

# TARIFF

Benton City Water Supply Corporation  
980 FM 3175  
Lytle, Texas 78052  
830-709-3254

CCN: 12578

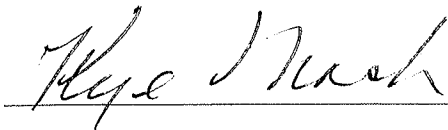
Approved: August 1, 2010

**SECTION A.**  
**RESOLUTIONS**

THE BOARD OF DIRECTORS OF BENTON CITY WATER SUPPLY CORPORATION  
ESTABLISHES THAT:

1. This Tariff of the Benton City Water Supply Corporation, serving in Atascosa, Frio & Medina counties consisting of Sections A. through H. and forms inclusive, is adopted and enacted as the current regulations and policies effective as of August 1, 2010.
2. 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. The Secretary of the Corporation shall maintain the original copy as approved and all previous copies for exhibit.
5. Rules and regulations of state or federal agencies having jurisdiction shall supersede any terms of this 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.
6. This tariff has been adopted in compliance with the Open Meeting Act, Chapter 551 of the Texas Government Code.


PASSED and APPROVED this 13 day of July, 2010.

  
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President, Benton City Water Supply Corporation

SEAL

ATTEST:

  
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Secretary, Benton City Water Supply Corporation

## SECTION B. STATEMENTS

1. **Organization.** The Benton City Water Supply Corporation (the “Corporation”) is a member-owned, non-profit corporation incorporated pursuant to Texas law now codified as the Texas Water Code Chapter 67, and the provisions of the Texas Business Organizations Code applicable to member owned member controlled non-profit corporations for the purpose of furnishing potable water and or sewer 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 Benton City Water Supply Corporation, also referred to as “Corporation” or as the, “BCWSC.” Failure on the part of the Member, Consumer, or Applicant to observe these policies, rules and regulations gives the Corporation the authority to deny or discontinue service according to the terms of this Tariff as amended from time to time by the Board of Directors of the Corporation.
4. **Corporation Bylaws.** The Corporation Members have adopted bylaws which establish the make-up of the Board of Directors and other important regulations of the Corporation. The bylaws are on file at the Corporation's office.
5. **Fire Protection Responsibility.** The Corporation does not provide nor imply that fire protection is available on any of the distribution system. All hydrants or flush valves are for the operation and maintenance of the system and may be used by authorized fire departments in accordance with a contract with the Corporation to supply water for use in fire suppression. The Corporation reserves the right to remove any hydrant, due to improper use or detriment to the system as determined by the Corporation, at any time without notice, refund, or compensation to the contributors unless such hydrants are installed pursuant to the terms of a Non-Standard Service Contract as provided for in Section F, in which event the terms and conditions of the Contract shall apply.
6. **Damage Liability.** The 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, Member consents to waiver of such liability.
7. **Information Disclosure.** The records of the Corporation shall be kept in the Corporation office in Lytle, 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. **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 or a person or entity hired by the Corporation to collect amounts due by the member or customer to the Corporation.** An individual customer may request in writing that their address, telephone number, and account records be kept confidential. Such confidentiality does not prohibit the utility from disclosing this

information to an official or employee of the state or a political subdivision of the state acting in an official capacity or an employee of the Corporation acting in connection with the employee's duties or a person or entity hired by the Corporation to collect amounts due by the member or customer to the Corporation. 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. The Corporation shall give its applicants and customers notice of rights to confidentiality under this policy and all prevailing associated fees for such request.

8. **Customer Notice Provisions.** The Corporation shall give written notice of monthly rate changes by mail or hand delivery to all consumers at least 30 days prior to the effective date of the new rate. The notice shall contain the old rates, new rates, effective date of the new rate, date of Board authorization, and the name and phone number of the Corporation's contact person designated to address inquiries about the rate change.
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, and re-service as part of the activation of standard and some non-standard service. Customer service inspections are also required on any existing service when the Corporation has reason to believe that cross-connections or other potential contaminant hazards exist, or after any material improvement, correction or addition to the members' water distribution facilities. This inspection is limited to the identification and prevention of cross connections, potential contaminant hazards and illegal lead materials. (30 TAC 290.46(i-j)) (See Tariff Section G. 20.)
11. **Submetering Responsibility.** Submetering and Non-Submetering by Master Metered Accounts may be allowed in the Corporation's water distribution system provided the Master Metered Account customer complies with the Texas Commission on Environmental Quality Chapter 291, Subchapter H rules pertaining to Submetering. The Corporation has no jurisdiction or responsibility to the tenants; tenants receiving water under a Master Metered Account are not considered customers of the Corporation. Any interruption or impairment of water service to the tenants is the responsibility of the Master Metered Account Customer. Any complaints regarding submetering should be directed to the Texas Commission on Environmental Quality.

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

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

## **SECTION C. DEFINITIONS**

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

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

**Board of Directors** -- The governing body of the Benton City Water Supply Corporation vested with the management of the affairs of the Corporation. (Section 22.001(1), Business Organizations Code)

**Bylaws** -- The rules pertaining to the governing of the Benton City Water Supply Corporation adopted by the Corporation Members. (Section 22.001(2), Business Organizations Code)

**Certificate of Convenience and Necessity (CCN)** -- The document evidencing the authorization granted by the State of Texas under Chapter 13 Subchapter G of the Texas Water Code for Benton City Water Supply Corporation to provide water and/or sewer utility service within a defined territory. Benton City Water Supply Corporation has been issued Certificate Number 12587 authorizing the provision of retail water service. Territory defined in the CCN shall be the Certificated Service Area. (See Tariff Section D. Certificated Service Area Map)

**Commercial/Industrial/Agricultural** – Any use of water that does not satisfy the requirements for Residential use.

**Consumer** – A person who occupies, rents, leases, or is purchasing under a contract for deed, property from a Member.

**Corporation** -- The Benton City Water Supply Corporation. (Section B. 3 of this Tariff)

**Deposit** – A refundable, non-interest bearing charge in the amount set by the Board collected by the Corporation from Applicants who file a Service Application and Agreement after the date that the Corporation began requiring payment of Deposits. All or part of the amount of the deposit may be refunded, without interest earnings, upon payment by the Member of all charges due the Corporation. The Deposit may be transferred by the Member along with the Membership.

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

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

**Easement** -- A private perpetual dedicated right-of-way for the installation of water and or sewer pipelines and necessary facilities which allows access to property for future operation, maintenance, facility replacement, facility upgrades, and/or installation of additional pipelines (if applicable). This may also include restrictions on the adjacent area to limit the installation of sewer lines or other facilities

that would restrict the use of any area of the easement. The easement will be filed in the real property records of the appropriate county or counties.

**Equity Buy-In Fee** -- Each Applicant shall be required to achieve parity with the contributions to the construction of the Corporation's facilities and capacity that have been made previously by existing and former Members. This fee shall be assessed prior to providing or reserving service 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. (Tariff Section G. 5.,) The amount of the Equity Buy-In Fee shall be reviewed annually by the Corporation's auditors and, as necessary, the adjusters will recommend an adjustment in the amount of the Equity Buy-In Fee which recommendation will be considered by the Board and the Board may refuse to adopt the recommended adjustment or may adopt the recommended adjustment in whole or in part.

**Final Plat** -- A complete plan for the subdivision of a tract of land as may be approved by either county or a city, depending upon the location of the tract of land, if approval by the county or city is required of the subdivision, and if such approval is not required, a plan showing or referencing Local Tax Appraisal Maps, access to public road(s), number and size of lots, location of dedicated water/sewer easements, and location(s) of lakes, streams, or rivers through the property. The Benton City Water Supply Corporation shall determine if a plat submitted for the purpose of this Tariff shall qualify as a final plat. For purposes of evaluating Sub-Division 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.

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

**Hydraulic Investigation** -- A study performed by the Corporation's Engineer to determine the feasibility of a service request.

**Indication of Interest Fee** -- A fee paid by a potential Member of the Corporation for the purpose of determining the feasibility of a construction and /or expansion project. The Indication of Interest Fee may be converted to a Membership Fee upon determination that service to the Applicant is feasible and available. This also applies to applicants applying for, or receiving, Temporary Service. (Tariff Section E. 8. b., and Sample Application Packet - USDA RUS-TX Bulletin 1780-9 (Rev. 09/02))

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

**Member** -- Any person, partnership, cooperative corporation, corporation, agency, or public or private organization who holds a membership in the Corporation and who is a record owner of a fee simple title to the property served, that has qualified for service and been certified as a member in accordance with the Corporation's Tariff. (TX Water Code Section 13.002(11), TX Water Code Section 67.016 d)

**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. 8 b and Sections 22.053, 22.151(c), Business Organizations Code)

**Membership Fee** -- A fee qualified as such under the terms of the tariff and the bylaws of the

Corporation assigned to the real estate designated to receive service. The membership fee shall be refundable upon termination of service and surrendering the Membership. (30 TAC 291.3 Definitions, Texas Water Code Section 13.043(g))

**Proof of Ownership** -- For the purpose of this tariff, applicants for service and membership shall provide proof of ownership by deed of trust, warranty deed, or other recordable documentation of fee simple title to real estate to be served. (Texas Water Code Section 67.016 (d))

**Rural Utilities Service (RUS)** – The current name given to the agency of the United States Department of Agriculture 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. Reference to Rural Utilities Service shall include the federal agency succeeding to the powers and duties of the RUS and the federal agency named FmHA that previously was granted the powers and duties currently held by the RUS.

**Renter** -- A consumer who rents or leases property from a Member or who may otherwise be termed a tenant or who is purchasing property from a Member under a contract for deed. (See Tariff Section E. 9.)

**Re-Service** -- Providing service to an Applicant at a location for which service previously existed. Costs of such re-servicing shall be based on justifiable expenses. (See Tariff Section E. 5. b., E. 6. B.)

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

**Seasonal Reconnect Fee** – The fee charged for resumption of service at a location where the member has voluntarily suspended service, in a written request, for a period of time not exceeding nine months within a twelve month period. The fee based on the total months for which service is suspended multiplied by the amount of the monthly minimum fee the Corporation charges active customers.

**Second Degree of Consanguinity** – includes mother, father, son and daughter (and spouses), grandparents, grandchildren (and spouses), brother or sister (and spouses), first cousin (and spouse), nephew or niece (and spouse), aunt or uncle (and spouse).

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

**Service Application and Agreement** -- A written agreement between the Member/Applicant and the Corporation defining the specific type of service requirements requested on the current service application and agreement form, and the responsibilities of each party required before service is furnished. (See Sample Application Packet RUS-TX Bulletin 1780-9 (Rev. 09/02) or Non-Standard



Service Contract)

**Service Investigation Fee** – A fee for costs associated with determining if service is available and determining cost of service. (See Tariff Section G. 1.)

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

**Subdivide** -- To divide the surface area of land into lots or tracts. (Local Government Code Chapter 232, Section 232.021 Definitions, Texas Water Code Section 13.2502 (e)(1))

**Subdivider** – An individual, firm, corporation, or other legal entity that owns any interest in land and that directly or indirectly subdivides land into two or more tracts, lots or parcels. (Local Government Code Chapter 232, Section 232.021 Definitions)

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

**Tariff** -- The operating policies, service rules, service extension policy, service rates, rationing policies, sample application packet, and miscellaneous transaction forms adopted by the Board of Directors. A copy of this Board approved tariff is on file at the Corporation office and as required since September 1, 1989 at the State office of the TCEQ.

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

**Texas Commission on Environmental Quality (TCEQ)** -- The current name of the state regulatory agency having jurisdiction of water and sewer service utilities and appellate jurisdiction over the rates and fees charged by Non-Profit Water and Sewer Service Corporations. Reference to Texas Commission on Environmental Quality shall include the state agency succeeding to the powers and duties of the TCEQ and the state agencies previously was granted the powers and duties currently held by the TCEQ over non-profit water service or supply corporations.

**TCEQ Regulatory Assessment Fee** – The fee assessed by the State of Texas, by and through the TCEQ, on all retail water customers.

**Transferee** -- An Applicant receiving a BCWSC Membership by legal means from a person or entity desiring to transfer current rights of Membership to another person or entity or forfeiting the current rights of Membership to another person or entity as the result of judicial or non-judicial foreclosure. (See Tariff Section E. 8 c., Miscellaneous Transaction Forms, Section 67.016 Texas Water Code)

**Transferor** -- A Member who transfers Membership by legal means either: (a) to another person or entity (i) desiring to qualify for service at a property for which the Membership is currently issued or (ii) who acquired an interest in the property by judicial or non-judicial foreclosure; or (b) to the Corporation. (Texas Water Code, Section 67.016)

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

SECTION D.

Certificate of Convenience  
1996

MAP OF CCN AREA

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION



CERTIFICATE OF CONVENIENCE AND NECESSITY

To Provide Water Service Under V.T.C.A., Water Code  
and Texas Natural Resource Conservation Commission Substantive Rules

Certificate No. 12587

I. Certificate Holder:

Name: Benton City Water Supply Corporation

Address: P. O. Box 1210  
Lytle, Texas 78052

II. General Description and Location of Service Area:

The area covered by this certificate is located approximately 0.75 miles northwest of downtown Jourdanton, Texas on State Highway 173. The service area is generally bounded on the east by State Highway 16, on the south by Farm to Market Roads 2146 and 1549, on the west by Interstate Highway 35 and on the north by the Bexar/Atascosa County line in Atascosa, Medina and Frio Counties, Texas.

III. Certificate Maps:

The certificate holder is authorized to provide water service in the area identified on the Commission's official water service area maps, WRS-7, WRS-83, and WRS-163, maintained in the offices of the Texas Natural Resource Conservation Commission, 12015 Park 35 Circle, Austin, Texas with all attendant privileges and obligations.

This certificate is issued under Application No. 31007-S 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 Date: MAY 08 1996

A handwritten signature in black ink, appearing to read "Dan Gunn", written over a horizontal line.

ATTEST: Glenn A. Wagner

For the Commission



**SECTION E.**  
**SERVICE RULES AND REGULATIONS**

1. ***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. (30 TAC 291.85 (a))
  
2. ***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 provided by the Corporation. Service shall be through a meter 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 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 at the service address on the same side of the road as the Applicant's service location.
  - b. **Non-Standard Service** is defined as any service request which does not satisfy the requirements of a "Standard Service" request and usually requires a larger meter service, service to a Master Metered Account (see E. 25 of this section), or an addition to the supply, storage and/or distribution/collection system. The service requirements as prescribed by Section F of this Tariff shall be required of the Non-Standard Service Applicant prior to providing service.
  
3. ***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 the account. In addition to the signed Service Application and Agreement, the Applicant shall be
  - a. A Right-of-Way Easement Form, Sanitary Control Easement, or other such easement form, required by the Corporation, must be completed by the Applicant for the purpose of allowing future facility additions. (See Sample Application - RUS-TX Bulletin 1780-9 (Rev. 09/02), 30 TAC 290.47 Appendix C.) **NOTE:** This requirement may be delayed for Non-Standard Service requests.
  - 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 recorded or recordable documentation satisfactory to the Corporation that the Applicant holds fee simple title to the real estate designated to receive service. (Texas Water Code 67.016 (e), and 13.002 (11)). A contract for deed or a lease shall not satisfy the requirements of proof of ownership even if recorded.
  - c. On the request by the property owner or owner's authorized agent, the Corporation shall install individual meters owned by the Corporation in an apartment house, manufactured home rental community, multiple use facility, or condominium on which construction begins after January 1, 2003, unless the Corporation determines that installation of individual meters is not feasible. If the Corporation determines that installation of meters is not feasible, the

property owner or manager shall install a plumbing system that is compatible with the installation of submeters or individual meters. The Corporation shall be entitled to the payment of costs, including the costs of individual meter installations, as provided in Section F.4. The cost of individual meter installation shall be prepaid by the property owner as well as the cost of any additional facilities or supply occasioned by the total water service demand represented by full occupancy of the property, as determined under applicable provisions of Section F. It shall be the responsibility of the property owner to obtain the memberships required for each individual meter.

- d. 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.
- e. 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 required under this Tariff and in addition to the normally required fees for new customer service, shall pay such sums as are reasonably necessary to cap the existing line in the ROW and construct the appropriate line or lines within that easement for the Corporation's system-wide service.

#### 4. *Activation of Standard Service.*

- a. **New Tap** -- The Corporation shall charge a non-refundable service installation fee as required under Section G of this tariff. The service installation fee shall be quoted in writing to the Applicant. All fees shall be paid in advance of installation.
- 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). Deposit, reconnection costs, any delinquent charges (whether at the address of the re-service address or at other service locations) if the applicant is the person that previously incurred those charges, seasonal reconnect fee as appropriate, 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 application requirements have been met. The tap for a standard service request shall be completed within five (5) working days whenever practicable, but not later than 10 working days. This time may be extended for installation of equipment for Non-Standard Service Request. (see Section F)
- d. **Inspection of Customer Service Facilities** -- The property of the Applicant/ Member shall be inspected to insure 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.

5. *Activation of Non-Standard Service.* Activation of Non-Standard Service shall be conducted as prescribed by terms of Section F of this Tariff.

6. *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, Section E.16.

## 7. *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, payment of a deposit, 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 utility service and the receipt from the Corporation of one (1) Membership Certificate. 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 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 by the Applicant as a result of the planned project facilities. If service is not provided within the scope of this project, Indication of Interest Fees shall be refunded, less expenses, within sixty (60) days of the loan closing with the Rural Utilities Service. **NOTE (2):** In the event the applicant is in the process of construction the Membership will be considered TEMPORARY until such time as the final Customer Service Inspection is completed and the forms are returned as required. (See Section C., Section E. Sub-Section 1. Service Entitlement)
- c. **Transfers of Membership.** (Texas Water Code 67.016)
  - 1) A Member is entitled to transfer Membership in the Corporation only under the following circumstances:
    - (a) The Membership is transferred by will to a person related to the Transferor within the second degree by consanguinity; or
    - (b) The Membership is transferred without compensation to a person related to the Transferor within the second degree by consanguinity; or
    - (c) The Membership is transferred without compensation or by sale to the Corporation; or
    - (d) The Membership is transferred as a part of the conveyance of real estate from which the Membership arose.
  - 2) In the event that Membership is transferred pursuant to the provisions of Sub-Section 8.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 Sub-Section 8.c. (3) of this Section.
  - 3) Qualifications for service upon transfer of Membership set forth in Sub-Section 8.c.(1) of this and 8.c.(2) 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) All indebtedness due the Corporation has been paid including but not limited to liquidation of a membership fee due to delinquent charges associated with that specific membership account as stated in Section E. 8. e. of this Section; 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 10<sup>th</sup> day according to disconnection with notice requirements. Additional time may be allowed at the directions of the manager or board.
- 5). If a Member paid a Deposit in addition to a Membership Fee, the Deposit may be transferred by the Member in the same manner and by following the same procedure as a Member transfers a Membership.
- d. **Cancellation of Membership** -- To keep a Membership in good standing, a Service Availability Charge must be paid monthly to the Corporation, whether or not water is used. Failure to pay this monthly charge to the Corporation shall jeopardize the Member's Membership standing and give rise to liquidation of the Membership Fee and forfeiture of the Membership. A Member may be relieved of this obligation to pay by surrendering the Membership, properly documented, to the Corporation. The Member shall also complete a Service Discontinuance Request Form prior to termination of service. (See Misc. Transaction Forms.) However, a Member is not relieved of any obligations incurred prior to the date of surrender of a properly endorsed Membership prior to termination of service. Rights to future service at this tap shall be extended on an as-available basis and subject to the terms of the Activation of Service Sub-Section E.3. of this Tariff. (Texas Water Code 67.016)
- e. **Liquidation Due To Delinquency** -- When the amount of the delinquent charges owed by the Member equals the Membership Fee, the Membership Fee shall be liquidated and the Membership canceled and transferred back to the Corporation. In the event the Member leaves a balance due on an account guaranteed under the terms of a Service Application and Agreement, the Corporation may then liquidate all or part of the Deposit, if any, paid by the Member and refund, without interest, the amount of the Deposit less the amounts due 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 16.). 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 Sub-Section E. 3. of this Tariff.
- f. **Cancellation Due To Policy Non-Compliance** -- The Corporation may cancel a Membership anytime a Member fails to comply with policies of the Corporation, including but not limited to Member's failure to provide proof of ownership of the property from which the Membership arose. (Texas Water Code 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 (Texas Water Code 67.016). Membership will not be re-assigned unless the person or entity that has legal title to the real estate has complied with the Corporation's current rates, charges, and

conditions of service, including current membership fee, set forth in the tariff and service application package.

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.

- h. **Mortgaging of Memberships** -- Nothing herein shall preclude a Member from mortgaging his/her Membership. However, notification to the holder of any security interest (mortgagee/lien-holder) of account status of Member/mortgagor will be provided only upon satisfactory completion of requirements for such conditions under the Membership Mortgage Agreement (See Miscellaneous Transaction Forms). Prior to the cancellation of any Membership as provided under Sub-Section E. 8.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.16. 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 Dissolution of Joint Tenancy)** – The Corporation shall transfer the membership to a spouse (or joint tenant) 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) requesting transfer, such as final divorce decree, temporary court order, 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.
- k. **Delegation of Authority** – The Board authorizes the individual designed from time to time as the Board's Deputy Secretary to perform the ministerial duties authorized to issue a Membership Certificate, to re-acquire a cancelled or forfeited Membership Certificate, to cancel a Membership Certificate in accordance with this Tariff, and to reassign Membership Certificate.

8. **Owners and Renters.** Any Member having complied with the requirements of this Tariff, renting or leasing property designated to receive service or selling property by contract for deed according to the terms of this tariff to other parties, is responsible for all charges due the Corporation. The membership for rental or leased properties shall be in the name of the owner of the property as required by this Tariff. The Corporation may bill the renter or lessee or purchaser for utility service

(at Member Request) as a third party, but the Member is fully responsible for any and all unpaid bills left by the renter/lessee/purchaser. The owner shall be required to sign an Alternate Billing Agreement if the owner requests that the tenant be billed for utility service. (See Miscellaneous Transaction Forms.) The Member shall take responsibility for any necessary deposits from the renter/lessee/purchaser to ensure payment of a past due bill. The Corporation will notify the Member of the past due payment status of the renter/lessee/purchaser. Such notification will be subject to a service charge.

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.

**9. Denial of Service.** The Corporation may deny service for 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, and/or
- 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.
- 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. 8.)

**10. 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.

**11. 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 non-standard equipment or unauthorized attachments which interferes with the service of others, unless the customer has first been notified and been afforded reasonable opportunity to comply with said requirements;
- d. Failure to pay a bill of another member or customer as guarantor thereof unless the guarantee was

made in writing to the Corporation as a condition precedent to service;

- e. Failure to pay the bill of another 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;

**12. *Deferred Payment Agreement.*** The Corporation may offer a deferred payment plan to a New Member who cannot pay for new services and is willing to pay in reasonable installments as determined by the Corporation, including any Late Penalty Fees or interest on the monthly balance to be determined as per agreement. (See Miscellaneous Transaction Forms) Failure to make required and timely payments as provided in any deferred payment agreement will void that agreement and service will be discontinued. The Corporation may consider another deferred payment agreement provided payments will be made by automatic bank draft or credit/debit card. Non-payment of any amount under an additional deferred payment agreement 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 agreement.

**13. *Charge Distribution and Payment Application.***

- a. **The Service Availability Charge** is for the billing period from the 15<sup>th</sup> day of the month to the 15<sup>th</sup> 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 23<sup>rd</sup> of the month preceding the month for which this charge is due. All services shall be subject to this charge whether or not the service is in use by the Member.
- b. **Gallonge Charge** shall be billed at the rate specified in Section G and billing shall be calculated in one hundred (100) 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 which make payment by credit card in accordance with consumer laws.

**14. *Due Dates, Delinquent Bills, and Service Disconnection Date.***

- a. The Corporation shall mail all bills on or about the 23<sup>rd</sup> 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. A bill is delinquent if not paid on or before the past due date (last business day of the month). A sixty (60) 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/customers 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. If this request originates from a tenant at a rental property the owner / member will be notified in writing of any extension request.

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

- a. **Disconnection with Notice** -- Water utility service may be disconnected for any of the following reasons after proper notification has been given.
  - 1) Returned Checks -- The Corporation shall 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. Any such instruments returned as insufficient or non-negotiable for any reason for any two billing periods within a 12-month period shall be considered evidence of bad credit risk by the Corporation. The Member/Customer in violation shall be placed on a "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 Section E (8) (i), or failure to comply with the terms of a deferred payment agreement;
  - 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 non-standard equipment if a reasonable attempt has been made to notify the Member and the Member is provided with a reasonable opportunity to remedy the situation;
  - 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 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.
  - 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. (Note: The cancellation of membership must be in writing and signed by the Member. CORPORATION ASSUMES NO LIABILITY TO RENTER/LESSEE; MEMBER IS SOLELY RESPONSIBLE FOR COMPLIANCE WITH, AND LIABILITY

UNDER ANY FEDERAL, STATE OR LOCAL LAW CREATING OR PROTECTING RIGHTS OF RENTERS/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 Section G.14., meter re-read fee, or meter read fee when customer on self-read plan failed to submit their meter reading.
  - 11) Failure by a Customer/Member to pay for all repair or replacement costs resulting from the Customer/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 Customer/Member with notice detailing the extent of the damage, the location of the damage, the cost of repair, and whether the damage occurred on private property or on a public right-of-way. Failure to pay the cost of repair or replacement will result in the Customer's/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 E. 24. 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 under Chapter 341 of the Health and Safety Code, or there is reason to believe a dangerous or hazardous condition exists and the Member refuses to allow access for the purpose of confirming the existence of such condition and/or removing the dangerous or hazardous condition;
  - 2) Service is connected without authority by a person who has not made application for service or who has reconnected service without authority following termination of service for nonpayment; and
  - 3) In instances of tampering with the Corporation's meter or equipment, by-passing the meter or equipment, or other diversion of service.
- NOTE:**
- Where reasonable, given the nature of the reason for disconnection, a written statement providing notice of disconnection and the reason therefore shall be posted at the place of common entry or upon the front door of each affected residential unit as soon as possible after service has been disconnected.
- c. **Disconnection Prohibited** -- Utility service may not be disconnected for any of the following reasons:
- 1) Failure of the Member to pay for merchandise or charges for non-utility service provided by the Corporation, unless an agreement exists between the Applicant and the Corporation whereby the Member guarantees payment of non-utility service as a condition of service;
  - 2) Failure of the Member to pay for a different type or class of utility service unless a fee for such service is included in the same bill;
  - 3) Failure of the Member to pay charges arising from an underbilling occurring due to any misapplication of rates more than six (6) months prior to the current billing;
  - 4) Failure of the Member to pay the account of another Member as guarantor thereof, unless the Corporation has in writing the guarantee as a condition precedent to service;
  - 5) Failure of the Member to pay charges arising from an underbilling due to any faulty metering, unless the meter has been tampered with or unless such underbilling charges are due under the

Inoperative Meters subsection E. 20. 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.
  - d. **Disconnection on Holidays and Weekends** -- Unless a dangerous condition exists or the Member requests disconnection, service shall not be disconnected on a day, or on a day preceding a day, when personnel of the Corporation are not available to the public for the purpose of making collections and reconnecting service.
  - e. **Disconnection Due to Utility Abandonment** -- The Corporation may not abandon a Member or a Certificated Service Area without written notice to its Members and all similar neighboring utilities and approval from the Texas Commission on Environmental Quality.
  - f. **Disconnection for Ill and Disabled** -- The Corporation may not discontinue service to a delinquent residential Member when that customer establishes that some person residing at that residence will become seriously ill or more seriously ill if service is discontinued. To avoid disconnection under these circumstances, and customer must provide a written statement from a physician to the utility 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 customer enters into a deferred payment plan with the utility.
  - 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: (30 TAC SUBCHAPTER H. 291.126)
    - 1) The Corporation shall send a notice to the Member as required. This notice shall also inform the Member that notice of possible disconnection will be provided to the tenants of the service complex in five (5) days if payment is not rendered before that time.
    - 2) At least five (5) days after providing notice to the Member and at least five (5) days prior to disconnection, the Corporation shall post 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 in behalf of the owner to avert disconnection or to reconnect service to the complex.
  - h. **Disconnection of Temporary Service** -- When an applicant with a Temporary service fails to comply with the conditions stated in the Service Application and Agreement Form or other rules of this Tariff service may be terminated with notice.
16. **Billing Cycle Changes.** The Corporation reserves the right to change its billing cycles. After a billing period has been changed, the billings shall be sent on the new change date unless otherwise determined by the Corporation.
17. **Back-billing.** The Corporation may back-bill a Member for up to four (4) years (48 months) for meter error, misapplied meter multiplier, incorrect meter readings, or error in computing a Member's bill. Failure to pay the most recent six (6) months billing will result in disconnection of service. Back-billing shall not extend beyond current Membership except in cases involving the transfer of a Membership conditioned upon payment of delinquent obligations by the Transferee, as provided in Section E. 8.h.
18. **Disputed Bills.** In the event of a dispute between the Member and the Corporation regarding any bill, the Corporation shall forthwith make and conduct an investigation as shall be required by the particular case, and report the results in writing thereof to the Member. All disputes under this Subsection must be submitted to the Corporation, in writing, prior to the due date posted on said bill except in cases involving the transfer of a Membership conditioned on payment of delinquent obligations by the

Transferee, as provided under Section E. 8. h.

**19. 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.

**20. Bill Adjustment**

- 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 but not extending beyond current Membership except in cases involving the transfer of a Membership conditioned on payment of delinquent obligations by the Transferee, as provided under Sub-Section 8. h. The billing adjustment shall be made to the degree of the meter's inaccuracy as determined by the test. The Member shall complete a Meter Test Request Form prior to the test. (See Misc. Transaction Forms.)
- 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.

**21. Meter Tampering and Diversion.** For purposes of these Sections, meter-tampering, by-passing, or diversion shall all be defined as tampering with the Corporation's service equipment, by-passing the same, or other instances of diversion, such as:

- a. removing a locking or shut-off device used by the Corporation to discontinue service,
- b. physically disorienting the meter,
- c. attaching objects to the meter to divert service or to by-pass,
- d. inserting objects into the meter,
- e. other electrical and mechanical means of tampering with, by-passing, or diverting service, and
- f. preventing the supply from being correctly registered by a metering device due to adjusting the valve so that flow is reduced below metering capability.

The burden of proof of meter-tampering, by-passing, or diversion is on the Corporation. Photographic evidence or any other reliable and credible evidence may be used; however, any evidence shall be accompanied by a sworn affidavit by the Corporation's staff when any action regarding meter-tampering as provided for in these Sections is initiated. A court finding of meter tampering may be used instead of photographic or other evidence, if applicable. Unauthorized users of services of the Corporation shall be prosecuted to the extent allowed by law under the Texas Penal Code 28.03.

**22. 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. The proposed location of the meter is acceptable to the Corporation, acting by and through its Manager;
- c. A current easement for the proposed location has been granted to the Corporation; and
- d. The Member pays the actual cost of relocation plus administrative fees.



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

- a. No more than one (1) residential, commercial, or industrial service connection is allowed per meter. The Corporation may consider allowing an apartment building or mobile home/RV park to apply as a "Master Metered Account" and have a single meter (see Section E. 25.) Any unauthorized sub-metering or diversion of service shall be considered a Multiple Connection and subject to disconnection of service. If the Corporation has sufficient reason to believe a Multiple Connection exists, the Corporation shall discontinue service under the Disconnection with Notice provisions of this Tariff for a first violation and for subsequent violations service will be disconnected without notice in accordance with E. 16. b.
- b. For purposes of this section, the following definitions shall apply:
  - 1) A "multiple connection" is the connection to any portion of a member's system that is connected to a primary delivery point already servicing one residence, one commercial or industrial facility of a water line serving another residence or commercial or industrial facility. Water lines to outbuildings, barns or other accessory structures shall not be considered a multiple connection if: (i) those structures are located on the same tract as the primary delivery point and (ii) such structures are not used as a residence or as a commercial or industrial facility.
  - 2) A "primary delivery point" shall mean the physical location of a meter that is installed in accordance with this Tariff and applicable law and which provides water service to the residence or commercial or industrial facility of a member.
  - 3) A "residence" shall mean any structure or vehicle, such as a home, house, mobile home, manufactured home, apartment unit, or any unit in a multi-unit residential structure, which is being used for human habitation, which may include kitchen or other area for the preparation and/or storage of food and bathroom facilities or other evidence of habitation as defined by the Corporation. "A Recreational Vehicle that is not located in a recreational vehicle park shall be considered a "residence" if it is connected to a Corporation water meter/service and is used for human habitation.
  - 4) "Commercial" facility shall mean any structure or combination of structures at which any business, trade, occupation, profession, or other commercial activity is conducted. A member that utilizes water within their residence or property for commercial purposes may be required to obtain a separate meter. A business conducted within a member's residence or property that does not require water in addition to that provided to the member's residence shall not be considered a separate commercial facility.
- c. The Corporation agrees to allow members in good standing to share water usage with a visitor on their property with a recreation vehicle (RV) or travel trailer for a period of no longer than three months during any twelve month period. If the recreation vehicle/travel trailer is being used for a permanent residence, this Tariff requires that an additional meter installation and membership be purchased. If the Member routinely has more than one visitor at a time with recreation vehicles or travel trailers or has multiple visitors throughout the year, the Corporation may require that a second or additional meter(s) be purchased. The Member must submit a written request to the Corporation's business office at least 5 business days prior to sharing Corporation water with a visitor. The Corporation has the right to refuse or deny the shared usage for any reason. The Corporation also has the right to inspect the premises for any potential cross-contamination issues as outlined in the Customer Service Inspection requirements and to ensure that the meter is properly sized for the additional usage at the time of total peak water demand. These requirements pertain to visitors ONLY. No commercial usage where fees for water are charged, either directly or indirectly, is allowed. If a Member is found to violate these conditions, the Member will be sent a letter of notice stating that water service will be cut off in ten days if the situation is not corrected.

- d. The Member found by the Corporation, acting by and through its Manager, to have allowed a Multiple Connection to occur on the Member's property may secure additional connections by following the procedures applicable for a new connection. In addition, the Member shall be required to pay the Corporation an amount equal to the Minimum Monthly Charge multiplied by each additional connection that the Member allowed to occur, times the number of months that the additional connection was in existence, not to exceed 48 months.

**24. Master Metered Account Regulations.** An apartment building, condominium, manufactured housing (modular, mobile or RV) community, business center or other similar type enterprise may be considered by the Corporation to be a single commercial facility if the owner applies for a meter as a "master metered account" and complies with the requirements set forth in TCEQ rules, this Tariff and applicable law. The Corporation may allow master metering to these facilities at an Applicant's request.

**25. 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.
- b. The Member shall be responsible for compliance with all utility, local, and state codes, requirements, and regulations concerning on-site service and plumbing facilities.
- 1) All connections shall be designed to ensure against on-site sewage contamination, 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.
  - 2) The use of pipe and pipe fittings that contain more than 8.0% lead or solder and flux that contain more than 0.2% lead is prohibited for any plumbing installation or repair of any residential or non-residential facility providing water for human consumption and connected to the Corporation's facilities. Customer service pipelines shall be installed by the applicant.
  - 3) All pipe and fittings used by the customer to convey sewage from its source to the sewer line must be a minimum of D-3034, SDR-35 or equivalent, 4-inch diameter pipe. No DWV (drain waste and vent) pipe or fittings will be allowed. All joints must be watertight and pipe must be installed to recommended grade. The Corporation may impose other site-specific requirements. All sewer and potable water service pipeline installations must be a minimum of nine feet apart and meet all applicable plumbing standards for crossings, etc.
  - 4) Service shall be discontinued without further notice when installations of new facilities or repair of existing facilities are found to be in violation of this regulation until such time as the violation is corrected.
- c. A Member owning more than one (1) Membership shall keep all payments current on all accounts. Failure to maintain current status on all accounts shall be enforceable as per Service Application and Agreement executed by the Member.
- d. The Corporation's ownership and maintenance responsibility of water supply and metering equipment shall end at the meter or other service equipment. Therefore, all water usage registering upon and/or damages occurring to the metering equipment owned and maintained by the Corporation shall be subject to charges as determined by the Corporation's Tariff as amended from time to time by the Board of Directors.
- e. The Corporation shall require each Member to have a cut-off valve 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.

**26. Customer Service Lock** – Meters will be locked by the Corporation at the request of the Member/Customer in order to eliminate the need for monthly readings. The minimum monthly fee will be due and all penalties will apply. The minimum service trip fee will be charged for the locking and unlocking of the meter

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

**Part I. General Requirements**

**This section details the requirements for all types of non-standard service requests.**

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

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

3. ***Application of Rules.*** This Section is applicable to subdivisions, additions to subdivisions, developments, or whenever additional service facilities are required for a single tract of property. Examples of non-standard services for a single tract of land can include, but are not limited to, road bores, extensions to the distribution system, service lines exceeding 3/4" diameter and service lines exceeding 100 feet. Non-residential or residential service applications requiring a larger sized meter typically will be considered non-standard. For the purposes of this Tariff, Applications subject to this Section shall be defined as Non-Standard. This Section may be altered or suspended for planned facility expansions when the Corporation extends its indebtedness. The Board of Directors of the Corporation 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 Non-Standard Service Requests. The specific terms and conditions pursuant to which the Corporation will provide non-standard service in response to any request will depend upon the nature of such request and may be set forth in a legally enforceable,

contractual agreement to be entered into by the Corporation and the service Applicant. The agreement may not contain any terms or conditions that conflict with this Section.

4. ***Non-Standard Service Application.*** The Applicant shall meet the following requirements prior to the initiation of a Non-Standard Service Contract by the Corporation:
    - a. The Applicant shall provide the Corporation a completed Service Application and Agreement giving special attention to the item(s) on SPECIAL SERVICE NEEDS OF THE APPLICANT.
    - b. A final plat (see Tariff Definition Section- Final Plat) approved by the Corporation must accompany the Application showing the Applicant's requested service area. The plat must be approved by all governmental authorities exercising jurisdiction over lot sizes, sewage control, drainage, right-of-way, and other service facilities. Plans, specifications, and special requirements of such governmental authorities shall be submitted with the plat. Applicants for single taps involving extension or upsizing of facilities shall be required to submit maps or plans detailing the location of the requested extension and details of demand requirements.
- NOTE:** It is the responsibility of the developer / applicant to secure all necessary approvals of the subdivision once an Agreement is in place between the Corporation and the Applicant.
- c. A Non-Standard Service Investigation Fee shall be paid to the Corporation in accordance with the requirements of Section G of this Tariff 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, 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 Certificate of Convenience and Necessity; and
    - 3) The Corporation's Certificate of Convenience and Necessity shall be amended to include the entirety of Applicant's property for which service is requested. Applicant shall pay all costs incurred by Corporation in amending its CCN, including but not limited to engineering and professional fees. If the service location is contiguous to or within one-fourth (1/4) mile of Corporation's Certificate of Convenience and Necessity, Corporation may extend service prior to completing the amendment to its CCN, but will do so only upon Applicant's legally enforceable agreement to fully support such amendment (including but not limited to payment of all professional fees, including legal, surveying and engineering fees incurred by Corporation in securing the amendment).

5. **Design.** The Corporation shall approve the design requirements of the Applicant's required facilities prior to initiation of a Non-Standard Service Contract in accordance with the following schedule:
  - a. The Corporation's Consulting Engineer shall design, or review and approve plans for, all on-site and off-site service facilities for the Applicant's requested service within the Corporation's specifications, incorporating any applicable municipal or other governmental codes and specifications.
  - b. The Corporation's Consulting Engineer's fees shall be paid out of the Non-Standard Service Investigation Fee under Tariff Section F. 4.
  - c. The Consulting Engineer shall submit to the Corporation a set of detailed plans, specifications, and cost estimates for the project.
  - d. The Corporation's Engineer shall ensure that all facilities for any Applicant meet the demand for service as platted and/or requested in the plans or plat submitted in application for service. The Corporation reserves the right to upgrade design of service facilities to meet future demands provided however, that the Corporation shall pay the expense of such upgrading in excess of that which is reasonably allocable to the level and manner of service requested by the Applicant.
  
6. **Non-Standard Service Contract.** Applicants requesting or requiring Non-Standard Service **may** be requested to execute a written contract, drawn up by the Corporation's Attorney, in addition to submitting the Corporation's Service Application and Agreement. Said contract shall define the terms of service prior to construction of required service facilities. The service contract may include, but is not limited to:
  - a. All costs associated with required administration, design, construction, and inspection of facilities for water service to the Applicant's service area and terms by which these costs are to be paid.
  - b. Procedures by which the Applicant shall accept or deny a contractor's bid, thereby committing to continue or discontinue the project.
  - c. Equity Buy-In Fee (Front-end Capital Contributions) required by the Corporation in addition to the other costs required under this Section.
  - d. Monthly Reserved Service Charges as applicable to the service request.
  - e. Terms by which service capacity shall be reserved for the Applicant and duration of reserved service with respect to the demand which the level and manner of the service will have upon the Corporation's system facilities.
  - f. Terms by which the Applicant shall be reimbursed or compensated for fees duplicated in assessments for monthly rates and Equity Buy-In Fees.
  - g. Terms by which the Corporation shall administer the Applicant's project with respect to:
    - 1) Design of the Applicant's service facilities;
    - 2) Securing and qualifying bids;
    - 3) Execution of the Service 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.

- h. Terms by which the Applicant shall indemnify the Corporation from all third party claims or lawsuits in connection with the project.
  - i. Terms by which the Applicant shall dedicate, assign and convey to the Corporation all constructed facilities and related rights (including contracts, easements, rights-of-way, deeds, warranties, and so forth) by which the Corporation shall assume operation and maintenance responsibility for the Applicant's project. The Applicant shall also provide reproducible as-built drawings of all constructed facilities. The as-built drawings must verify that all facilities have been properly located within the easements conveyed to the Corporation.
  - j. A reserve fee of \$17.25 will be charged monthly for each unsold lot or for any other reason as determined by the Corporation's manager or Board of Directors
  - k. Terms by which the Board of Directors shall review and approve the Service Contract pursuant to current rules, regulations, and bylaws.
7. **Construction of Facilities by Applicant Prior to Execution of Service Contract --** The Corporation and the Applicant must execute a Non-Standard Service Contract prior to the purchase of supplies and materials or initiation of construction of facilities by the Applicant. In the event that the Applicant commences construction of any such facilities prior to execution of a Contract with the Corporation, then the Corporation may refuse to provide service to the Applicant 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.
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 in behalf of the Corporation. All right-of-way easements and property titles shall be researched, validated, and filed by the Corporation at the expense of the Applicant.
  - b. All additional costs associated with facilities that must be installed in public rights-of-way on behalf of the Applicant, due to the inability of the Applicant to secure private right-of-way easements, such as including road bores and TxDOT approvals shall be paid by the Applicant. Alternatively, Applicant shall pay all costs, including legal and other professional fees and the condemnation award in the event Corporation secures such private easements or facility sites through eminent domain proceedings.
  - c. The Corporation shall require an exclusive dedicated right-of-way on the Applicant's property (as required by the size of the planned facilities and as determined by the Corporation) and title to property required for other on-site 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 and at the expense of the Applicant.
9. **Bids For Construction.** If the Non-Standard Service Agreement provides for the Corporation to construct facilities or improvements required to provide service, then for those facilities and improvements, the Corporation's Consulting Engineer shall advertise for bids for the construction of the 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 if the
- a. Applicant has signed the Non-Standard Service Contract and has deposited with the Corporation the funds required by the Corporation to pay all costs in advance of construction associated with the project. Whether the Corporation constructs the facilities or the Applicant constructs the facilities or improvements, all contracts must satisfy the following criteria;
  - b. The Contractor shall provide an adequate bid bond under terms acceptable to the Corporation;
  - c. The Contractor shall secure adequate performance and payment bonding for the project under terms acceptable to the Corporation;
  - d. The Contractor shall supply favorable references acceptable to the Corporation;
  - e. The Contractor shall qualify with the Corporation as competent to complete the work (including but not limited to current water license, OSHA competent person training, and other licenses / certificates as required to complete the project); and
  - f. The Contractor shall provide adequate certificates of insurance as required by the Corporation.
  - g. The bonds, insurance, and warranties shall be assignable to the Corporation and shall be assigned to the Corporation should the Corporation accept the construction of the facilities and improvements
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 Non-Standard 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.

## **PART II. Request for Service to Subdivided Property**

**In addition to PART I requirements, this section contains additional requirements for developers of subdivisions, subject to the exemption described in paragraph 5, below.**

1. All developers or subdividers of property shall provide the Corporation sufficient information describing the level and manner of service requested and the timeline for initiation of this service. The following is the minimum information needed for an engineering evaluation of the requested service to the property described in the application.
  - a. Completion of requirements described in **Section F. Part I. 4. Non-Standard Service Application** above.
  - b. Applicant shall provide the Corporation with details concerning access to the property during evaluation of application.
  - c. Applicant shall be notified in writing by the Corporation or designated representative if service can be extended in accordance with the details described on the Applicant's request for service.
2. **Service within Subdivisions**-The Corporation's obligation to provide service to any customer located within a subdivision governed by this Section is strictly limited to the level and manner of the nonstandard service specified by the Applicant. The Applicant is responsible for paying for all costs necessary for non-standard service to a subdivision as determined by the Corporation under the provisions of this Tariff and specifically the provisions of this Section; if the Applicant fails to pay these costs, the Corporation has the right to require payment of these costs by any one or more of the persons purchasing lots or homes within such subdivision before the Corporation is obligated to provide water service. In addition, Corporation may elect to pursue any remedies provided by the Non-Standard Service Contract if one has been executed. Applicant is advised that purchasers of lots also may have legal recourse to the Applicant under Texas law, including but not limited to Section 13.257, Texas Water Code and the Texas Deceptive Trade Practices–Consumer Protection Act, Chapter 17, Subchapter E, Business and Commerce Code.
3. For Service to subdivisions involving tracts of 50 acres or greater, the Applicant / Developer must provide the following in addition to all other information otherwise required by this Section:
  - a. Map and description of the area to be served using map criteria in Section 291.105(a)(2)(A-G of the TCEQ's Rules).
  - b. Time frame for:
    1. Initiation of service
    2. Service to each additional phase following the initial service
  - c. Level of service (quantity and quality) for:
    1. Initial needs

2. Phased and final needs and the projected land uses that support the requested level of service for each phase
- d. Manner of service for:
  1. Initial needs
  2. Phased and final needs and the projected land uses that support the requested level of service for each phase
- e. Any additional information requested by the Corporation necessary to determine the capacity and the costs for providing the requested service.
- f. Copies of all required approvals, reports and studies done by or for the Applicant / Developer to support the viability of the proposed development.

Applicant / Developer must provide reasonably sufficient information, in writing, to allow the Corporation to determine whether the level and manner of service specified by the Applicant / Developer can be provided within the time frame specified by the Applicant / Developer and to generally determine what capital improvements, including expansion of capacity of the Corporation's production, treatment and/or storage facilities and/or general transmission facilities properly allocable directly to the service request are needed. If the Applicant / Developer proposes development in phases, the Applicant / Developer should specify the level and manner of service and the estimated time frame within which that service must be provided for each phase, and the Applicant / Developer must depict the currently estimated location of each phase on the maps required under 30 TAC Section 291.105(a)(2)(A-G). It is important that the Applicant / Developer's written request be complete. A complete application by the Applicant / Developer should include: (a) the proposed improvements to be constructed by the Applicant / Developer; (b) a map or plat signed and sealed by a licensed surveyor or registered professional engineer; (c) the intended land use of the development, including detailed information concerning the types of land uses proposed; (d) the projected water demand of the development when fully built out and occupied, the anticipated water demands for each type of land use, and a projected schedule of build-out; (e) a schedule of events leading up to the anticipated date upon which service from the CCN holder will first be needed; and a proposed calendar of events, including design, plat approval, construction phasing and initial occupancy. Applicant / Developer must establish that current and projected service demands justify the level and manner of service being requested. In making his/her written request for service, the Applicant / Developer must advise the CCN holder that he/she may request expedited decertification from the TCEQ.

Upon payment of the required fees, the Corporation shall review Applicant / Developer's service request. If no additional information is required from Applicant / Developer, the Corporation will prepare a written report on Applicant / Developer's service request, subject to any final approval by the Corporation's governing body (if applicable) which must be completed within the 90 days days from the date of application and payment of the required fees. The Corporation's written report will state whether the requested service will be provided, whether the requested service can be provided within the time frame specified by the Applicant / Developer, and the costs for which the Applicant / Developer will be

responsible (including capital improvements, easements or land acquisition costs, and professional fees).

In the event the Corporation's initial review of the Applicant / Developer's service shows that additional information is needed, the Corporation will notify Applicant / Developer of the need for such additional information. Notice of the need for additional information will be made in writing within 30 days of the date the Corporation receives the Applicant / Developer's payment of the required fees. Applicant / Developer should respond to the Corporation's request for additional information within 15 days of receipt of the Corporation's written request. In any case, the Corporation will provide the written report, including any final approval by the Corporation's Board (if applicable) within 90 days from the date of the **initial** written application and payment of all required fees.

By mutual written agreement, the Corporation and the Applicant / Developer may extend the time for review beyond the 90 days provided for expedited petitions to the TCEQ.

4. Upon final approval by the Corporation and acceptance of proposal for service by the Applicant / Developer, a non-standard service contract will be executed and the corporation shall provide service according to the conditions contained in the Non-Standard Service Contract.
5. Upon acceptance by the Corporation, the developer, owner will be billed monthly \$17.25 for each unsold lots on the property, as determined by the Corporation's Manager or Board of Directors.
5. A subdivision of land that is exempt from the platting requirements of a county or city and results in the division into two or more tracts of land, all of which exceed one acre in size, and occurs as the result of partition of land by the Member or a transfer of land by the Member, and members of the Member's family within the second degree of consanguinity may be exempted by the Board from all or part of the requirements set forth in this Part II, if the Board finds that (i) each lot or tract has frontage or direct physical access onto an existing street or road; and (ii) the division is not part of a larger planned development or a sham or a contrivance to avoid the requirements set forth in this Part II.

**SECTION G.**  
**RATES AND SERVICE FEES**

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

1. ***Service Investigation Fee.*** The Corporation shall conduct a service investigation for each service application submitted at the Corporation office. An initial determination shall be made by the Corporation, without charge, as to whether the service request is Standard or Non-Standard. An investigation shall then be conducted and the results reported under the following terms:
  - a. All Standard Service requests shall be investigated without charge and all applicable costs for providing service shall be quoted in writing to the Applicant within ten (10) working days of application.
  - b. All Non-Standard Service requests shall be subject to a fee, appropriate to each project, of sufficient amount to cover all administrative, legal, and engineering fees associated with investigation of the Corporation's ability to deliver service to the Applicant to:
    - (1) provide cost estimates of the project,
    - (2) to present detailed plans and specifications as per final plat,
    - (3) to advertise and accept bids for the project,
    - (4) to present a Non-Standard Service Contract to the Applicant, and
    - (5) to provide other services as required by the Corporation for such investigation. A Non-Standard Service Contract shall be presented to the Applicant within a suitable amount of time as determined by the complexity of the project. (See Section F.)
2. ***Membership Fee.*** At the time the application for service is approved, a refundable Membership Fee must be paid for each service requested before service shall be provided or reserved for the Applicant by the Corporation.
  - a. The Membership Fee for water service is \$200.00 for each service unit.
  - b. Membership fee for oversized or Master Metered Accounts shall be based on multiples of meter size equivalence or actual connections served.
3. ***Easement Fee.*** When the Corporation determines that private right-of-way easements and/or facilities sites are necessary to provide service to the Applicant, the Applicant shall be required to make good faith efforts to secure easements 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 in behalf of the Applicant. (See Section E. 3., Section F. 7. a.) Easement fees will be \$16 for first page and \$4 for each additional page to cover cost of filing easement with county.
4. ***Service Fee.*** The Corporation shall charge as follows:
  - a. **Standard Service** shall include an Equity Buy-In charge and Connection Fee. This shall be charged on a per tap basis as metered service is requested and installed.
  - b. **Non-Standard Service** shall include any and all construction labor and materials, inspection, administration, legal, and engineering fees, as determined by the Corporation under the rules of Section F of this Tariff.
  - c. Standard and Non-Standard Service Installations shall include all costs of any pipeline relocations as per Section E. 3(e) of this Tariff.

5. **Equity Buy-In Fee.** In addition to the Membership Fee, each Applicant shall be required to achieve parity with the contributions to the construction of the Corporations facilities capacity that have been made previously by existing Members. This fee shall be assessed immediately prior to providing or reserving service 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. The formula applied to such fee calculated annually after receipt of the system audit is as follows: **(The Corporation will not charge both an Equity Buy-In fee and an Impact Fee to the same property.)**

*Calculation for 2010:*

Total Contributions and Assets of the Corporation minus (-)	\$19,374,228
Outstanding Corporation Debt Principle minus (-)	\$-9,139,582
Grants received divided by	0.0
Total Number of Members / Customers equals =	4262
Average Net Equity Buy-In Fee	<b><u>\$2,400</u></b>

6. **Connection Fee.** A Connection fee of \$500 shall be charged for all installations.
7. **Re-Servicing.** The following fees shall be charged for providing service to an Applicant at a location for which service previously existed: Connection Fee and Membership Fee.

8. **Monthly Charges.**

a. **Service Availability Charge**

- (1) Water Service - The monthly charge for an account at a specific location for which the Corporation and the Applicant have entered into agreement and/or contract for reserving service or providing metered water service,
- (2) Rates and equivalents are based on meter size and do not include an allowable gallonage.

METER SIZE	5/8" X 3/4" METER EQUIVALENTS	MONTHLY RATE
5/8" X 3/4"	1.0	\$27.00
3/4"	1.5	\$34.50
1"	2.5	\$57.50
1 1/2"	5.0	\$115.00
2"	8.0	\$184.00

- b. **Gallonage Charge** - In addition to the Service Availability Charge, a gallonage charge shall be added at the following rates for usage during any one (1) billing period.

- (1) Water - \$.35 per 100 gallons up to 7,000 gallons and \$.45 per 100 gallons over 7,000 gallons.

9. **Assessments** – If at the end of the fiscal year, or in the event of emergency repairs, the Board of Directors determines the total amount derived from the collection of water charges to be insufficient for the payment of all costs incident to the operation of the Corporation’s system during the year in which such charges are collected, the Board shall make and levy an assessment against each Member of the Corporation as the Board may determine or as may be required by Rural Development, so that the sum of such assessments and the amount collected from water and other charges is sufficient to fully pay all costs of the operation, maintenance, replacement and repayment on indebtedness for the

year's operations. (Article XVIII of Bylaws, Section 1.)

10. **Late Payment Fee.** Once per billing period, a penalty of \$10.00 shall be applied to delinquent bills (bills not paid by 8:00am on the 16<sup>th</sup> of each month). This late payment penalty shall not be applied to any balance to which the penalty was applied in a previous billing, but shall be applied to any unpaid balance during the current billing period.
11. **Past Due Fee.** A penalty of \$30.00 shall be applied to past due bills not paid by 4:30pm the last business day of the month. This late payment penalty shall not be applied to any balance to which the penalty was applied in a previous billing, but shall be applied to any unpaid balance during the current billing period.
12. **Owner Notification Fee.** The Corporation may, at the expense of the Member, notify said Member of a renter/lessee delinquent account status prior to disconnection of service. The Owner Notification Fee shall be \$10.00 per notification.
13. **Mortgagee/Guarantor Notification Fee.** The Corporation shall assess a fee of \$10.00 for each notification to a Membership lien-holder under agreement prior to Membership cancellation.
14. **Returned Check Fee.** In the event a check, draft, or any other similar instrument is given by a person, firm, corporation, or partnership to the Corporation for payment of services provided for in this Tariff, and the instrument is returned by the bank or other similar institution as insufficient or non-negotiable for any reason, the account for which the instrument was issued shall be assessed a return check charge of \$30.00.
15. **Reconnect Fee.** The Corporation shall charge a fee of \$50.00 for reconnecting service after the Corporation has previously disconnected the service for any reason provided for in this Tariff except for activation of service under Section E.3.b. Re-Service.
16. **Seasonal Reconnect Fee – Service Availability Charge** multiplied by the number of months during which service is suspended, not to exceed 9 months during any 12 consecutive months.
17. **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 resident 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 \$25.00 per employee per hour for each additional hour required.
18. **Equipment Damage Fee.** If the Corporation's facilities or equipment have been damaged by tampering, by-passing, installing unauthorized taps, reconnecting service without authority, or other service diversion, a fee shall be charged equal to the actual costs for all labor, material, and equipment necessary for repair, replacement, and other Corporation actions (minimum of \$75.00). This fee shall be charged and paid before service is re-established. If the Corporation's equipment has not been damaged, a fee equal to the actual costs for all labor, material, equipment, and other actions necessary to correct service diversions, unauthorized taps, or reconnection of service without authority shall be charged. All components of this fee will be itemized, and a statement shall be provided to the Member. If the Corporation's facilities or equipment have been damaged due to negligence or unauthorized use

of the Corporation's equipment, right-of-way, or meter shut-off valve, or due to other acts for which the Corporation incurs losses or damages, the Member shall be liable for all labor and material charges incurred as a result of said acts or negligence.

19. **Customer History Report Fee.** A fee of \$2.00 shall be charged to provide a copy of the Members record of past water purchases in response to a Member's request for such a record.
20. **Meter Test Fee.** The Corporation shall test a Member's meter upon written request of the Member. Under the terms of Section E of this Tariff, a charge equal to the actual lab charges shall be imposed on the affected account.
21. **Transfer Fee.** An Applicant for service who is a Transferee shall complete all required application forms, etc., and pay a Transfer Fee of \$100.00.
22. **Information Copy Fee.** A fee of \$.30 per page for the copying of any public information will be charged to the person requesting that information in compliance with the cost rules of the Texas Buildings and Procurement Commission set forth at 1 TAC Section 111.70.
23. **Billing Stub Fee.** A fee of \$1.00 will be charged to customers who do not provide the return-billing stub with payments. This applies to all payments made to the Corporation whether mailed or hand delivered.
24. **Assisted Online Payment Fee.** Members making self payments on-line through the Corporation web page are not charged a fee. A fee of \$2.50 will be charged for Corporation personnel to physically process online payments.
25. **Customer Service Inspection Fee.** A fee of \$75.00 will be assessed each Applicant before permanent continuous service is provided to new construction.
26. **Multiple Connection Inspection Fee.** A fee of \$75.00 per visit will be assessed each Applicant that has multiple connections (servicing more than one residence from a single meter). One visit will be required to confirm the multiple connections and a second to verify the service has been corrected.
27. **Regulatory Assessment.** A fee of 0.5% of the amount billed for water service will be assessed each customer; this assessment is required under Texas law and TCEQ regulations. **NOTE:** The regulatory assessment is not to be collected from state agencies, wholesale customers, or buyers of non-potable (not drinkable) water. (Ref. TCEQ RG-199 revised Oct. 2002. TCEQ Section 291.76 (c))
28. **Drought Management Violation Fee.**
  - a. First Violation – Warning – no penalty
  - b. Second Violation - The Corporation will assess a penalty of \$ 160.00.
  - c. Subsequent Violations - The Corporation will assess an additional penalty of \$160.00 for violations continuing after the Second Violation. The Corporation may also install a flow restricting device in the customer's meter service to limit the amount of water that will pass through the meter in a 24 hour period. The costs of this procedure will be for the actual work and equipment and shall be paid by the customer.

29. ***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 charges, this fee or assessment will be billed and collected as a "pass through" charge to the customer.
30. ***Other Fees.*** All services outside the normal scope of utility operations that the Corporation may be compelled to provide at the request of a customer or Member shall be charged to the recipient based on the cost of providing such service.



**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 rationing 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 five years unless conditions necessitate more frequent amendments.

The plan will be implemented according to the three stages of rationing as imposed by the Board. Section D 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 Region L, 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 \_\_\_\_\_ ( ) feet or more for \_\_\_\_\_ ( ) 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 ALOCATIONS

The stage levels of water allocations are to be placed in effect by the triggers in Section D. 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 via local media (TV, radio,

newspapers, etc.).

**c. Stage III - Severe Conditions**

- 1) All outside watering prohibited.
- 2) 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 insure 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 rationing shall be initiated. The initiation may be delayed if there is a reasonable possibility the water system performance will not be compromised by the condition. If water allocation is to be instituted, written notice to the customers shall be given.

Written notice of the proposed water allocation measure shall be mailed or delivered to each affected customer upon the initiation of each stage. 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 allocation 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 allocation conditions is included in Miscellaneous Transaction Forms 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 show the amount of penalty \* to be assessed for continued violations.
- b. **Second Violation** - The Corporation will assess a penalty \* of \$ 160.00.
- c. **Subsequent Violations** - The Corporation will assess an additional penalty \* of \$160.00 for violations continuing after the Second Violation. The Corporation may also install a flow restricting device in the customer's meter service to limit the amount of water that will pass through the meter in a 24 hour period. The costs of this procedure will be for the actual work and equipment and shall be paid by the customer.
- d. **Termination** – The Corporation will terminate service for up to 7 days for continuing violations under this section. Service will remain off until any delinquent penalty \* or other assessment is fully paid including a charge for the service call to restore service.

**These provisions apply to all customers of the Corporation.**

**NOTE: PENALTY \*** -- A WSC is allowed to charge a reasonable penalty to customers that fail to comply with the Rationing Procedures in accordance with TAC 291.41 (j) if:

- (1) the penalty is clearly stated in the tariff;
- (2) the penalty is reasonable and does not exceed six (6) times the minimum monthly bill stated in the water supply corporation's current tariff; and
- (3) the water supply corporation has deposited the penalty in a separate account dedicated to enhancing water supply for the benefit of all the water supply corporation's customers.

## 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.
- b. 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 Ordinance shall file a petition for variance with the Drought/Emergency Management Committee within 5 days after the Plan or a particular drought response stage has been invoked or after a condition justifying the variance first occurs. All petitions for variances shall be reviewed by the Committee and shall include the following:

- 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 \_\_\_\_\_.

# **Drought Contingency Plan**

## **Benton City Water Supply Corporation**

**Texas Commission on  
Environmental Quality**

# DROUGHT CONTINGENCY PLAN FOR

Benton City Water Supply Corporation

21180 Naegelin Road  
Lytle, Texas 78052

CCN# 12587

PWS# TX1630034

January, 2005

## Section 1 Declaration of Policy, Purpose, and Intent

In cases of extreme drought, periods of abnormally high usage, system contamination, or extended reduction in ability to supply water due to equipment failure, temporary restrictions may be instituted to limit nonessential water usage. The purpose of the Drought Contingency Plan (Plan) is to encourage member conservation in order to maintain supply, storage, or pressure or to comply with the requirements of a court, government agency or other authority.

## Section 2 Public Involvement

Opportunity for the public to provide input into the preparation of the Plan was provided by:

Scheduling and providing public notice of a public meeting to accept input on the Plan. The meeting took place at:

Date: January 19, 2005 Time: 10:00 a.m. Location: 21180 Naegelin Road, Lytle, TX

## Section 3 Public Education

The Benton City Water Supply Corporation will periodically provide the public with information about the Plan, including information about the conditions under which each stage of the Plan is to be initiated or terminated and the drought response measures to be implemented in each stage.

Drought plan information will be provided by:

- Annual Mailing every January; Benton City Water website
- Annual Meeting held the second Tuesday of April every year

## Section 4 Coordination with Regional Water Planning Groups

The service area of the Benton City Water Supply Corporation is located within Regional Water Planning Group (RWPG) South Central Texas Regional Water Planning Group.

Benton City Water Supply Corporation has mailed a copy of this Plan to the RWPG.

## Section 5 Notice Requirements

Written notice will be provided to each member prior to implementation or termination of each stage of the water restriction program. Mailed notice must be given to each member 72 hours prior to the start of water restriction. If notice is hand delivered, Benton City Water Supply Corporation cannot enforce the provisions of the plan for 24 hours after notice is provided. The written notice to members will contain the following information:

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

**Benton City Water Supply Corporation must notify the TCEQ by telephone at (512) 239-4691, or electronic mail at [watermon@tceq.state.tx.us](mailto:watermon@tceq.state.tx.us) prior to implementing Stage III and must notify in writing the Public Drinking Water Section at MC - 155, P.O. Box 13087, Austin, Texas 78711-3087 within five (5) working days of implementation including a copy of Benton City Water Supply Corporation's restriction notice. Benton City Water Supply Corporation must file a status report of its restriction program with the TCEQ at the initiation and termination of mandatory water use restrictions (i.e., Stages III and IV).**

## Section 6 Violations

1. First violation - The member will be notified by written notice of their specific violation.
2. Subsequent violations:
  - a. After written notice, Benton City Water Supply Corporation may install a flow restricting device in the line to limit the amount of water which will pass through the meter in a 24-hour period. Benton City Water Supply Corporation may charge the member for the actual cost of installing and removing the flow restricting device, not to exceed \$50.00.
  - b. After written notice, Benton City Water Supply Corporation may discontinue service at the meter for a period of seven (7) days, or until the end of the calendar month, whichever is LESS. The normal reconnect fee of Benton City Water Supply Corporation will apply for restoration of service.



## **Section 7 Exemptions or Variances**

Benton City Water Supply Corporation may grant any member an exemption or variance from the drought contingency plan or good cause **upon written request**. A member who is refused an exemption or variance may appeal such action of Benton City Water Supply Corporation in writing to the Texas Commission on Environmental Quality. Benton City Water Supply Corporation will treat all members equally concerning exemptions and variances, and shall not discriminate in granting exemptions and variances. No exemption or variance shall be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

## **Section 8 Response Stages**

Unless there is an immediate and extreme reduction in water production, or other absolute necessity to declare an emergency or severe condition, Benton City Water Supply Corporation will initially declare Stage I restrictions. If, after a reasonable period of time, demand is not reduced enough to alleviate outages, reduce the risk of outages, or comply with restrictions required by a court, government agency or other authority, Stage II may be implemented with Stage III to follow if necessary.

### **STAGE I - MEMBER AWARENESS**

#### **Stage I will begin: Every April 1<sup>st</sup>**

Benton City Water Supply Corporation will mail a public announcement to its members.

#### **Stage I will end: Every September 30<sup>th</sup>**

Benton City Water Supply Corporation will mail a public announcement to its members.

#### **Utility Measures:**

This announcement will be designed to increase member awareness of water conservation and encourage the most efficient use of water. A copy of the current public announcement on water conservation awareness shall be kept on file available for inspection by the TCEQ.

#### **Voluntary Water Use Restrictions:**

Water members are requested to voluntarily limit the use of water for nonessential purposes and to practice water conservation.

### **STAGE II - VOLUNTARY WATER CONSERVATION:**

**Target:** Achieve a 10% (percent) reduction in total water use.

Benton City Water Supply Corporation will implement State II when:

1. Average daily water usage reaches 85% of system production capacity for three consecutive days.

2. Consideration will be given to weather conditions, time of year and customer complaints of low water pressure.
3. There is an extended period (at least 8 weeks) of low rainfall and daily use has risen 20% above the use for the same period during the previous year.

**Upon initiation and termination of Stage II, Benton City Water Supply Corporation will mail a public announcement to its members. Benton City Water Supply Corporation will notify TCEQ.**

Requirements for Termination:

Stage II of the Plan may end when all of the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days. Upon termination of Stage II, Stage I becomes operative.

Utility Measures:

Visually inspect lines and repair leaks on a daily basis; reduced flushing of water mains; monthly review of member use records and follow-up on any that have unusually high usage.

The second water source for Benton City Water Supply Corporation is: Inter-connections with City of Lytle and City of Natalia.

Voluntary Water Use Restrictions:

1. **Restricted Hours: Outside watering is allowed daily, but only during periods specifically described in the member notice; between 6 - 10 a.m., and 8 - 10 p.m. weekdays.**
2. **Restricted Days/Hours: Water members are requested to voluntarily limit the irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems. Members are requested to limit outdoor water use to 6 - 10 a.m., and 8 - 10 p.m. weekdays. The meters that end with even numbers (or zero) are to water on even days, and the members with odd numbers will water on odd days of the month with no watering on weekends. However, irrigation of landscaped areas is permitted at anytime if it is by means of a hand-held hose, a faucet-filled bucket or watering can of five (5) gallons or less, or drip irrigation system.**

**STAGE III - MANDATORY WATER USE RESTRICTIONS:**

**Target:** Achieve a 20% reduction in total water use.

Benton City Water Supply Corporation will implement Stage III when:

1. Average daily water use reaches 90% of system water production capacity for three consecutive days.
2. Net water storage is continually decreasing on a daily basis, and falls below 80% storage for 48 hours.
3. Water pressures fall to below 49 psi in the water distribution system, during non-peak water usage hours, as measured by the distribution line gages.

**Upon initiation and termination of Stage III, Benton City Water Supply Corporation will mail a public announcement to its members. Benton City Water Supply Corporation will notify TCEQ.**

Requirements for Termination:

Stage III of the Plan may end when all of the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days. Upon termination of Stage III, Stage II becomes operative.

Utility Measures:

Visually inspect lines and repair leaks on a regular basis. Flushing is prohibited except for dead end mains.

Mandatory Water Use Restrictions:

The following water use restrictions shall apply to all members:

1. Irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems. The meters that end with even numbers (or zero) are to water on even days, and the members with odd numbers will water on odd days of the month. Irrigation of landscaped areas is further limited to the hours of 6 a.m. – 10 a.m., and 8 p.m. – 10 p.m. on designated watering days. However, irrigation of landscaped areas is permitted at anytime if it is by means of a hand-held hose, a faucet-filled bucket or watering can of five (5) gallons or less, or drip irrigation system.
2. Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight. Such washing, when allowed, shall be done with a hand-held bucket or a hand-held hose equipped with a positive shutoff nozzle for quick rinses. Vehicle washing may be done at any time on the immediate premises of a commercial car wash or commercial service station. Further, such washing may be exempted from these regulations if the health, safety, and welfare of the public are contingent upon frequent vehicle cleansing, such as garbage trucks and vehicles used to transport food and perishables.
3. Use of water to fill, refill, or add to any indoor or outdoor swimming pools, wading pools, or “jacuzzi” type pool is prohibited except on designated watering days between the hours of 6 a.m. – 10 a.m., and 8 p.m. – 10 p.m.
4. Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.
5. Use of water from hydrants or flush valves shall be limited to maintaining public health, safety, and welfare.
6. The following uses of water are defined as nonessential and are prohibited:
  - a. wash down of any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas:

- b. use of water to wash down buildings or structures for purposes other than immediate fire protection;
- c. use of water for dust control;
- d. flushing gutters or permitting water to run or accumulate in any gutter or street;
- e. failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s); and
- f. any waste of water.

#### STAGE IV - CRITICAL WATER USE RESTRICTIONS:

**Target: Achieve a 30% percent reduction in total water use.**

Benton City Water Supply Corporation will implement Stage IV when:

1. The imminent or actual failure of a major component of the system which would interrupt water delivery for a prolonged period, or cause an immediate health or safety hazard.
2. Water demand exceeds 97% of the system production capacity for three consecutive days.
3. Water demand exceeds 95% of production capacity for 30 days.
4. Other unforeseen events which could immanent health or safety risks to the public.

**Upon initiation and termination of Stage IV, Benton City Water Supply Corporation will mail a public announcement to its members. Benton City Water Supply Corporation will notify TCEQ.**

#### Requirements for Termination:

Stage IV of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days. Upon termination of Stage IV, Stage III becomes operative.

#### Operational Measures:

Benton City Water Supply Corporation shall visually inspect lines and repair leaks on a daily basis. Flushing is prohibited except for dead end mains and only between the hours of 9:00 p.m. and 3:00 a.m. Emergency interconnects or alternative supply arrangements shall be initiated. All meters shall be read as often as necessary to insure compliance with this program for the benefit of all the members.

#### Mandatory Water Use Restrictions: (all outdoor use of water is prohibited)

1. Irrigation of landscaped areas is absolutely prohibited.
2. Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is absolutely prohibited.

#### SYSTEM OUTAGE or SUPPLY CONTAMINATION

Benton City Water Supply Corporation will notify TCEQ Regional Office immediately.

RESOLUTION FOR ADOPTION OF A  
DROUGHT CONTINGENCY PLAN

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BENTON CITY WATER  
SUPPLY CORPORATION ADOPTING A DROUGHT CONTINGENCY PLAN.

WHEREAS, the Board recognizes that the amount of water available to the Benton City Water Supply Corporation and its water utility members are limited and subject to depletion during periods of extended drought;

WHEREAS, the Board recognizes that natural limitations due to drought conditions and other acts of God cannot guarantee an uninterrupted water supply for all purposes;

WHEREAS, Section 11.1272 of the Texas Water Code and applicable rules of the Texas Commission on Environmental Quality require all public water supply systems in Texas to prepare a drought contingency plan; and

WHEREAS, as authorized under law, and in the best interests of the members of the Benton City Water Supply Corporation, the Board deems it expedient and necessary to establish certain rules and policies for the orderly and efficient management of limited water supplies during drought and other water supply emergencies;

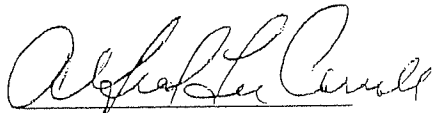
NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BENTON CITY WATER SUPPLY CORPORATION:

SECTION 1. That the Drought Contingency Plan attached hereto as Exhibit "A" and made part hereof for all purposes be, and the same is hereby, adopted as the official policy of the Benton City Water Supply Corporation.

SECTION 2. That the General Manager is hereby directed to implement, administer, and enforce the Drought Contingency Plan.

SECTION 3. That this resolution shall take effect immediately upon its passage.

DULY PASSED BY THE BOARD OF DIRECTORS OF THE BENTON CITY WATER SUPPLY CORPORATION, ON THIS 24<sup>TH</sup> day of January, 2006.

  
President, Board of Directors

ATTESTED TO:

  
Secretary, Board of Directors