of the state, the federal government, or an agency of the state or federal government; (5) a person for whom the customer has contractually waived confidentiality for personal information; or (6) another entity that provides water, wastewater, , gas, garbage, electricity, or drainage service for compensation.

¹ See Texas Public Information Act, Gonumbers.	overnment Code Sec. 552.147, for limitations on disclosure of Social Security
I authorize HILLTOP LAKES WSC	Detach and Return This Section to disclose my personal information, including my address, telephone and social security number if HILLTOP LAKES WSC receives a
Name of Account Holder	Account Number
Address	Area Code/Telephone Number
City, State, Zip Code	Signature

CUSTOMER NOTICE OF WATER USE RESTRICTIONS HILLTOP LAKES WSC DROUGHT CONTINGENCY & EMERGENCY WATER DEMAND MANAGEMENT PLAN

DATE:	
TO: Customers of	HILLTOP LAKES WATER SUPPLY CORPORATION
FROM:	, Manager, HILLTOP LAKES WSC
water needs. Therefore, unde	e during the past weeks, our system is unable to meet the demand of all er our Drought Contingency and Emergency Water Demand Management Commission on Environmental Quality, Stage allocations will begin on nd will be in effect no later thanor until the
situation improves.	
Stage allocation restric	ets your water use as follows:
be levied against you and Subsequent violations may r for a variance from this water A complete copy of our appr	nose penalties and measures contained in the Corporation's tariff that may placed on your account(s) if you are found violating this allocation result in temporary termination of service. If you feel you have good causer use restrictions program, please contact us in writing at the address above roved Drought Contingency and Emergency Water Demand Management at our business office. A copy may be obtained for standard copying tion.
Corporation Official	

CUSTOMER NOTICE OF FIRST VIOLATION AND PENALTY OF HILLTOP LAKES WSC DROUGHT CONTINGENCY & EMERGENCY WATER DEMAND MANAGEMENT PLAN

DATE:	
FROM:	, Corporation Official, HILLTOP LAKES WSC
	, you are hereby notified that on it was tions on your water use that are required under the Corporation's Water Demand Management Plan. Specifically, [DESCRIBE
Notice of Water Use Restrictions sent of CUSTOMER NOTICE OF WATER of Corporation's Tariff, you are hereby Corporation's business office no later to pay this penalty by this date and	on. You are hereby notified of a violation of the Corporation's to all customers on (see attached [ATTACH COPY OF USE RESTRICTIONS]). Accordingly, and as provided in the directed to pay a penalty of \$, to be received in the chan a.m./p.m., 20 Failure and time will result in disconnection of your water service any further reconnection will require payment of the penalty estore service.
Corporation's Water Use Restriction	and more severe, penalty for any future violation(s) of the ons following this Notice. Continued violations may result in egardless of whether you pay the penalties assessed for these
	approved Drought Contingency and Emergency Water Demand or your review at our business office. A copy of the Plan may be ong charges.
The conservation of our water resource We appreciate your cooperation.	es is an important responsibility of all members and customers.
Corporation Official	
Title:	

CUSTOMER NOTICE OF SECOND VIOLATION AND PENALTY OF HILLTOP LAKES WSC DROUGHT CONTINGENCY & EMERGENCY WATER DEMAND MANAGEMENT PLAN

DATE:	
FROM:	, Corporation Official, HILLTOP LAKES WSC
TO: that you violated the restrictions of Contingency and Emergency VIOLATION].	, you are hereby notified that on it was determined on your water use that are required under the Corporation's Drought Water Demand Management Plan. Specifically, [DESCRIBE
[ATTACH COPY OF CUSTOME Corporation's Tariff, you are he Corporation's business office no 20 Failure to pay this powater service WITHOUT FURT	You were notified of a previous violation on (see attached ER NOTICE OF VIOLATION]). Accordingly, and as provided in the preby directed to pay a penalty of, to be received in the polater than a.m./p.m.,enalty by this date and time will result in disconnection of your THER NOTICE. Any further reconnection will require payment the service call to restore service.
Violation. You will be assessed a Corporation's Water Use Restr	restrict your water use as directed in the Corporation's first Notice of an additional, and more severe, penalty for any violation(s) of the rictions following this Notice. Continued violations may result in tice regardless of whether you pay the penalties assessed for these
	Drought Contingency and Emergency Water demand Management eview at our business office. A copy of the Plan may be obtained on ges.
The conservation of our water resource we appreciate your cooperation.	ources is an important responsibility of all members and customers.
Corporation Official	
Title	

CUSTOMER NOTICE OF SUBSEQUENT VIOLATION AND PENALTY OF HILLTOP LAKES WSC DROUGHT CONTINGENCY & EMERGENCY WATER DEMAND MANAGEMENT PLAN

DATE:	
FROM:	, Corporation Official, HILLTOP LAKES WSC
you violated the allocation restricting your	you are hereby notified that on it was determined that water use which is required under the Corporation's Drought and Plan. Specifically, [DESCRIBE VIOLATION].
you were assessed a penalty for your se	e restrictions on your water use that must be followed, and econd violation which occurred on (see attached DTICE OF SECOND VIOLATION AND PENALTY]).
severe, penalty if the violation continued. You are hereby directed to pay a penalty of no later thana.m./p.m.,date and time will result in disconnection	ed you that you would be assessed an additional, and more This is required under the Corporation's Tariff. Accordingly,, to be received in the Corporation's business office20 Failure to pay this penalty by this n of your water service WITHOUT FURTHER NOTICE. the penalty and a charge for the service call to restore service.
that will flow through your meter. The cost	flow restricting device, which will limit the amount of water ts of this procedure will be for the actual work and equipment val of this device will be considered Meter Tampering and nout further notice.
notice to you. You have been directed to assessed for additional violations. In a WILL BE TERMINATED FOR A PEI	o restrict your water use as directed in the Corporation's first o do so previously. Additional penalties will be addition to these penalties, YOUR WATER SERVICE RIOD OF THREE (3) DAYS FOR ANY ADDITIONAL ou pay the penalties assessed for these violations.
Your prompt attention to this matter will be CORPORATION and its members.	be appreciated by the HILLTOP LAKES WATER SUPPLY
Corporation Official	
Title	

NOTICE OF DISCONNECTION FOR VIOLATION OF HILLTOP LAKES WSC DROUGHT CONTINGENCY & EMERGENCY WATER DEMAND MANAGEMENT PLAN

DATE:	_
FROM:	, Corporation Official, HILLTOP LAKES WSC
	, you are hereby notified that on it was determined that water use that are required under the Corporation's Drought r Demand Management Plan. Specifically, [DESCRIBE
, and Because these vio Corporation's Tariff, your water ser	You previously have been notified of violations on, lations have continued, and as provided under Section H of the vice will be disconnected on Your and only after payment of all applicable charges, fees for and any monthly bills are paid in full.
Additional violations thereafter will res	ult in additional suspensions of your water service.
•	of the water use restrictions required under the Corporation's Water Demand Plan have led to this action.
Corporation Official	
Title	

NOTICE OF PROHIBITION OF MULTIPLE CONNECTIONS TO A SINGLE TAP

DATE:	<u> </u>
FROM: HILLTOP LAKES WSC	, Corporation Official, HILLTOP LAKES
TO: SUPPLY CORPORATION ("Corporation exists on your property at Prohibition of Multiple Connections. Pu commercial, or industrial service connections."	, you are hereby notified that HILLTOP LAKES WATER 1") has sufficient reason to believe a Multiple Connection in violation of the Corporation's tariff, Section I ursuant to the tariff, no more than one (1) residential on is allowed per meter tap.
<u> -</u>	e under the Disconnection with Notice provisions of the etion is not rectified within(days or date).
See 16 Texas Administrative Code (T 290.44(d)(4).	<u>FAC) Section 24.169 (a)(4)</u> , and <u>TAC 290.38(15)</u> and
Corporation Official	
Title	

DEFERRED PAYMENT AGREEMENT

By execution of this Agreement, the unde	rsigned Member agrees to payment of outstanding
debt for water utility service as set forth below:	
Member agrees to pay \$ per 1	month, in addition to current monthly water utility
service rates, fees, and charges, as set forth in the G	Corporation's Tariff, until the account is paid in full.
Any fees normally assessed by the corporation of	on any unpaid balance shall apply to the declining
unpaid balance.	
Failure to fulfill the terms of this Agreem	nent shall institute the Corporation's disconnection
procedures as set forth in the Corporation's Tariff	unless other satisfactory arrangements are made by
the Member and approved by the Corporation's au	thorized representative.
Member	
Date	
HILLTOP LAKES WSC Corporation Offi	cial
Title	

INSTALLMENT AGREEMENT

AN AGREEMENT made this LAKES WATER SUPPLY CORPORAT (hereinafter called the Corporation) and Applicant and/or Member).	ΓΙΟΝ, a corporatio	on organized u	nder the law	s of the State of	of Texas
By execution of this Agreement, for water utility service, fees, and (Equity Buy-In Fee o	charges, as set or other connection	forth in the fee) is paid i	Corporation full. Any f	n's Tariff, u ees normally a	ntil the
by the Corporation on any unpaid balanc	e snan appry to th	e deciming ur	ipaid balance	€.	
Failure to fulfill the terms of procedures as set forth in the Corporation	_	shall institute	the Corpor	ation's discor	nnection
APPROVED AND ACCEPTED meeting of the Board of Directors of the	this day of HILLTOP LAKE	f_ S WATER SU	, 20 a JPPLY COR	at the regular t RPORATION.	monthly
President, HILLTOP LAKES WSC	Sec/Tre	asurer, HILLT	TOP LAKES	WSC	
THE STATE OF TEXAS COUNTY O	F				
IN WITNESS WHEREOF the sa of, 20	id Member/Appli	cant has execu	ited this insti	rument this	day
BEFORE ME, the undersigned, a day personally appearedname is subscribed to the foregoing instruction therein expenses and consideration therein expenses.	ument, and ackno				
GIVEN UNDER MY HAND AN	ID SEAL OF OFF	FICE THIS	day of _		, 20
		Member/Ap	plicant Signa	ature	
		Notary Sign	ature		_
Notary Public in and for	County, Texas				
Commission Evnires /	/				

LINE EXTENSION REIMBURSEMENT AGREEMENT

The	HILLTOP				CORPORATION			
			will be	compensated	l as provided in the	his Reimb	ursement agre	ement
appro	ved at the reg	ular board r	neeting on	theda	y ofinch line extens	, 20	_, on a prorated	l basis
for co	enstruction co	sts for the	fee	et of	_ inch line extens	sion which	n have been pa	aid by
			This will	be collected	from all approved	d applican	ts requesting s	erv1ce
from	said line exter	nsion, to a n	naximum o	fcom	nections for a peri	od not to	exceed	years
from	theday	y of	in	the year of _	(date the	line exten	sion was com	pleted
and/o	r approved fo	or service)	after which	h time the R	eimbursement A	greement	will expire ar	nd the
Corpo	oration shall b	e under no	further ob	ligation to _	receipt.		The Corpo	ration
shall	transfer said c	ompensation	on within _	days of	receipt.			
					s compensation t			
					on, and from no			
					nent will be modi			
		_			tains a final admir			ermination
limiti	ng the amoun	t the Corpo	ration may	charge applic	eants for service f	rom said l	ine extension.	
Thic	araamant ant	arad into o	n the	day of	in the y	vear of	by	
11115	agreement ent	cicu ilito oi	1 tile	_ day 01	in the y	(Cal OI	by.	
нпл	TOP LAKES	WATERS	IIPPLY CO	ORPORATIO	N			
TITLE	TOT LITTLE	WITTER	CITEI C		.11			
Signe	d by Presiden	t			Signed by A	pplicant		
Ü	-				<i>C</i> ,	11		
								_
Addre	ess				Address			
City_		Zip			City		_ Zip	<u> </u>
XX7.1								
Witne	ess			_				
Date:	filed:	1	/					

THE STATE OF TEXA	AS, COUNTY OF			
	EOF the said Member/Appl ated this instrument this			P LAKES HILLTOP . BEFORE ME, the
undersigned, a Notary	Public in and for	County and St	ate of Texas, or	this day personally
appeared	and	kn	own to me to b	e the persons whose
	the foregoing instrument, and consideration therein expr	_	d to me that he/s	she/they executed the
GIVEN UNDER MY H	AND AND SEAL OF OFF	ICE THIS	_ day of	, 20
Notary Public Signature	<u> </u>	Commission Ext	nires	

MEMBERSHIP MORTGAGE AGREEMENT

This agreement hereby verifies that the HILLTOP LAKES WSC provides or is able to provide utility service under the terms and conditions of its Tariff to the property so designated in this agreement.

The HILLTOP LAKES WSC does meet the service requirements of the Public Utility Commission and Texas Commission on Environmental Quality and currently holds all authorization or certification required.

The Membership available/assigned to this property is transferable to all legally qualifying interests upon compliance with the terms and conditions of the HILLTOP LAKES WSC's Tariff, including but not limited to completion of all required forms and applications, payment of all fees, and payment of final account balances.

The HILLTOP LAKES WSC shall notify any Loan/Membership guarantor and/or mortgagee by certified mail at least thirty (60) days prior to Membership/Service termination and guarantor/mortgagee hereby guarantees payment of any account balances required to prevent termination of Membership by the HILLTOP LAKES WSC.

A guarantor and/or mortgagee shall qualify as a bona fide lien-holder to the Membership by providing a Deed of Trust*, to be hereto affixed, for the real property in question and designated below which clearly defines the guarantor and/or mortgagee as the lien-holder of the Membership and the real property for which Membership was issued. HILLTOP LAKES WSC shall notify the entity so designated in the Deed of Trust*.

Mortgagee (Lien-Holder)
Guarantor (If Applicable)
HILLTOP LAKES WSC Representative

Note: * Please attach Deed of Trust or other proof of ownership for permanent record.

AGREEMENT TO PROVIDE FILL FOR CERTAIN FIRE APPARATUS IN DESIGNATED AREAS

STATE OF TEXAS LEON COUNTY

This Agreement ("Agreement") is executed by and between Hilltop Lakes Volunteer Fire Department ("Department"), an emergency service organization, and HILLTOP LAKES WATER SUPPLY CORPORATION ("Corporation"), a nonprofit HILLTOP LAKES WATER SUPPLY CORPORATION organized and operating under the provisions of <u>Texas Water Code Chapter 67</u>, and the Texas Business Organizations Code for the purposes and consideration set forth herein.

RECITALS

WHEREAS Department is a volunteer fire department organized and operating within the meaning of Texas Civil Practice & Remedies Code Section 78.101(2); and

WHEREAS Corporation is a nonprofit HILLTOP LAKES WATER SUPPLY CORPORATION, organized and operating under the provisions of <u>Chapter 67</u>, Texas Water Code and the Nonprofit Corporation Act, and furnishes a water supply in Leon County and specifically in the area described in Public Utility Commission ("PUC") Certificate of Convenience and Necessity No. 10341; and

WHEREAS Corporation acknowledges the benefits of fire suppression services provided by Department and is willing to provide water supply for use in fire suppression by Department through facilities in the area and under conditions more particularly described herein; and

WHEREAS Corporation's tariff expressly provides that Corporation does not provide fire flow and does not provide or imply that fire protection is available on any of Corporation's distribution system; and

WHEREAS Corporation is willing to assist Department by making water available for the purpose of filling Department's pump trucks ("pump and fill" purposes) without making any guarantee to Department or to any third party that water or pressure adequate for pump and fill purposes will be available at any time or under any circumstance; and

WHEREAS Department desires to utilize Corporation's water supply for pump and fill purposes within the area described herein and under the conditions set forth herein;

NOW, THEREFORE, Department and Corporation enter into this Agreement for the purposes and consideration set forth herein, acknowledging that these purposes and consideration are sufficient for purposes of this Agreement and are mutually beneficial to one another as contemplated by Section 67.0105(c), Texas Water Code:

PARTIES

- 1.1 This Agreement is entered into by and between Hilltop Lakes Volunteer Fire Department, domiciled and conducting business in Leon County, Texas, and HILLTOP LAKES WATER SUPPLY CORPORATION, domiciled and conducting business in Leon County, Texas.
- 1.2 Corporation and Department are authorized to enter into this Agreement pursuant to Texas Water Code Section 67.0105.

PROVISION OF FILL WATER

- 2.1 Corporation will make available to Department the use of certain flush hydrant facilities located on water transmission lines operated by Corporation in [description of subdivision, portion of County, street boundaries, etc.] as more particularly set forth in the attached map of "Fire Pump and Fill Facilities" ("Map") which is incorporated herein and made a part of this Agreement for all purposes.
- 2.2 Department will use only those facilities installed and maintained by Corporation which are clearly marked by [description of marking] and are located at those points indicated on the Map.
- 2.3 Corporation will install or maintain pump and fill facilities solely within Corporation's discretion, and the Department has no responsibility for installation or maintenance of such facilities.
- 2.4 In accordance with the laws of the State of Texas, the Corporation will maintain a minimum static residual pressure of 35 pounds per square inch ("psi") during normal flow, and will maintain a minimum static residual pressure of no less than 20 psi during fire flow conditions, in the water transmission facilities described in the Map.
- 2.5 Department will notify Corporation prior to use of any designated pump and fill facility to the extent Department reasonably is able to do so by calling the Corporation's management. The Corporation acknowledges that in the event of emergencies, it may not be feasible for the Department to provide prior notice, in which case notification shall be provided as soon as practicable.
- 2.6 No obligation other than the duties set forth in this Agreement are recognized nor are any obligations or duties to be implied under this Agreement. No duty or obligation on the part of Corporation to provide fire flow or a supply of water under any minimum pressure or for any length of time may be implied under the provisions of this agreement.
- 2.7 The duties set forth under this Agreement are duties of the parties to this Agreement to one another only, solely for their mutual benefit, and it is the express intention of the parties that these duties are not enforceable by any third party or alleged third party beneficiary.
- 2.8 The Department will supply a monthly water usage to the Corporation for the sole purpose of assisting Corporation in accounting for Corporation's Water Supply.
- 2.9 The Department will not utilize water provided under this agreement for any purpose other than for suppressing fires. Prohibited uses of "free" water include, but are not limited to, filling

swimming pools, car wash fundraisers, and potable use in a structure used to house fire trucks and personnel.

COMPENSATION

3.1 Department will not be charged for use of Corporation's water supply for pump and fill for fire suppression purposes. Department will be charged for water used for any other purpose.

TERMINATION OF AGREEMENT

- 4.1 Either party to this Agreement may terminate this Agreement at any time, with or without cause.
- 4.2 Termination shall be by written notice a minimum of thirty (30) days in advance of the date of termination.
- 4.3 Termination is the sole remedy for breach of any and all obligations under this Agreement, whether any such obligation is express or implied.

MISCELLANEOUS

- 5.1 This Agreement is the sole agreement between the parties. No modifications of this Agreement will be of any force or effect whatsoever unless such modification shall be in writing signed by both parties.
- 5.2 Any notice required or permitted to be given under this Agreement by one party to the other shall be in writing and shall be deemed to have been served and delivered if (a) delivered in person to the address set forth below, or (b) placed in the United States mail, first class postage paid, addressed to the address set forth below.

The address for the Department for all purposes under this Agreement shall be:

The address for the Corporation for all purposes under this Agreement shall be:

- 5.3 This Agreement may not be assigned without the express written consent of the non-assigning party.
- 5.4 This Agreement shall be effective upon the later of the two dates of execution below and shall continue in full force and effect until amended or terminated by the parties.
- 5.5 The signatories hereto represent and affirm that each has full authority to execute this Agreement on behalf of the respective party.

EXECUTED AND AGREED TO in duplicate originals by the parties hereto.

HILLTOP LAKES WATER SUPPLY CORPORATION Hilltop Lakes Volunteer Fire Department

By:	By:	
Title:	Title:	
Attest:	Attest:	
Date:	Date:	

METER TEST AUTHORIZATION AND TEST REPORT

NAME:		
ADDRESS:		
DATE OF REQ	UEST:	PHONE NUMBER (DAY):
ACCOUNT NU	JMBER:	METER SERIAL NUMBER:
REASONS FO	R REQUEST:	
results shown b Works Associat test meter. Mer performance, pl for the test and t	by the Corporation. To tion standards and member agrees to pay sus any outstanding w	may be present during the test, but if not, Member shall accept test he test shall be conducted in accordance with the American Waterhods on a certified test bench or on-site with an acceptable certifie00 for the test if the results indicate an AWWA acceptable atter utility service. In the event that the Member is required to pautility service as set forth herein, said charges shall be applied to the date of the test.
		Signed by Member
		TEST RESULTS
Low F	Tlow (1/4 GPM)	% AWWA Standard 97.0 - 103.0 %
Interm	nediate (2 GPM)	% AWWA Standard 98.5 - 101.5 %
High I	Flow (10 GPM)	% AWWA standard 98.5 - 101.5 %
Register test	minutes at	gallons per minute recorded per gallons.
Meter te	sts accurately; no adj	istments due.
Meter te	ests high; adjustment	ue on water charges by %
Meter te	sts low; no adjustmen	t due.
Test conducted Approved on	• ———————	

NOTICE TO OWNER OF RENTAL PROPERTY PAST DUE ACCOUNT

You are hereby given notice as per the Alternate Billing Agreement on your account
#that your renter/lessee is past due on this account with the Corporation. The renter/lessee
has been sent a second and final notice, a copy of which is enclosed herein, and utility service is
scheduled for disconnection unless the bill is paid by the final due date. If disconnection occurs, the
Corporation's policies under the terms and conditions of its Tariff shall govern reconnection of service.
A fee of \$00 has been posted to the account for mailing of this notice. Any unpaid bills, service
fees, or reconnect fees (service trip fees) are chargeable to the member. If you have any questions
concerning the status of this account, please do not hesitate to call our office at
·
Corporation Official
Title
Alternate Billing Account Name
Address
Account #
Amount Due Including Service Charges
Final Due Date

NOTICE OF REQUIREMENT TO COMPLY WITH THE SUBDIVISION AND SERVICE EXTENSION POLICY OF HILLTOP LAKES WATER SUPPLY CORPORATION

Pursuant to <u>Chapter 13.2502</u> of the <u>Texas Water Code</u>, HILLTOP LAKES WATER SUPPLY CORPORATION hereby gives notice that any person who subdivides land by dividing any lot, tract, or parcel of land, within the service area of HILLTOP LAKES WATER SUPPLY CORPORATION, Certificate of Convenience and Necessity No. 10341, in Leon County, into two or more lots or sites for the purpose of sale or development, whether immediate or future, including re-subdivision of land for which a plat has been filed and recorded or requests more than two water service connections on a single contiguous tract of land must comply with [put in the title of subdivision service extension policy stated in the tariff] (the "Subdivision Policy") contained in HILLTOP LAKES WATER SUPPLY CORPORATION's tariff.

HILLTOP LAKES WATER SUPPLY CORPORATION is not required to extend retail water or utility service to a service applicant in a subdivision where the developer of the subdivision has failed to comply with the Subdivision Policy.

Applicable elements of the Subdivision include:

Evaluation by HILLTOP LAKES WATER SUPPLY CORPORATION of the impact a proposed subdivision service extension will make on HILLTOP LAKES WATER SUPPLY CORPORATION's water supply service system and payment of the costs for this evaluation;

Payment of reasonable costs or fees by the developer for providing water supply service capacity;

Payment of fees for reserving water supply capacity;

Forfeiture of reserved water supply service capacity for failure to pay applicable fees;

Payment of costs of any improvements to HILLTOP LAKES WATER SUPPLY CORPORATION's system that are necessary to provide the water service;

Construction according to design approved by HILLTOP LAKES WATER SUPPLY CORPORATION and dedication by the developer of water facilities within the subdivision following inspection.

HILLTOP LAKES WATER SUPPLY CORPORATION's tariff and a map showing HILLTOP LAKES WATER SUPPLY CORPORATION's service area may be reviewed at HILLTOP LAKES WATER SUPPLY CORPORATION's offices, at 21 Hilltop Drive of the HILLTOP LAKES WATER SUPPLY CORPORATION]; the tariff/policy and service area map also are filed of record at the Public Utility Commission in Austin, Texas and may be reviewed by contacting the PUC, Central Records at 512-936-7180 for assistance.

NOTICE OF RETURNED CHECK

DATE:				
Dear	:			
Your check number	in the amount of \$, dated	20	, has been returned
to us by your bank. Please replacertified check. Include the char				
Address of Service				
Account #				
1. 2.	Original Lata faos	amount billed		_
3.	Return cotal Due - \$	neck fee -		_
If you have any questions, pleas	se contact HILLTOP LAKES	HILLTOP LAKES V	VSC Managen	nent at 936-855-
2995.				
	C	Corporation Official		
	Ī	itle		

NEW SERVICE INQUIRY

Include a plat or map of property that includes nearby roads
Name:
Phone:E-mail:
Property Address:
Leon CAD Property ID (if known)
Are You the Current Property Owner?Yes No
Owner's Name
Are You a Realtor or a Developer? Yes No
Will there be renters (or occupants other than property owners)? Yes No
Property Notes or Additional Comments:

REQUEST FOR SERVICE DISCONTINUANCE & MEMBERSHIP CANCELLATION

I/Name,	hereby request that my water service account number
located at	, be disconnected from HILLTOP LAKES WATER SUPPLY
CORPORATION service and that my membership	o fee is be refunded. I understand that if I should ever want my
service reinstated I may have to reapply for service	as a new member and I may have to pay all costs as indicated in
the re-service provisions in the current copy of the	HILLTOP LAKES WATER SUPPLY CORPORATION Tariff.
Charges for water service will terminate w	hen this signed statement is received by the HILLTOP LAKES
HILLTOP LAKES WSC office. I understand ar	nd agree that a fee will be incurred for the processing of this
transaction and will be deducted from the members	hip fee in addition to final water, and service trip charges.
(Residential account)	
If applicable, I further represent to the Co	orporation that my spouse joins me in this request, and I am
authorized to execute this Request for Service Di	iscontinuance on behalf of my spouse as a joint owner of the
aforementioned property.	
(Commercial account)	
I further represent to the Corporation that I	am the duly authorized representative of and have ful
authority to execute this Request for Service Discor	ntinuance on behalf of said business.
	Signature
	Date of Signature

EASEMENT DENIAL LETTER AND AFFIDAVIT

Date (Name of Property Owner Property Owner's Address) VIA: First Class Mail and Certified Mail, Return Receipt Requested No. Dear _____: HILLTOP LAKES WATER SUPPLY CORPORATION (Corporation) has requested an easement for a water distribution system across your property. To date, you have not provided such easement. It is now necessary that the requested easement be granted or refused by you, and the Corporation is asking that you do so within thirty (30) days after receipt of this letter. A copy of the requested easement is enclosed with this letter. If the Corporation does not receive a completed easement within the 30 days specified, the Corporation will consider this failure to be a denial of easement on your part and the Corporation will complete and sign a copy of this letter to be retained in the Corporation's records for future water service to your property. If, at some future time you (or another owner of your property or any portion of your property) requests water service, the Corporation will require an easement before water service will be provided, as authorized by Section 49.218(d) - (f) of the Texas Water Code. At that time, and in addition to other costs required for water service, the Corporation will require payment of all reasonable costs for relocation or construction of the water distribution system along the easement that will be provided. (The Corporation's Engineer estimates this cost to be _____, as reflected in the attached document. This cost could be greater in the future.) You may wish to consult your attorney as to whether this future cost is a material condition that you must disclose to anyone buying your property (or any part of your property) in the future. If you need any clarification on this matter or wish to discuss any aspects of the enclosed easement, please contact our office: [office address, phone number]. We appreciate your attention to this matter. Sincerely,

[appropriate signature]

RELEASE OF EASEMENT

STATE OF TEXAS	§ KNOW ALL	MEN DV THESE DESCENTS THAT.
COUNTY OF	§ KNOW ALL §	MEN BY THESE PRESENTS THAT:
HILLTOP LAKES the Texas Water Code ("Tholder of the easement de	HILLTOP LAKES HIL escribed and recorded , covering the real prop	ORPORATION, operating under the authority of Chapter 67 of LLTOP LAKES WSC"), is the legal and equitable owner and in Volume, Page of the County Deed erty described in Exhibit "A" attached hereto and incorporated
consideration, the receipt HILLTOP LAKES WSC I covering such Property he RELEASES and TERMIN shall in no way obligate	and sufficiency of whi hereby RELEASES and ld by HILLTOP LAKE NATES the Easement t nor require HILLTO	ration of ONE DOLLAR (\$1.00) and other good and valuable ch is hereby acknowledged and confessed, HILLTOP LAKES DISCHARGES the Property from the rights, titles and interests HILLTOP LAKES WSC by virtue of the Easement and hereby to the extent it covers the Property. This Release of Easement P LAKES HILLTOP LAKES WSC to physically remove the operty pursuant to the Easement.
EXECUTED as of	the day of	
	HILLTOP LAKES WA	ATER SUPPLY CORPORATION
	By: Printed Name: Title:	
STATE OF TEXAS COUNTY OF	\$ \$ \$	
This instrument	was acknowledged be	efore me on the day of, 20, by of HILLTOP LAKES WATER SUPPLY of Chapter 67 of the Texas Water Code, on behalf of said
CORPORATION, operation HILLTOP LAKES WATE		
[SEAL]		
		Notary Public, State of Texas

EXHIBIT "A"

THE PROPERTY

After recording, return to: (owner's name and address)

30 TAC §290.47(c): HILLTOP LAKES WATER SUPPLY CORPORATION Sanitary Control Easement Document for a Public Water Well. TCEQ Form 20698 (Revised 6/20/17)

Texas Commission on Environmental Quality

HILLTOP LAKES WATER SUPPLY CORPORATION SANITARY CONTROL EASEMENT

DATE:, 2
GRANTOR(S):
GRANTOR(S)
ADDRESS:
GRANTEE:
GRANTEE
ADDRESS:

SANITARY CONTROL EASEMENT:

Purpose, Restrictions, and Uses of Easement:

- 1. The purpose of this easement is to protect the water supply of the well described and located below by means of sanitary control.
- 2. The construction, existence, and/or operation of the following within a 150-foot radius of the well described and located below are prohibited: septic tank or sewage treatment perforated drain fields; areas irrigated by low dosage, low angle spray on-site sewage facilities; absorption beds; evapotranspiration beds; abandoned, inoperative or improperly constructed water wells of any depth; underground petroleum and chemical storage tanks or liquid transmission pipelines; sewage treatment plants; sewage wet wells; sewage pumping stations; drainage ditches which contains industrial waste discharges or wastes from sewage treatment systems; animal feed lots; solid waste disposal sites, landfill and dump sites; lands on which sewage plant or septic tank sludge is applied; lands irrigated by sewage plant effluent; military facilities; industrial facilities; wood-treatment facilities; liquid petroleum and petrochemical production, storage, and transmission facilities; Class 1, 2, 3, 4, and 5 injection wells; pesticide storage and mixing facilities; and all other constructions or operations that could pollute the groundwater sources of the well that is the subject of this easement. For the purpose of this easement, improperly constructed water wells are those

wells which do not meet the surface and subsurface construction standards for a public water supply well.

- 3. The construction, existence and/or operation of tile or concrete sanitary s, appurtenances, septic tanks, storm s, cemeteries, and/or the existence of livestock in pastures is specifically prohibited within a 50-foot radius of the water well described and located below.
- 4. This easement permits the construction of homes or buildings upon the Grantor's property, and farming and ranching operations, as long as all items in Restrictions Nos. 2 and 3 are recognized and followed.

The Grantor	's property subject	to this Easement i	s described in	n the documents	recorded at	: Volume
, Pages	of the Real Proper	ty Records of	County,	Texas.		

PROPERTY SUBJECT TO EASEMENT:

All	of that	area	within	a	150	foot	radius	of the	water	well	located	feet	at a	radial of	fd	egrees
fron	n the	c	orner o	of	Lot		, of a	Subdiv	ision	of Re	ecord in	Book		_, Page		of the
Cou	nty Pla	t Rec	ords, _			-	Count	ty, Texa	as.							

TERM:

This easement shall run with the land and shall be binding on all parties and persons claiming under the Grantor(s) for a period of two years from the date that this easement is recorded; after which time, this easement shall be automatically extended until the use of the subject water well as a source of water for public water systems ceases.

ENFORCEMENT:

Enforcement of this easement shall be proceedings at law or in equity against any person or persons violating or attempting to violate the restrictions in this easement, either to restrain the violation or to recover damages.

INVALIDATION:

Invalidation of any one of these restrictions or uses (covenants) by a judgment or court order shall not affect any of the other provisions of this easement, which shall remain in full force and effect.

FOR AND IN CONSIDERATION, of the sum of One Dollar (\$1.00) and for other good and valuable consideration paid by the Grantee to the Grantor(s), the receipt of which is hereby acknowledged, the Grantor does hereby grant and convey to Grantee and to its successors and assigns the sanitary control easement described in this easement.

GRANTOR(S)			
By:	 	·	

ACKNOWLEDGMENT

STATE OF TEXAS	§ §
COUNTY OF	
appeared	ersigned authority, on the day of, 20, personally known to me to be the person(s) whose name(s) is (are) subscribed to the
foregoing instrument and therein expressed.	acknowledged to me that executed the same for the purposes and consideration
	Notary Public in and for THE STATE OF TEXAS
	My Commission Expires:
	Type or Printed Name of Notary
	Commission Expires
Recorded in	Courthouse, Texas on 20

HILLTOP LAKES WATER SUPPLY CORPORATION EQUIPMENT AND LINE DEDICATION AGREEMENT

the HILLTOP LAKES WATER SUPPLY Of Requirements, do hereby dedicate, trans CORPORATION all rights and privileges to of service; the equipment and or line(s) by Corporation and Transferor and the Nonstanthereto and being further described as follows:	CORPORATION's sfer and assign to and ownership of eing described in andard Service Control of the control of th	s Developer, Subdit to the HILLTOF of equipment and o the Nonstandard S stract dated	P LAKES WATER SUPPLY or line(s) installed as a condition Service Agreement between the
The HILLTOP LAKES WATER S agreed to accept the equipment and or line The Corporation shall hold harmless	(s) as described in	n the above referen	nce documents and attachments.
for repairs or maintenance of said equipmen as per the Nonstandard Service Contract/Ag	t and or line(s), no	twithstanding any v	warranty or bond for said repairs
This agreement entered into on the		_ in the year of	by:
HILLTOP LAKES WATER SUPPLY COR	RPORATION		
Company of Contractions	Tuessefere	on Cianatana	
Corporation Official Signature	1 ransiero	or Signature	
Title	Title		
Address	Address		
City Zip	City	Zip	
THE STATE OF TEXAS, COUNTY OF _			
IN WITNESS WHEREOF the said Transfer this day of, 20 BEFORE ME, the undersigned, a Notary Pu appeared and subscribed to the foregoing instrument, an purpose and consideration therein expressed	ublic in and for said	d County and State	of Texas, on this day personally
GIVEN UNDER MY HAND AND SEAL	OF OFFICE THIS	day of	, 20
Signature of Notary Public	_		

HILLTOP LAKES HILLTOP LAKES WSC NOTICE OF DISCONNECTON

TO:	
ACCOUNT NUMBER:	
DATE:	
DATE OF SCHEDULED DISCONNECTION:	
You are hereby notified that your account is delinquent, disconnected. If our office does not receive payment within ten day be disconnected. Once service has been disconnected, all fees includible paid to reestablish service. Please arrange payment on your account. The System payment locations are 21 Hilltop Drive, Monday – Friday over the phone by calling 936-855-2995 during the normal business at htlwater.org.	es of the date of this notice, your service will ing past due fees, late fees, trip fees, etc. must nt as soon as possible to avoid disconnection. y hour of 7:30-4. Payments are also accepted
Ō	Corporation Official
	Title

HILLTOP LAKES HILLTOP LAKES WSC MEMBERSHIP TERMINATION AND LIQUIDATION NOTICE

TO:

DEDICATION, BILL OF SALE, AND ASSIGNMENT (Developer Form)

THE STATE OF TEXAS § §
THE STATE OF TEXAS \$ COUNTY OF \$ KNOW ALL BY THESE PRESENTS \$
KNOW ALL BY THESE PRESENTS §
This Dedication, Bill of Sale and Assignment is entered into and effective as of, 20, by and between HILLTOP LAKES WATER SUPPLY CORPORATION, a Texas nonprofit, member-owned HILLTOP LAKES WATER SUPPLY CORPORATION organized and operating under Chapter 67, Texas Water Code ("Corporation") and("Developer").
RECITALS:
Corporation and Developer have previously entered into that certain Nonstandard Service Agreement dated (the "Agreement"). Pursuant to Section of the Agreement, Developer has agreed to dedicate and convey to Corporation the water lines, hydrants, valves, fittings and other appurtenances constructed to provide water service to the Subdivision, a subdivision in Leon County, Texas, together with all rights and interests therein or appurtenant thereto as more particularly described in Exhibit "A" hereto (the "Facilities"), and all other capacity, contracts, rights, interests, easements, rights-of-way, permits, licenses, approvals, documents, warranties and other matters, if any, related to the Facilities as more particularly described in Exhibit "B" hereto (the "Related Rights").
The Facilities and the Related Rights are collectively referred to as the "Transferred Properties."
DEDICATION, ASSIGNMENT AND AGREEMENT
For and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Developer does hereby DEDICATE, TRANSFER, CONVEY, SET OVER AND ASSIGN forever unto Corporation and Corporation's successors and assigns, the Transferred Properties TO HAVE AND TO HOLD the Transferred Properties, together with all and singular the rights and appurtenances thereto in anywise belonging, and Developer does hereby bind itself, its successors and assigns to WARRANT AND FOREVER DEFEND, all and singular, the Transferred Properties unto Corporation, its successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof.

Pursuant to Section ____ of the Agreement, Developer specifically assigns to Corporation the following maintenance

contract(s): ______ (a copy of which is attached hereto as Exhibit "C").

EXECUTED AND EFFECTIVE as of the date first written above. **DEVELOPER:** By:_____ Name: THE STATE OF TEXAS THE COUNTY OF This instrument was acknowledged before me on the _____ day of ______, 20______, by ______ [DEVELOPER] Notary Public - State of Texas (Seal) Printed Name: _____ My Commission Expires: **AFTER RECORDING RETURN TO:** HILLTOP LAKES WATER SUPPLY CORPORATION _____, Texas _____

HILLTOP LAKES WATER SUPPLY CORPORATION

APPLICANT'S NOTICE OF INSUFFICIENT INFORMATION OF A TEMPORARY OR IMPROPERLY TRANSFERRED SERVICE

TO: _____

ACCOUNT NUMBER:
DATE:
DATE OF SCHEDULED DISCONNECTION:
You are hereby advised that the INCOMPLETE status of your FORMS as indicated below is jeopardizing
your Membership with the Corporation. If our office does not receive COMPLETED DOCUMENTS OR
PROPER INFORMATION within ten days of the date of this notice, your utility service will be terminated. To
regain service after termination, you must re-apply for Membership and pay all costs applicable to a new Member
under the terms of the Corporation's Tariff. Your meter will also be removed on the Disconnection Date indicated
above. If you have no intention of retaining our service, make sure the service line is capped. We will not cap
your line for you but will remove the meter regardless of the circumstances on the Disconnection Date indicated
above.
Circle all the forms needing additional information from the Applicant/Member.
A. SERVICE APPLICATION AND AGREEMENT
B. RIGHT-OF-WAY EASEMENT
C. SANITARY CONTROL EASEMENT
D. ALTERNATE BILLING AGREEMENT
E. NONSTANDARD SERVICE AGREEMENT OR CONTRACT
F. FINAL PLAT
G. BANKRUPTCY INFORMATION FOR YOUR ACCOUNT(S)
H. OTHER INFORMATION
Corporation Official
Title
HILLTOP LAKES WATER SUPPLY CORPORATION

HILLTOP LAKES WATER SUPPLY CORPORATION

DEDICATION, BILL OF SALE AND ASSIGNMENT (Individual Service Form)

THE STATE OF TEXAS § §
THE STATE OF TEXAS \$ COUNTY OF \$ KNOW ALL BY THESE PRESENTS \$
KNOW ALL BY THESE PRESENTS § §
This Dedication, Bill of Sale and Assignment is entered into and effective as of
RECITALS:
Corporation and Member have previously entered into that certain Nonstandard Service Agreement dated the "Agreement"). Pursuant to Section of the Agreement, Member has agreed to dedicate and convey to Corporation the water lines, hydrants, valves, fittings and other appurtenances constructed to provide water service to the Member's property located at, in Leon County, Texas, together with all rights and interests therein or appurtenant thereto as more particularly described in Exhibit "A" hereto (the "Facilities"), and all easements, rights-of-way and permits, licenses or approvals, if any, related to the Facilities as more particularly described in Exhibit "B" hereto (the "Related Rights").
The Facilities and the Related Rights are collectively referred to as the "Transferred Properties."
DEDICATION, ASSIGNMENT AND AGREEMENT
For and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Member does hereby DEDICATE, TRANSFER, CONVEY, SET OVER AND ASSIGN forever unto Corporation and Corporation's successors and assigns the Transferred Properties TO HAVE AND TO HOLD the Transferred Properties, together with all and singular the rights and appurtenances thereto in anywise belonging, and Member does hereby bind himself/herself, his/her successors and assigns to WARRANT AND FOREVER DEFEND, all and singular, the Transferred Properties unto Corporation, its successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof.
In addition, the HILLTOP LAKES WATER SUPPLY CORPORATION, through its authorized representative, having agreed at accept the Facilities described in Exhibit "A", shall hold harmless Member from this day forward, from any costs for repairs or maintenance of said Facilities or any part of said Facilities. EXECUTED AND EFFECTIVE as of the date first written above.
MEMBER:
Member:

Printed Name:		
THE STATE OF TEXAS \$		
THE COUNTY OF LEON §		
This instrument was acknowledged before me on the	day of	, 20, by
		[MEMBER]
Notary Public - State of Texas	(Seal)	
Printed Name:		
My Commission Expires:		
AFTER RECORDING RETURN TO:		
HILLTOP LAKES WATER SUPPLY CORPORATION		
	_	
. Texas		



Texas Commission on Environmental Quality Customer Service Inspection Certificate Form TCEQ-20699 - Instructions

General Instructions:

The purpose of form TCEQ-20699 is to certify the identification and prevention of cross connections, potential contaminant hazards, and illegal lead materials as per *Title 30 of the Texas Administrative Code* (30 TAC) 290.46(j)(4). The form can be completed one of two ways:

- 1. The form can be printed and completed manually, or;
- 2. The form can be completed electronically through an electronic medium (tablet, laptop computer, etc.). The yellow areas on the form can be completed electronically.

NOTE: The form is intended to be completed on-site while the inspection is occurring. If the form is completed electronically, the electronic device must also be on-site for proper use of this form.

The form must be printed and signed by the Inspector that performed the work. The hardcopy original or a copy must be provided to the Public Water System (PWS) for record keeping purposes as specified in 30 TAC §290.46(f)(3)(E)(iv).

Specific Instructions:

Please follow these instructions when completing Form TCEQ-20699:

- 1. Check boxes: If completing the form electronically, all check boxes are highlighted in yellow and can be selected to make the desired indication. Selecting a box will insert an "X" in the box.
- 2. Remarks: The "Remarks" section of the form is expandable, which means your final report can be more than one page. Make sure to include all pages when submitting to the local water purveyor.
- 3. Due to there being three (3) different licensed individuals that can fill out this form: TCEQ Licensed Customer Service Inspector, Licensed Plumbing Inspector or Licensed plumber with Water Supply Protection Specialist endorsement. Please provide your title.

*Please keep in mind this TCEQ form is updated regularly, please visit

https://www.tceq.texas.gov/search_forms.html
to ensure you are using the correct form.

Texas Commission on Environmental Quality

Customer Service Inspection Certificate

Name of PWS:								
PWS ID #:								
Location of Ser	vice:							
T				ъ	C T			
37				Reaso	on for Inspectio	n:		
New construction Existing service where contaminant hazards are suspected			not a d					
Material improv						PC		
Waterial Impro-	vement, co	irection or ex	ран	sion of dist	Hoution facilities	CS		Ш
Ī		. upon i	nsne	ction of the	e private water	distribution f	facilities connected to th	e
aforementioned	public wat							
Compliance	•	ompliance			,		<u> </u>	
		•	(1)	and a pote contamina an approp	ential source of ation are isolate	contamination of the properties of the properties of the properties of the contact of the contac	een the public drinking won exists. Potential source ublic water system by an assembly in accordance w	es of air gap or
			(2)	water sys	tem exists. Whe	ere an actual a a private wat	lic drinking water supply air gap is not maintained er supply, an approved ro bly is properly installed.	between the
			(3)				ow the return of water usesses back to the public	
			(4)	No pipe or pipe fitting which contains more than 8.0% lead exists in private water distribution facilities installed on or after July 1, 1988 and prior to January 4, 2014.				
			(5)		$\leq 0.25\%$ lead c		4, 2014 bears the expect properly labeled, please	
			(6)		or flux which on facilities inst		e than 0.2% lead exists in fter July	n private water
I further certify to Service lines: Solder:	that the fol Lead Lead Lead	Со	erials pper ad Fr		d in the installar PVC Solvent Weld		ivate water distribution: Other Other Other	facilities:
Remarks:								
I recognize that this document shall be retained by the aforementioned Public Water System for a minimum of ten years and that I am legally responsible for the validity of the information I have provided.								
Signature of Inspector:		J 1	License T	•				
		\.						
Inspector Name ():			License N			
Title of Inspector	:				Date / Tir	ne of Insp.:	/	

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

SECTION K. MISCELLANEOUS

TARIFF FILING INSTRUCTIONS AND SAMPLE LETTER

INSTRUCTIONS

Under <u>PUC Rule 22.71(c)(5)(D)</u> you need to file two paper copies of your tariff. One copy (not the original) should be unbound and numbered from start to finish per <u>PUC Rule 16 TAC §22.72(g)(2)</u>.

All filings regardless of their size and number of copies must be sent to the following address for processing per PUC Rule 16 TAC §22.71(b):

Mailing Address:

Public Utility Commission of Texas Central Records 1701 N Congress P.O. Box 13326 Austin, Texas 78711-3326

Shipping / Overnight Delivery Address:

Public Utility Commission of Texas Central Records 1701 N Congress, Suite 8-100 Austin, Texas 78701

Any filing consisting of 10 pages or larger must be filed electronically per PUC Rule 16 TAC §22.72(h). The following link will take you to the webpages for electronic filing interface and instructions: http://www.puc.texas.gov/industry/filings/Default.aspx

SAMPLE LETTER

Date

Public Utility Commission of Texas Central Records 1701 N Congress PO Box 13326 Austin, Texas 78711-3326

Re: Tariff for Hilltop Lakes WSC, CCN No. 10341, in Leon County

Dear Tariff Clerk:

Pursuant to <u>Texas Water Code Section 13.136(c)</u> and <u>16 TAC Section 24.25(j)</u>, enclosed is one copy of the *(new tariff/revisions to our existing tariff)* for Hilltop Lakes Water Supply Corporation provided for informational purposes.

(list in detail what tariff pages are being amended)

Sincerely,

Name Hilltop Lakes

Service Inquiry Fee Policy and Provisions

This policy establishes the terms for which a Service Inquiry Fee will be imposed when determining the availability and cost of establishing water service connection(s) to a specific property location.

A fee of \$150 was approved 4-23-24 by the Corporation Board of Directors to be implemented for inquiries about water service availability beginning June 1, 2024.

The provisions of this policy are also to be included in the Corporation Tariff, under Section G "Rates and Service Fees".

Water Availability Inquiry Definition

Any person that contacts a Corporation representative seeking information about the location, size, or capacity of a Corporation water line in relation to a specific property location, or any person that asks a Corporation representative about the cost of establishing standard or Nonstandard new tap connection(s) to a specific property location where a water connection did not already exist is deemed to be asking about the availability of water service.

Fee Conditions

- a) Non-refundable unless the property location is found to be outside of the Corporation's legal service area (CCN).
- b) Must be paid at the time of inquiry and prior to receiving any response from the Corporation.
- c) Persons subject to the fee include members, non-members, renters, occupants, realtors, developers, or any other interested party considering the sale or purchase of property.
- d) If the fee is paid by the property owner and leads to a new service activation, an amount equal to the fee will be credited to their new water account.
- e) Payment of the fee by a realtor or developer is not eligible for credit toward any new water account.
- f) In the event of multiple inquiries regarding the same property location or property boundary, the fee will be assessed for each inquiry regardless of the time passed between inquiries or the persons making the inquiry.
- g) A fee will not be collected from a buyer of property for which a realtor or developer has previously paid the fee, provided the realtor or developer has properly informed the buyer of their payment.
- h) Fee amount is subject to change by motion of the Corporation Board of Directors.

Recordkeeping

a) Service Inquiry Fees will be tracked as credit and debit adjustment transactions through the Corporation's utility billing software and reported each month to the Board of Directors.

This policy will remain in effect until amended or cancelled by the Corporation Board of Directors.

Charlie Cornelius, President

Owen Smith, Secretary-Treasurer

HILLTOP LAKES WATER SUPPLY CORPORATION NOTICE OF RATE INCREASE

The Hilltop Lakes Water Supply Corporation ("Corporation") Board of Directors held a public meeting on April 23, 2024 and voted to maintain the monthly rates, but decrease water included in monthly minimum for water service for all members. This was necessary to encourage water conservation and to maintain our Superior Water Rating.

The new rates will take effect 30 days after this board decision, on May 23, 2024 and the new monthly rates will begin starting with the June billing. The rate/usage changes are as follows:

METER SIZE	5/8" X 3/4"				
	METER EQUIVALENTS BASE RATE	NEW MONTHLY	NEW USAGE INCLUDED	CURRENT MONTHLY	CURRENT USAGE INCLUDED
5/8" X 3/4"	1	\$40.89	2,000	\$40.89	3,000
1"	2.5	\$75.00	3,000	\$51.68	6,000
2"	8	\$349.00	15,000	\$206.85	24,000
Water Gallonage charge					
2,001-5,000		\$4.25		\$4.25	
5,001-10,000		\$4.57		\$4.57	
10,001-15,000		\$4.72		\$4.72	
15,001-20,000		\$5.04		\$5.04	
20,001+		\$5.04		\$5.04	

For more information about the rate increase, please contact the Corporation at 936-855-2995 or in person at our main office 21 Hilltop Drive.

CALCULATION OF THE AVERAGE NET EQUITY BUY IN FEE OF A SAMPLE UTILITY

Meaningful determination of the Average Net Equity Buy-In Fee is achieved only when the following conditions are met in calculation of the fee:

- 1. An accurate accounting of the fixed and cash assets of the utility should be maintained, preferably by a Certified Public Accountant; and
- 2. All funds obtained as an Equity Buy-In Fee or other similar funds which are to be used for future capital expenditures should be maintained in a separate fund and earmarked for this purpose. This amount should not include the Membership Reserve or debt reserves:
- 3. A realistic depreciation schedule should be maintained for each asset item based on its anticipated useful life rather than on the life of the debt incurred to pay for the asset; and
- 4. An actual count should be retained of existing and terminated accounts for which capital contributions have been received, but not to include Membership transfers. This count shall be the number of Contributing Members on which the average is taken in calculation of the Net Equity Buy-In Fee.

EXAMPLE:

Total Assets of the Corporation\$2,146,545.48				
Minus (-) Accumulated Depreciation\$595,651.57				
Minus (-) Outstanding Corporation Debt Principle\$44,542.35				
Equals (=) Corporation Equity\$1,506,351.56				
Minus (-) Developer's Capital Contribution\$0				
Minus (-) Grants Received				
Total Number of Members / Customers Equals (=) Net Equity Buy In fee\$1,506,351.56				
(Note: The water and/or sewer fee for an oversized or Master Metered Account shall be based on multiples of meter size equivalence.)				
Average Net Equity per 709 Contributing Members\$2,124.62				

TRWA RECOMMENDED 5/8" X 3/4" METER EQUIVALENTS BASED ON AWWA SPECIFICATIONS AND DESIGN CRITERIA

METER SIZE	RECOMMENDED CONTINUOUS RATE OF FLOW	RESIDENTIAL METER EQUIVALENTS		
5/8" X 3/4"	10.0 GPM	1.00		
1"	25.0 GPM	2.50		
2"	80.0 GPM	8.00		

The water fee for an oversized or Master Metered Account shall be based on multiples of meter size equivalence.

NOTE: ALTHOUGH AWWA DOES NOT RECOMMEND A CONTINUOUS FLOW OF GREATER THAN 50 PERCENT FOR DISPLACEMENT AND MULTIJET METERS, METER EQUIVALENTS ARE CALCULATED ON A PROPORTIONAL BASIS AND REMAIN THE SAME REGARDLESS OF ALLOWABLE RATES.

VOLUNTARY CONTRIBUTIONS ON BEHALF OF EMERGENCY SERVICES

HILLTOP LAKES WSC POLICY ON VOLUNTARY CONTRIBUTIONS ON BEHALF OF EMERGENCY SERVICES

The corporation shall, as part of its billing process, collect from its customers a voluntary contribution, including a voluntary membership or subscription fee on behalf of a volunteer fire department or an emergency medical service.

The corporation shall provide each customer at the time that the customer first subscribes to the water or sewer service, and at least annually thereafter, a written statement:

- (1) Describing the procedure by which the customer may make a contribution with the customer's bill payment;
- (2) designating the volunteer fire department(s) or emergency medical service(s) to which the corporation will deliver the contribution;
- (3) informing the customer that a contribution is voluntary; and
- (4) describing the deductibility status of the contribution under federal income tax law.

All billing by the corporation shall clearly state that the contribution is voluntary and that it may be deducted from the billed amount.

The corporation shall promptly deliver contributions that it collects under this section to the designated volunteer fire department(s) or emergency medical service(s), except that the corporation may keep from the contributions an amount equal to the lesser of:

- (1) The corporation's expenses in administering the contribution program; or
- (2) five percent of the amount collected as contributions.

NOTICE TO CUSTOMERS

The HILLTOP LAKES WSC is offering each customer the opportunity to make a voluntary contribution to the local volunteer fire department(s) and/or emergency medical service(s). The \$5.00 contribution amount should be added to each remittance of the monthly base rate.

These voluntary contributions will be sent to the following volunteer fire department:

Hilltop Lakes Volunteer Fire Department

This voluntary contribution may be deductible under the Federal Income Tax Law.

For a complete copy of the Corporation's Voluntary Contribution Policy, please make request at the Corporation's office at 21 Hilltop Drive, by phone 936-855-2995, Corporation's website htlwater.org.

LANGUAGE FOR BILLING CARD

Each customer has the right to deduct the \$5.00 contribution from the final amount stated on this water bill.

OR– Each customer has the right to contribute any dollar amount as a voluntary contribution for local emergency services.