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**RESOLUTION BY CASH SPECIAL UTILITY DISTRICT ADOPTING
A SERVICE POLICY ESTABLISHING RATES, FEES,
CHARGES, AND ADOPTING RULES RELATING TO THE
ADMINISTRATION OF ITS UTILITY SERVICES, AND PROVIDING
FOR ENFORCEMENT FOR VIOLATIONS**

THE STATE OF TEXAS }
COUNTIES OF HUNT, RAINS, }
ROCKWALL, AND HOPKINS }

WHEREAS, the Cash Special Utility District (the "District") operating under Chapter 49 and 65 of Texas Water Code has provided facilities for the production and distribution of potable water and/or sewer service to residential and business users within its authorized service areas;

WHEREAS, Section 49.212, Texas Water Code, authorizes the District to adopt and enforce all necessary charges, rates, fees, and other terms and conditions for providing any district services;

WHEREAS, the Board of Directors has carefully considered the matter and is of the opinion that the following fees, charges, rates, rules, and enforcement procedures are necessary for the safe and efficient management of the District's utility facilities and services; NOW THEREFORE,

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF CASH SPECIAL UTILITY DISTRICT, that the following Service Policy is adopted and establishes the fees, charges, rules and enforcement procedures for the District's water/sewer services ("Service Policy") and shall be effective on October 23, 2023.

PASSED AND APPROVED this 23 day of October, 2023


Staley Cash
President, Board of Directors



ATTEST:



Bill Watkins
Sec/Treasurer, Board of Director

SECTION A: AUTHORITY

1. **This Service Policy was adopted by a resolution by the Board of Directors of the District on October 23, 2023. This Service Policy supersedes all utility service policies, adopted or passed by the Board of Directors previously, unless otherwise provided. The adoption of this Service Policy shall not affect any violation or act committed or done, any penalty or forfeiture incurred, or any contract or vested right established or accrued under any prior Service Policy.**
2. **An original of this Service Policy as approved shall be maintained in the records of the District and all additions, deletions, and changes thereto shall be clearly exhibited.**
3. **Laws and regulations of state and federal agencies having applicable jurisdiction, promulgated under any applicable state or federal law, shall supersede all terms of the Service Policy that directly conflict with such state and federal laws or regulations. If any section, paragraph, sentence, clause, phrase, word or words of the Service Policy are declared unconstitutional or in violation of law, the remainder of the Service Policy shall not be affected thereby and shall remain in full force and effect.**
4. **This Service Policy is immediately effective upon the date of adoption unless otherwise specified.**

SECTION B: STATEMENTS

1. **Organization.** The District is a Political Subdivision of the State of Texas organized under Chapters 49 and 65 of the Texas Water Code for the purpose(s) of furnishing potable water (and/or sewer utility) service. The management of the District is supervised by the Board of Directors, which is responsible for adopting all District service policies, rates and regulations. The members of the Board of Directors are elected by the registered voters residing within the District's boundaries.
2. **Non-Discrimination Policy.** Service is provided to all Applicants who comply with the provisions of this Service Policy regardless of race, color, religion, national origin, disability or sexual orientation.
3. **Policy and Rule Application.** These policies and rules apply to the water and/or sewer services provided by the District. Failure on the part of the Customer or Applicant to observe these policies and rules gives the District the authority to deny or discontinue service and to take any other action deemed appropriate according to the terms of this Policy.
4. **Fire Protection Responsibility.** The District generally does not provide, nor does it imply that fire protection is available throughout the distribution system, except where expressly specified and agreed to by the District. All hydrants or flush valves are for the operation and maintenance of the system and may be used by authorized fire departments. The District reserves the right to remove any hydrant, due to improper use or detriment to the system as determined by the District, at any time without notice, refund, or compensation to any third party.
5. **Liability.** The District is not liable for damages caused by service interruptions, events beyond its control, nor for normal system failures.
6. **Information Disclosure.** The records of the District shall be kept in the District office in Greenville, Texas. All information collected, assembled, or maintained by or for the District shall be disclosed to the public in accordance with the Texas Public Information Act and other applicable law. **In no event and under no circumstances shall the District disclose the Social Security Number of any member or customer to any person other than an employee of the District.** Chapter 182, Subchapter B of the Texas Utilities Code makes confidential a water utility customer's address, telephone number, account records, and information relating to the volume or units of utility usage, or the amounts billed to or collected from the individual for utility usage. However, an individual customer may request in writing that this information be released upon request. The District shall give its applicants and customers notice of their right to request disclosure of this information under this policy. The confidentiality provision in Chapter 182, Subchapter B of the Texas Utilities Code does not prohibit the utility from disclosing this information to an official or employee of the state or a political subdivision of the state acting in an official capacity or an employee of the District

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acting in connection with the employee's duties. Further, such confidentiality does not prohibit the District from disclosing the name and address of each member entitled to vote on a list to be made available to the District's voting members, or their agents or attorneys, in connection with a meeting of the District's members.

7. **Customer Notice Provision.** The District will give written notice of a monthly water (and/or sewer) rate change by publication, mail or hand delivery to all affected customers within thirty (30) days after the date on which the board authorizes the new rate. The notice shall contain the old rates, new rates, effective date of the new rates, date of Board authorization, and the location where additional information on rates can be obtained. Failure of the District to give the notice shall not invalidate the effective date of the change, the amount of the newly adopted rate nor any charge incurred based on the new rate.
8. **Customer Service Inspections.** The District requires that a customer service inspection certification be completed prior to providing water service to new construction and for all new customers as part of the activation of standard and nonstandard service. Customer service inspections are also required on any existing service when the District has reason to believe that cross-connections or other potential contaminant hazards exist, or after any material improvement, correction or addition to the customer's water distribution facilities. This inspection is limited to the identification and prevention of cross connections, potential contaminant hazards and illegal lead materials. (30 TAC 290.46(j))
9. **Submetering Responsibility.** Submetering and non-submetering by master metered accounts may be allowed in the District's water distribution (or sewer collection) system provided the master metered account customer complies with the Public Utility Commission of Texas (PUC) Chapter 24, Subchapter I rules pertaining to Submetering. The District has no jurisdiction over or responsibility to the tenants. Tenants receiving water under a master metered account are not considered customers of the District. 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 PUC.

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

- a) See if they have registered with the PUC, (Texas Water Code Chapter 13 Subchapter M.)
- b) See that they do not charge their tenants more than the total amount of charges billed. If the aggregate bill is greater than the District's charge, the Master Metered Account Customer is considered by the PUC to be a separate Public Water System and will be required to comply with all PUC regulations.
- c) Protect the System's CCN. Should the Master Metered Account Customer continue to violate these or other state regulations, the District will need to request a Cease and Desist Order from the PUC. (Texas Water Code Section 13.252 and PUC Rules, Chapter 24 Section 24.255)

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10. **Prohibition Against Resell of Water.** The meter and/or sewer connection is for the sole use of the customer and is to provide service to only one (1) dwelling or one (1) business. Extension of pipe(s) to share or resell water to any other persons, dwellings, businesses, or property, etc., is prohibited.

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SECTION C: DEFINITIONS

Applicant — A person, corporation, organization, government or governmental subdivision or agency, business trust, estate, trust, partnership, association, or any other legal entity applying for service with the District. A person must have reached age of majority (18) in Texas to apply for service. (Section 129.001, Civil Practice & Remedies Code)

Authorized Representative or District Representative — The general manager of the District or a representative or employee of the District engaged in carrying out the terms of or performing services prescribed by this Policy pursuant to either general or specific authorization to do so from the general manager or the board of directors of the District.

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

Board of Directors — The governing body of the District elected by the registered voters within the District's boundaries in accordance with the applicable election laws.

Customer — Any person, corporation, organization, government or governmental subdivision or agency, business trust, estate, trust, partnership, association, or any other legal entity receiving District's service at any specified premises designated to receive service.

Defined Service Area — That area within which water (and/or sewer) services are provided to customers and that includes the area within the District's boundaries (and/or the area described within Certificate(s) of Convenience and Necessity CCN Number (s) 10824).

Deposit — A non-interest-bearing refundable fee as set by the Board of Directors based upon the size of the water meter or customer class, which is held by the District as security for service being rendered.

Developer — Any person, partnership, cooperative corporation, corporation, agency, or public or private organization who owns land located within the District or the District's service area(s) who has divided or proposes to divide the land into more than two parts for the purpose of laying out any subdivision or any tract of land or any addition to any town or city, or for laying out suburban lots or building lots, or any lots, streets, alleys, or parks or other portions intended for public use, or the use of purchasers or owners of lots fronting thereon or adjacent. (See Texas Water Code 13.2502(e)(1) & 49.052(d)).

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Disconnection of Service — The discontinuance of water or wastewater service to a customer of the District.

District — The Cash Special Utility District.

District's Sewer System — The sanitary sewer collection, disposal, and treatment facilities constructed and operated by the District and any sanitary sewer system or sewer extensions, which may be built within the District in the future.

District's Water System — The water production, treatment, and distribution facilities operated or to be constructed by the District as currently operating and any water system extensions or improvements which may be built within the District in the future.

Easement — A private perpetual right-of-way dedicated to the District for the installation of water (and sewer) pipelines and necessary facilities that allows access to property for future operation, maintenance, facility replacement, facility upgrades, and/or installation of additional pipelines (if applicable) for both service to a customer/applicant and system-wide service. This may also include restrictions on the adjacent area to limit the installation of sewer lines or other facilities that would restrict the use of any area of the easement. (See Sample Application Packet, Form RUS-TX 442-8 or Form RUS-TX 442-9). The easement will be filed in the real property records of the appropriate county or counties.

Final Plat — A complete and exact plan for the subdivision of a tract of land that has been approved by all regulatory agencies having jurisdiction over approval of the design, planning and specifications of the facilities of such subdivision.

Forfeited Account — An account which has been canceled due to delinquent charges exceeding the deposit or for other reasons as specified in this Service Policy.

Grinder Pump Station — The individual lift stations located at each commercial building or residence that are installed, owned, and maintained by the District as part of the District's low-pressure sewer system. The grinder pump station includes a pump, tank, controls, control panel, valves, piping, electric wiring and related facilities.

Hazardous Condition — A condition that jeopardizes the health and welfare of the customers of the District as determined by the District or regulatory authority with jurisdiction.

Interim Service — Service provided to an existing metered account for the purpose of inspecting and or cleaning the property / home. Interim Service is only allowed for 30 days, any extension of time must be approved by the General Manager.

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

Master Meter — A meter used to measure, for billing purposes, all water usage of an apartment house, condominium, multiple use facility, or manufactured home rental community, including common areas, common facilities, and dwelling units. (See PUC Rules Chapter 24, Subchapter H, Section 24.275(c)(8))

Meter Test Fee — A fee assessed by the District upon written request of the Customer for testing the accuracy of the meter.

Mobile Home Park — A property on which spaces are rented for the occupancy of manufactured or mobile homes for non-transient residential use and for which rental is paid at intervals of one month or longer.

Proof of Ownership — For the purpose of this Service Policy, applicants who request service may be required to provide proof of ownership of the property for which service is requested by deed of trust, warranty deed, or other recordable documentation of fee simple title to the real estate to be served.

Public Utility Commission (PUC) — State regulatory agency having jurisdiction over Certificates of Convenience and Necessity (CNNs) and appellate jurisdiction for rates of utility districts.

Recreational Vehicle — A motor vehicle primarily designed as temporary living quarters for recreational camping or travel use, including a travel trailer, camping trailer, truck camper, and motor home. (See Section 522.0044(b) Transportation Code)

Recreational Vehicle Park — A commercial property that is designated primarily for recreational vehicle transient guest use for which fees for site service connections are paid daily or longer. (See Texas Water Code Section 13.087)

Re-Service — Providing service to an Applicant at a location where service previously existed and where there is an existing setting for a meter. Costs of such re-servicing shall be as established in the District's Service Policy or based on justifiable expenses in connection with such re-servicing.

Revenues — Any funds received for water (or sanitary sewer) service, tap fees, service charge fees, disconnect fees, reconnection fees or any and all other charges except for service deposits, that may be charged and collected by the District from the ownership and operation of its water (and/or sanitary sewer) systems.

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

Service Application and Agreement — A written agreement on the current service application and agreement form between the Applicant and the District defining the specific type of service requirements requested, and the responsibilities of each party regarding the service to be provided on property designated to receive service.

Service Investigation Fee — A fee for costs associated with determining if service is available and determining cost of service.

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

Service Unit — The base unit of service used in facilities design and rate making. For the purpose of this District Service Policy, a service unit is a 5/8" X 3/4" water meter and/or a standard 4" sewer service tap. (See District Service Policy Section G. 7. a.)

Subdivide — To divide the surface area of land into lots or tracts primarily for residential use. (Texas Local Government Code Section 232.021(11)).

Subdivider or Person who Subdivides Land — An individual, firm, corporation, or other legal entity that directly or indirectly subdivides land into lots for sale or lease as a part of a common promotional plan in the ordinary course of business. (See Texas Local Government Code Section 232.021(12) Definitions and Section F, Part II.)

Subdivision — An area of land that has been subdivided into lots or tracts. (See Texas Local Government Code Section 232.021(13) Definitions)

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 the District Service Policy Section E. 2, E. 4, E. 8, and E. 26 are met.

Texas Commission on Environmental Quality (TCEQ) — State regulatory agency having general supervision and oversight of water districts, including:

- Monitoring water district activities and their compliance with state laws.
- Providing information to district customers, consultants, board members, and employees.
- Reviewing applications and petitions for appointment to district boards.
- Reviewing the issuance of bonds that finance certain district infrastructure.

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

1. **Actual Usage** – Amount billed or to be collected based on actual meter reading.
2. **Estimated Usage** – Amount billed or to be collected based on either the customer's historical average usage for the prior month or for the same month of the prior year where data is available. (See Section E. 6.b.; See also PUC Rules 16 TAC §24.165(i) regarding estimated bills.)

Water Conservation Penalty — A penalty that may be assessed under Section G of this Policy to enforce customer water conservation practices during drought contingency or emergency water demand circumstances.

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SECTION D: GEOGRAPHIC AREA SERVED

CERTIFICATE OF CONVENIENCE AND NECESSITY

**To Provide (Water and/or Sewer) Service Under Texas Water Code
and Public Utility Commission Substantive Rules**

Certificate No. 10824

I. Certificate Holder:

Name: Cash Special Utility District
Address: 172 FM 1564 East
Greenville, Texas 75402

II. General Description and Location of Service Area:

The area covered by this certificate includes a large bounded service area and facilities plus 200 feet service with two small bounded service areas, generally located approximately 2 miles southeast of downtown Greenville, Texas, on Interstate Highway 30 in Hopkins, Hunt, Rains and Rockwall Counties, Texas.

The largest bounded service area is generally located east, south and southwest of Greenville, Texas, and is bounded on the north by Interstate Highway 30 and the City of Greenville, on the south by Lake Tawakoni, the City of Quinlan and State Highway 276, on the east by East Fork Turkey Creek and on the west by Farm to Market Road 548.

The facilities plus 200 feet and two small bounded service areas certification exists along portions of U. S. Highway 69 and various county roads.

Dual certification exists in portions of the area with Combined Consumers Water Supply Corporation, CCN No. 10855; the City of Quinlan, CCN No. 10925; the City of Greenville, CCN No. 10836; B H P Water Supply Corporation, CCN No. 10064; and A. F. McLaughlin dba Hasco Water Systems Company, Inc., CCN No. 11114.

III. Certificate Maps:

The certificate holder is authorized to provide water service in the area identified on the Commission's official service area maps, WRS-113, WRS-117, WRS-190 and WRS-199,

**maintained in the offices of the Texas Commission on Environmental Quality, 12015
Park 35 Circle, Austin, Texas with all attendant privileges and obligations.**

**This certificate is issued under Application No. 30655-S by the Executive Director pursuant
to a Commission Resolution, adopted August 18, 1993, 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.**

MAP OF CCN AREA

On next page

SECTION E: DISTRICT SERVICE RULES

1. **Activation of Nonstandard Service.** Activation of Nonstandard Service shall be conducted as prescribed by the terms of Section F. of this service policy.
2. **Activation of Standard Service.** Before receiving service, applicants must comply with all the following requirements, as applicable:
 - a. **New Tap** — The District shall charge a non-refundable service installation fee and a deposit as required under Section G. of this service policy. The service installation fee shall be quoted in writing to the Applicant. All fees shall be paid, or a deferred payment contract signed in advance of installation.
 - b. **Re-Service** — On property where service previously existed, the District shall charge the deposit and other costs necessary to restore service. When re-service is requested by an Applicant, any debt owed to the District by the Applicant must be paid before re-servicing procedures can begin. In no event will a capital improvement fee or capital impact fee be charged for a re-service event.
 - c. **Performance of Work** — After approval is granted by proper authorities, all tap and equipment installations specified by the District shall be completed by the District staff or designated representative. No person, other than the properly authorized agent of the District, shall be permitted to tap or make any connection to the mains or distribution pipes of the District's water system, or make any repairs or additions to or alterations in any tap, pipe, cock or other fixture connected with the water service pipe. The tap for a standard service request shall be completed within five (5) working days after approval and receipt of payment of quoted fees on the property designated to receive service. This time may be extended for installation of equipment for Nonstandard Service Request. (See Section F., (16 TAC 24.161(a)(4)))
 - d. **Inspection of Customer Service Facilities** — The facilities at the service connection shall be inspected to ensure compliance with state required Minimum Acceptable Operating Practices for Public Drinking Water Systems as promulgated by the Texas Commission on Environmental Quality or successor agency. The customer must, at his or her expense, properly install and provide certification of maintenance on any backflow prevention device required by the District. (See 30 TAC 290.46(j))
3. **Applicant's Recourse.** In the event the District refuses to serve an Applicant under the provisions of this service policy, the District must notify the applicant, in writing, of the basis of its refusal. The Applicant may file for an appeal, in writing, with the Board of Directors of the District.

4. Application Procedures and Requirements. For the purposes of this service policy, service requested by the Applicant(s) shall be for real estate designated to receive the service provided by the District. Service shall be through a meter or sewer tap located on that designated real estate unless otherwise approved by the board. Service shall be divided into the following two classes:

- a. **Standard Service** is defined as service on a specific property designated to receive service from 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 or 4" gravity sewer taps, or pressure collection facilities installed or connected to collection lines no more than five feet in depth.
- b. **Nonstandard Service** is defined as any service request that requires a larger meter service, service to a master metered account (see E.4.d.iv.) 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 service policy shall be required of the Nonstandard Service Applicant prior to providing service. The District shall make a determination as to the appropriate size and type of meter to serve nonstandard applicants.
- c. **Requirements for Mandatory Sewer Connection.**
Effective January 1, 2024 the installation of any private on-site wastewater treatment or holding facility on property within the District's certificated service area (or within the District's boundaries) that is less than 300 feet, (measured from boundary line of the property to the nearest point of the District's wastewater collection system along a public right-of-way or utility easement) is prohibited and service to any such property will be provided by the District. (Note: This does not apply to any person who has installed an on-site wastewater holding or treatment facility if that on-site facility was installed prior to construction and operation of the District's wastewater collection system within 300 feet of the property or prior to the effective date stated herein). Any costs for connection to the District's wastewater collection system in excess of the standard costs required under Section G must be paid by the wastewater service applicant. The District must review and approve plans and specifications for any connection prior to construction (Texas Water Code 49.234; 30 TAC 293.113).
- d. **Requirements for Standard and Nonstandard Service.**
 - i. The District's Service Application and Agreement Form shall be completed in full and signed by the Applicant.
 - ii. A Right-of-Way Easement Form, Sanitary Control Easement, or other such easement form, approved by the District, must be provided by the applicant (properly executed by the person or persons having legal authority to convey an easement) for the purposes of providing water and or sewer service to the applicant and to facilitate current and future system-wide service (Texas Water Code

49.218(d),(f)). *See also* Uniform Partition of Heirs Property Act, Property Code Chapter 23A).

- iii. As set forth in Section B.9 of this service policy, the District shall install individual meters owned by the District in an apartment house, manufactured home rental community, multiple use facility, or condominium on which construction began after January 1, 2003, unless the District determines that installation of individual meters is not feasible. If the District 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 District shall be entitled to the payment of costs, including the costs of individual meter installations, as provided in Section G.5. 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/sewer service demand represented by full occupancy of the property, as determined under applicable provisions of Section G.
- iv. Master Meter for multiple use facilities. The District may install a master meter for water service and/or nonstandard sewer service to apartments, condominiums, business centers or other multiple use facilities on which construction began prior to January 1, 2003, or at an Applicant's request provided the total number of units to be served are:
 - 1. owned by the same person, partnership, cooperative, corporation, agency, public or private organization of any type but not including a family unit; and
 - o considered a commercial enterprise; i.e. for business, rental, or lease purposes; or
 - o not directly accessible to public right-of-way (such as but not limited to gated communities).
- v. Individual meters for multiple use facilities. On request by the property owner or manager, the district shall install individual meters owned by the District in apartments, condominiums, business centers or other multiple use facilities on which construction began after January 1, 2003, unless the District determines that installation of meters is not feasible. If installation of meters is not feasible, the District shall have no obligation to install meters until the property owner or manager installs a plumbing system, at the property owner's or manager's expense, that is compatible with the installation and service of meters. Each individual meter will require a Service Application and Agreement pursuant to this service policy.
- vi. The District shall install a master meter for recreational vehicle and mobile home parks and charge the same rate as other commercial businesses that serve transient customers and receive non-sub metered master metered utility service. (See Texas Water Code Section 49.2122(a-1))

vii. Notice of application approval and costs of service determined by the District 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.

viii. The Corporation shall post on its website or provide to each service applicant or transferee a copy of the Disclosure of Personal Information Request Form. Texas Utilities Code Section 182.052(c). *Note to utilities: if the form is posted on the website, the utility must provide customers with a way to return the form either by mail or electronically.*

ix. If the water main has been located in the public right-of-way and is adjacent to the Applicant's property due to the current or previous landowner's refusal to grant an easement or easements to the District for the purpose of installing the water main and appurtenances, and the District has documentation of such refusal, the Applicant, prior to receiving the requested service, shall grant the easements required under this service policy 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 right-of-way (ROW) and construct the appropriate line or lines within those easements for the District's system-wide service.

5. **Back-billing.** The District may back-bill a customer for up to forty-eight (48) consecutive months for meter error, misapplied meter multiplier, incorrect meter readings, or error in computing a customer's bill. Failure to pay the most recent six (6) months billing will result in disconnection of service. (See 16 TAC 24.165(h))

6. **Bill Adjustment.**

a. **Due to Meter Error.** The District shall test any customer's meter upon written request of the customer. 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 service policy shall be imposed. In the event the test results indicate that the meter is faulty or inaccurate, the test fee shall be waived, the meter shall be calibrated or replaced, and a billing adjustment may be made as far back as six (6) months. The billing adjustment shall be made to the degree of the meter's inaccuracy as determined by the test. The customer shall complete a meter test request form prior to the test.

b. **Due to Estimated Billing.** If the District has estimated usage because the District is unable to access the meter due to circumstances beyond the District's control, such as a natural disaster, or because access is hindered or denied by a Customer, the District shall adjust the bill once access has been regained and actual usage is determined. (See Section E. 12. a.).

c. **Due to Leak -** If a customer's monthly bill is higher than normal due to a leak on the customer's side of the meter, the customer may submit a written leak adjustment request to the District. Upon approval of a leak adjustment by the District, the customer shall be charged the amount of one month's average bill for the previous twelve (12)

months. Any additional consumption above the customer's average bill shall be charged at the District's current lowest-tier rate that fully covers the cost of service associated with the additional consumption. The District may grant an adjustment if each of the following apply:

- (1) the amount of excess water usage reflected in the contested bill is at least three (3) times the customer's average monthly usage;
- (2) the leak has been verified by the District's manager or other representative;
- (3) the customer submits documentary evidence that the leak has been repaired within thirty (30) days of repair, including a statement from a plumber and/or receipt(s) for parts purchased to repair the leak; and
- (4) the customer has never requested a leak adjustment at the customer's property where the leak occurred.

7. **Billing Cycle Changes.** The District reserves the right to change its billing cycles if the workload requires such practice. After a billing period has been changed, the billings shall be sent on the new change date unless otherwise determined by the District.

8. **Changes in Service Classification.** If at any time the District determines that the customer service demands have changed from those originally applied for to a different service classification and the District determines that additional or different facilities are necessary to provide adequate service, the District shall require the customer to re-apply for service under the terms and conditions of this service policy. Customers failing to comply with this provision shall be subject to the disconnection with notice provisions of this service policy. (See Section E.25.a)

9. **Charge Distribution and Payment Application.**

- a. **The Base Rate** — Billed on a monthly basis. Charges shall be prorated for meter installations and service terminations falling during the billing period.
- b. **Gallonage 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 District's employees or designated representative.
- c. **Posting of Payments** — All payments shall be posted against previous balances prior to posting against current billings.
- d. **Forms of Payment** — The District 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 District will not accept two-party checks, pay checks, or any other instrument of payment that is not made out to the District. The District reserves the right to require exact change and may refuse to accept payments made using more than \$1.00 in coins. For credit card charges, the District may collect a reasonable fee to recoup the costs incurred by the District to process the credit card payment.

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10. Connection of Sewer Service.

- a. Applications for sewer service connections shall be filed with the District upon application forms made available from the District. Applicants for sewer service shall meet all District requirements for service including the granting of any necessary sewer easements (as determined by the District) to serve the connection and to enable the District to provide systemwide service. The District shall own, install and maintain the grinder pump station and discharge piping from the pump station to the main sewer line. The property owner shall be required to construct the service line from the foundation of the residence or commercial building to the grinder pump station.
- b. The District shall construct all sanitary sewer service facilities from the grinder pump station of a residence or commercial building to the District's sanitary sewer line which installation shall include the low-pressure sewer system, all sanitary sewer piping and all electrical services requirements.
- c. A property owner shall provide the easement required by the District and such access to their property as may be reasonably necessary by the District in order to install and maintain the grinder pump station and low-pressure sewer system to serve the residence or commercial building. The location of the low-pressure sewer system and concurrently the location of the easement shall be with the consent and approval of the District.
- d. The installation of the low-pressure sewer system by the District's personnel or by the duly authorized agents or employees may result in the removal of grass, bushes, shrubs, soil or other fixtures. The removal of any soil to the extent necessary may be used to backfill over existing sewer lines and facilities, and the balance of such fill material may be utilized by the property owner for other requirements. The District shall not be obligated to remove or dispose of any fill material removed and not used for backfill in the installation of the low pressure sewer system or otherwise used by the owner. Further, the District nor its personnel, authorized agents or employees will be responsible for the replacement or replanting of any removed grass, bushes, trees, shrubs or other vegetation.
- e. The District shall make all physical connections of a residence or commercial building to the District's sanitary sewer system, and such physical connection may only be made by the District, its agents or employees.
- f. After the effective date of this service policy, the property owner shall be responsible for the payment of the following fees and charges relative to the connection of sewer lines.
- g. All costs for the acquisition or installation of the low-pressure sewer system from the grinder pump station located at each property to the District's main sewer line located within the easement granted by the property owner to the District including but not limited to sewer pumps, tanks, fittings, valves, piping and electrical service.

- h. The monthly electrical service costs to provide electrical service to the grinder pump station located at the residence or commercial building of a property.
- i. A tap fee for connection of the low-pressure sewer system to the main sewer line of the District which connection shall be made solely by the District, its agents or employees and at such costs as may be assessed from time to time by the District.
- j. The placement of each grinder pump station shall be within fifty (50) feet from the foundation of the residence or commercial building. In so much as possible, each property owner shall be consulted as to the final location of the grinder pump station. The final location of each grinder pump station shall be made solely by the District; its agents or employees based on the practical limitations of construction.

The cost of the installation of additional sanitary sewer lines beyond the existing service lines of the District to newly developed areas within the District shall be the responsibility of the property owner and/or developer of property requesting service from the District.

11. *Connection of Water Service.*

- a. Applications for water service connections shall be filed with the District upon application forms made available from the District. Applicants for water service shall meet all District requirements for service including the granting of any necessary water easements (as determined by the District) to serve the connection and to enable the District to provide systemwide service. In addition, the District shall install a customer service isolation valve at the expense of the service applicant.
- b. No person, other than the properly authorized agent of the district, shall be permitted to tap or make any connection with the mains or distributing pipes of the district's water system, or make any repairs or additions to or alterations in any tap, pipe, cock or other fixture connected with the water service pipe.
- c. The customer must allow his or her property to be inspected for possible cross-connections and other undesirable plumbing practices. These inspections will be conducted by the District or its designated agent prior to initiating service and may be conducted periodically thereafter. All inspections will be conducted during the District's normal business hours.
- d. The customer must, at his or her expense, properly install any backflow prevention device required by the District.
- e. Water extensions. As of the effective date of this service policy, the cost of the installation of water lines beyond the existing service lines or the cost of upsizing lines (when necessary) of District to any residential or commercial user or any undeveloped area within the District shall be the sole responsibility of the property owner and/or developer requesting services.

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12. Customer's Responsibility.

- a. The customer shall provide access to the meter as per the easement and service agreement. If access to the meter is hindered or denied preventing the reading of the meter, an estimated bill shall be rendered to the customer 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 customer, then service shall be discontinued, and the meter removed with no further notice. Conditions that may hinder access include, but are not limited to, fences with locked gates, vehicles or objects placed on top of meters or meter boxes, and unrestrained animals. (Section E.2.d.)
- b. The customer shall be responsible for compliance with all utility, local, and state codes, requirements, and regulations concerning on-site service and plumbing facilities.
 - i. All water service connections shall be designed to ensure against back-flow or siphonage into the District's water supply. In particular, livestock water troughs shall be plumbed above the top of the trough with air space between the discharge and the water level in the trough. (30 TAC 290.46, Texas Health & Safety Code Chapter 366)
 - ii. The use of pipe and pipe fittings that contain more than 0.25% lead or solder and flux that contain more than 0.2% lead is prohibited for any plumbing installation or repair of any residential or non-residential facility providing water for human consumption and connected to the District's facilities. Customer service pipelines shall be installed by the applicant. (30 TAC 290.46; RUS-TX Bulletin 1780-9 (Rev. 05/17))
 - iii. 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. All non-household sewer customers who have potential for dirt, grit, sand, grease, oil, or similar substances must install and maintain a trap ahead of their entrance to the District's sewer collection piping. A double cleanout is required at the property line and recommended at the house. The District 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.

Requirements for Traps:

1. Discharges to the District's sewer system requiring a trap include but are not limited to:
 - i. grease or waste containing grease in amounts that will impede or stop the flow in the public sewers;
 - ii. oil, flammable wastes;
 - iii. sand, and other harmful ingredients.
2. Any person responsible for discharges requiring a trap shall, at his own expense, and as required by the District:

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- i. Provide equipment and facilities of a type and capacity approved by the District;
 - ii. locate the trap in a manner that provides ready and easy accessibility for cleaning and inspection; and
 - iii. maintain the trap in effective operating condition.
3. **Approving Authority Review and Approval (by board or agency):**
- i. If pretreatment or control is required, the District shall review and approve design and installation of equipment and processes.
 - ii. The design and installation of equipment and processes must conform to all applicable statutes, codes, ordinances and other laws.
 - iii. Any person responsible for discharges requiring pretreatment, flow equalizing, or other facilities shall provide and maintain the facilities in effective operating condition at their own expense.

Service shall be discontinued without further notice when installations of new facilities or repairs of existing facilities are found to be in violation of this Section 23.b until such time as the violation is corrected.

- c. The District's ownership and maintenance responsibility of water supply and metering and sewer equipment shall end at the meter or other service equipment as installed. Therefore, all water usage registering upon and/or damages occurring to the metering equipment owned and maintained by the District shall be subject to charges as determined by this service policy.
- d. The District shall require each customer to have a cut-off valve on the customer's side of the meter for purposes of isolating the customer's service pipeline and plumbing facilities from the District's water pressure. This cut-off valve may be installed as a part of the original meter installation by the District. The valve shall meet AWWA standards (a ball valve is preferred). The customer's use of the District's curb stop or other similar valve for such purposes is prohibited. Any damage to the District's equipment shall be subject to service charges.
- e. The customer is required to notify the system 48 hours prior to digging or excavation activities along or near water/sewer lines and appurtenances.

13. *Deferred Payment Agreement.*

- a. A deferred payment plan is available to customers who in the judgment of Cash SUD Management are eligible.
- b. Payment arrangements may be extended for no more than (6) months with all current charges due monthly in addition to deferred payments.
- c. Failure to meet the terms of a deferred payment plan may result in the disconnection.

14. *Denial of Service.* The District may deny service for any of the following reasons:

- i. Failure of the Applicant to provide all required easements and forms and to pay all required fees and charges;

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- ii. Failure of the Applicant to comply with rules, regulations, policies, and bylaws of the District;
- iii. Existence of a hazardous condition at the Applicant's property that would jeopardize the welfare of other customers of the District upon connection;
- iv. Failure of Applicant to provide representatives or employees of the District reasonable access to property for which service has been requested;
- v. Applicant's service facilities are known to be inadequate or of such condition that satisfactory service cannot be provided;
- vi. Failure of Applicant to comply with applicable regulations for on-site sewage disposal systems if the District 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;
- vii. Failure of the Applicant 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 received service.

15. Disputed Bills. In the event of a dispute between the customer and the District regarding any bill, the District shall make and conduct an investigation as required by the particular case and report the results in writing thereof to the customer. All disputes under this Subsection must be submitted to the District, in writing, prior to the due date posted on said bill.

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

- a. The District shall mail all bills monthly. All bills shall be due and payable upon receipt and are past due beyond the date indicated on the bill allowing approximately fifteen (15) days to pay, after which time a penalty shall be applied as described in Section G. The time for payment by a political subdivision may be different than your regular due date. (See Texas Government Code 2251.021) A bill is delinquent if not paid on or before the past due date. Payments made by mail will be considered late if postmarked after the past due date. 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 District 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. Due dates and disconnect dates for the District's four (4) monthly billing cycles are as follows:

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CYCLE	DUE	DISCONNECT
C-1	25 TH	5 TH
C-2	1 ST	10 TH
C-3	10 TH	20 TH
C-4	15 TH	25 TH

- b. Upon written request, any residential customer 60 years of age or older who occupies the entire premises of a dwelling receiving water utility service from the District 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 (See Texas Utilities Code Section 182.001 - 182.005)

All insufficient fund checks, accounts closed, or money orders that have had a "stop payment order" issued for payment of a water bill will be deemed delinquent as if no payment was received and the meter is subject to disconnection with notice on the regular disconnection day.

17. Excluded Flow and Waste.

- a. No waste material, which is not biologically degradable, will be permitted to be discharged into the district's facilities, including mud and debris accumulated during service line installation or construction of private facilities.
- b. No industrial wastes other than domestic sewage shall be discharged into the District's sewer system unless approved in writing by the board of directors. No toxic wastes, wastes which would damage the collection and treatment facilities or wastes which would interfere with the waste treatment process shall be discharged into the District's sewer system.
- c. Industrial wastes shall not be diluted by unnecessary use of process water, or by adding unpolluted water, before discharging into the District's sewer system. No unpolluted cooling water shall be discharged into the District's sewer system.
- d. No downspouts, yard or street drains, or gutters will be permitted to be connected into the District's sewer system.
- e. No ground water drains, foundation drains, or other subsurface drains shall be connected in the District's sewer system.
- f. No effluent drains from existing and/or abandoned septic tanks or field lines will be permitted to remain in service.

18. Inoperative Meters. Water meters found inoperative will be repaired or replaced within a reasonable time. If a meter is found not to register for any period, unless bypassed or tampered with, the District shall make a charge for units used, but not metered, for a period not to exceed three (3) months, based on amounts used under similar conditions during the period preceding

or subsequent thereto, or during corresponding periods in previous years. If the meter is inoperative due to bypassing or tampering, the District will proceed with disconnection.

19. *Insufficient Grounds for Refusal of Service.* The following shall not constitute sufficient cause for the refusal of service to an Applicant:

- a. Delinquency in payment for service by a previous occupant of the premises to be served;
- b. Violation of the utility's rules pertaining to operation of nonstandard equipment or unauthorized attachments that interferes with the service of others, unless the customer has first been notified and been afforded reasonable opportunity to comply with said rules;
- c. Failure to pay a bill of another customer as guarantor thereof, unless the guarantee was made in writing to the utility as a condition precedent to service;
- d. Failure to pay the bill of another customer at the same address except where a change of customer identity is made to avoid or evade payment of a utility bill;
- e. Failure to pay for the restoration of a tap removed by the utility at its option or removed as the result of tampering or delinquency in payment by a previous customer;
- f. The service applicant or customer chooses to use a type of backflow prevention assembly approved under 30 TAC §290.44(h) (relating to Water Distribution) even if the assembly is not the one preferred by the utility; or
- g. Failure to comply with regulations or rules for anything other than the type of utility service specifically requested including failure to comply with septic tank regulations or sewer hookup requirements.

20. *Meter Tampering and Damage to Property.*

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

The burden of proof of Tampering is on the District. Photographic evidence or any other reliable and credible evidence may be used; however, any evidence shall be accompanied by a sworn affidavit by the District's staff when any action regarding Tampering is initiated. A court finding of Tampering may be used instead of photographic or other evidence, if applicable. Unauthorized users of services of the District shall be prosecuted to the extent allowed by law under the Texas Penal Code Sections 28.03, 12.21 and 12.22.

- b. If the District determines under subsection (a) that Tampering has occurred, the District shall disconnect service without notice as set forth in Subsection E.25.b. and charge the person who committed the Tampering the total actual loss to the District, including the cost of repairs, replacement of damaged facilities, and lost water revenues. Any person who destroys, defaces, damages or interferes with District property will be charged the total actual loss to the District, including but not limited to the cost of repairs, replacement of damaged facilities, and lost water revenues.

The District also will prosecute the offending party to the extent allowed under law pursuant to Texas Water Code Section 49.228 and other applicable laws. For purposes of this section, "offending party" means the person who committed the Tampering or damaged the property.

- c. In addition to actual damages charged under subsection (b), the District may assess a penalty against the person who committed the Tampering. The penalty must be reasonable and not exceed \$10,000.

21. Ownership of equipment. All water meters and equipment and materials required to provide water or wastewater service to the point of customer connection; water meter or service tap, is the property of the District upon installation, and shall be maintained by the water system only.

22. Prohibited Plumbing Practices.

- a. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination will be isolated from the public water system by an air gap or an appropriate backflow prevention device.
- b. No cross-connection between the water supply and a private water system is permitted. These potential threats to the public drinking water supply must be eliminated at the service connection by the installation of an air-gap or a reduced pressure-zone backflow prevention device.
- c. No connection which allows water to be returned to the public drinking water supply is permitted.

- d. No pipe or pipe fitting which contains more than 0.25% lead may be used for the installation or repair of plumbing at any connection which provides water for human use.
- e. No solder of flux which contains more than two-tenths of one percent (0.2%) lead can be used for the installation or repair of plumbing at any connection which provides water for human use.

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. For purposes of this section a master meter for a multiple use facility is considered a commercial meter. (Refer to Section E.4.d.iv-vi). If the District has sufficient reason to believe a multiple connection exists, the District shall discontinue service under the disconnection without notice provisions of this service policy.
- b. For purposes of this section, the following definitions shall apply:
 - A "multiple connection" is the connection to any portion of a customer's water or sewer system that is connected to a primary delivery point already servicing one residence, one commercial or industrial facility of a water or sewer line serving another residence or commercial or industrial facility. Water or sewer 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.
 - A "primary delivery point" shall mean the physical location of a meter or sewer tap that is installed in accordance with this Service Policy and applicable law and which provides water or sewer service to the residence or commercial or industrial facility of a customer.
 - A "residence" shall mean any structure used for human habitation, which may include kitchen and bathroom facilities, or other evidence of habitation as defined by the District.
 - "Commercial" facility shall mean any structure or combination of structures at which any business, trade, occupation, profession, or other commercial activity is conducted. A business conducted within a customer's residence or property that does not require water in addition to that provided to the customer's residence shall not be considered a separate commercial facility.
- c. The District if the recreation vehicle/travel trailer is being used for a permanent residence, this service policy requires an additional meter installation. If the customer routinely has more than one visitor at a time with recreation vehicles or travel trailers or has multiple visitors throughout the year, the District may require that a second or additional meter(s) be purchased. The District 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. No commercial usage where fees for water are charged is allowed. If a customer is found to violate these conditions,

the customer will be sent a letter of notice stating that water service will be cut off in ten (10) days if the situation is not corrected.

24. Rules for Disconnection of Service. The following describes the rules and conditions for disconnection of service. Notwithstanding any language to the contrary in the Service Application and Agreement Form, the District may only discontinue service for the reasons set forth in this Section. For the purposes of disconnecting sewer service under these policies, water service will be terminated in lieu of disconnecting sewer service. In instances of nonpayment of sewer service or other violations by a customer who is not a water customer, the District has the option to disconnect the sewer tap or take other appropriate actions.

- a. **Disconnection with Notice** — Water utility service may be disconnected for any of the following reasons after proper notification has been given.
- i. **Returned Checks** — The District 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 District 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 District. The customer in violation shall be placed on a “cash-only” basis for a period of 12 months.
 - ii. **Failure to pay a delinquent account for utility service, failure to timely provide a deposit or failure to comply with the terms of a deferred payment agreement.**
 - iii. **Violation of the District’s rules pertaining to the use of service in a manner that interferes with the service of others or the operation of nonstandard equipment if a reasonable attempt has been made to notify the customer and the customer is provided with a reasonable opportunity to remedy the situation.**
 - iv. **Failure of the customer to comply with the terms of the District’s service agreement, service policy, bylaws, or special contract provided that the District has given notice of said failure to comply, and customer has failed to comply within a specified amount of time after notification.**
 - v. **Failure to provide access or hindering access to the meter under the terms of this service policy or to property at which water service is received when there is reason to believe a hazardous condition or policy violation exists for which access is necessary to verify. Conditions that may hinder access include, but are not limited to, fences with locked gates, vehicles or objects placed on top of meters or meter boxes, and unrestrained animals.**
 - vi. **Misrepresentation by any applicant of any fact on any form, document, or other agreement required to be executed by the District.**

- vii. Failure of customer to re-apply for service upon notification by the District that the customer no longer meets the terms of the service classification originally applied for under the original service application.
 - viii. Failure to pay for sewer utility service or solid waste provided by [Name of Utility] pursuant to the District's agreement with the [Name of Utility] (See Section J. Miscellaneous Transaction Forms for sewer utility agreement; 16 TAC 24.167(e), 24.165(g); Texas Water Code 13.147, 13.250(b)(2)).
 - ix. Violation of any applicable regulation or statute pertaining to on-site sewage disposal systems if the District 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.
 - x. Failure to pay charges arising from a service trip fee as defined in Section G.12, meter re-read fee, or meter read fee when a customer on self-read plan failed to submit their meter reading.
 - xi. Failure by a customer to pay for all repair or replacement costs resulting from the customer damaging system facilities including, but not limited to water or sewer 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 notice will detail 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 service being disconnected. Service will remain disconnected until payment is received or an acceptable payment plan is approved.
 - xii. 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 District 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:
- i. A known dangerous or hazardous condition exists for which service may remain disconnected for as long as the condition exists, including but not limited to, a public health nuisance as defined in Sections 341.011 or 343.011 of the Texas Health and Safety Code. (Section E.2.d., E.12, E.24; 30 TAC 290.46 (j)). If there is reason to believe a dangerous or hazardous condition exists, the District may conduct a customer service inspection (CSI) to verify the hazardous condition and may notify the local county health office. The District will disconnect without notice if the customer refuses to allow access for the purpose of confirming the existence of such condition and/or removing the dangerous or hazardous condition (30 TAC 290.46(i) and 30 TAC 290.46(j)). Service will be restored when a CSI confirms no health hazard exists, the

health hazard has been removed or repaired, or the health hazard has been isolated from the District's water system by the installation of a backflow prevention device.

- ii. A line leak on the customer's side of the meter is considered a potential hazardous condition under paragraph (b)(i). If the District conducts a CSI and discovers that the line leak has created a hazardous condition, the District will provide the customer up to five (5) business days, or another time period determined reasonable under the circumstances, to repair the line prior to disconnection of service.
- iii. Service is connected without authorization or has been reconnected without authorization following termination of service for nonpayment; and
- iv. Tampering with the District's meter/sewer tap or equipment, bypassing the meter or equipment, or other unauthorized diversion of water or sewer service as set forth in Section E. 21.
- v. When a returned check is received on an account that was scheduled for disconnection, service shall be immediately disconnected.

c. Disconnection Prohibited — Utility service may not be disconnected for any of the following reasons:

- i. Failure of the customer to pay for merchandise or charges for non-utility service provided by the District, unless an agreement exists between the applicant and the District whereby the customer guarantees payment of non-utility service as a condition of service;
- ii. Failure of the customer to pay for a different type or class of utility service unless a fee for such service is included in the same bill;
- iii. Failure of the customer to pay charges arising from an underbilling occurring due to any misapplication of rates more than six (6) months prior to the current billing;
- iv. Failure of the customer to pay the account of another customer as guarantor thereof, unless the District has in writing the guarantee as a condition precedent to service;
- v. Failure of the customer to pay charges arising from an underbilling due to any faulty metering, unless the meter has been tampered with or unless such underbilling charges are due under the inoperative meters subsection E.18. of this service policy.
- vi. Failure of the customer to pay estimated bill other than a bill rendered pursuant to an approved meter reading plan, unless the District 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 customer requests disconnection, service shall not be disconnected on a day, or on a day preceding a day, when personnel of the District are not available to the public for the purpose of taking

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collections and reconnecting service.

- e. **Disconnection Due to Utility Abandonment** — The District may not abandon a customer or a certificated service area without written notice to its customers and all similar neighboring utilities and approval from the Texas Commission on Environmental Quality.
 - f. **Disconnection for Ill Customers** — The District may not discontinue service to a delinquent residential customer permanently residing in an individually metered dwelling unit when that customer establishes that discontinuance of service will result in some person at that residence becoming seriously ill or more seriously ill if service is discontinued. To avoid disconnection under these circumstances, the customer must provide a written statement from a physician to the District 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 agreement.
 - g. **Disconnection of Master-Metered Accounts and Nonstandard Sewer Services** — When a bill for water utility services is delinquent for a master-metered service complex (defined as a complex in which a single meter serves two (2) or more residential dwelling units), the following shall apply:
 - i. The District shall send a notice to the customer as required. This notice shall also inform the customer 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.
 - ii. At least five (5) days after providing notice to the customer and at least five (5) days prior to disconnection, the District shall post notices stating "Termination Notice" in public areas of the service complex notifying the residents of the scheduled date for disconnection of service.
 - iii. The tenants may pay the District for any delinquent bill on behalf of the owner to avert disconnection or to reconnect service to the complex.
 - h. **Disconnection of Temporary Service** — When an applicant with a temporary service fails to comply with the conditions stated in the Service Application and Agreement Form or other rules of this service policy, service may be terminated with notice.
25. **Service Entitlement.** An applicant requesting service within the boundaries of the District or the District's defined service area shall be considered qualified and entitled to water (and/or sewer) utility service when proper application has been made, terms and conditions of service have been met and continue to be met, and all fees have been paid as prescribed. An applicant requesting service outside the District's boundaries or defined service area shall be considered for service in accordance with current District policies on providing service outside the District boundaries or CCN service area.
26. **Service Facility Relocation.** Relocation of service facilities on the same property shall be allowed by the District provided that:

- a. An easement for the proposed location has been granted to the District.
- b. The Customer pays the actual cost of relocation plus administrative fees.
- c. Service capacity is available at the proposed location.
- d. The Relocation is limited to the existing property designated to receive service.

27. Standards for Sewer Service Lines. The following rules govern the installation of service lines to residences or commercial buildings within the District:

- a. After the effective date of this service policy, all new residential or commercial connections to the District's sewer system shall be made in accordance with Subsection (28) of this section and shall provide for the installation of a low-pressure sewer system and the granting of an easement by the property owner for such installation by the District, its agents or employees.
- b. The following types of piping and fitting material are approved for constructing service lines from the foundation of a residence or commercial building to the grinder pump station:
 - i. Service pipe extending from the foundation of a residence or commercial building to the grinder pump station shall be Polyvinyl Chloride (PVC) Pipe, SDR 35, as defined in ASTM D-3034, push-on type with factory pre-molded gasketed joints. All fittings shall be PVC scheduled 40 solvent weld joints.
 - ii. Minimum size of service lines should be as follows:
 - a. Residential – 3 inches minimum diameter
 - b. Commercial – 6 inches in diameter
 - iii. Minimum grades for services lines shall be as follows:
 - a. 3" or 4" pipe – one-foot drop per hundred feet (1%)
 - b. 6" pipe – six inches drop per hundred feet (0.5%)
 - c. 8" pipe – four inches drop per hundred feet (0.33%)
 - iv. Maximum grades for service lines shall be as follows:
 - a. 3" or 4" pipe – two and one-half feet drop per hundred feet (2.5%)
 - b. 6" pipe – one and one-half feet drop per hundred feet (1.5%)
 - c. 8" pipe – one-foot droop per hundred feet (1%)
 - v. Service lines shall be constructed to true alignment and grade and warped, and sagging lines will not be permitted.
- c. Water-tight adapters of a type compatible with the materials being joined shall be used at the point of connection of the service line to the residence or commercial building plumbing. No cement grout materials shall be permitted.
- d. Fittings and cleanouts for service lines shall be as follows:
 - i. No bends or turns at any point shall be greater than 45 degrees.
 - ii. Each horizontal service line shall be provided with a cleanout at its upper terminal; and each such run of piping which is more than ninety (90) feet in length shall be

provided with a cleanout for each ninety (90) feet or fraction thereof, in length of such piping.

- iii. Each cleanout shall be installed so that it opens in a direction opposite to the flow of the waste and, except in case of "wye" branch and end-of-the-line cleanouts, cleanouts shall be installed vertically above the flow line of the pipe.
- iv. Each cleanout shall be made with an airtight mechanical plug.
- e. All residential or commercial building drains and sewers leading to the District's sewer system shall be maintained so as to exclude any ground or surface water from entering the sewer system. The District shall require the owner of these facilities to immediately correct at his own cost and expense any leaks or other conditions allowing the entry of ground water into the sewer system. This provision shall apply whether such leaks or conditions existed prior to the effective date of this Ordinance or occur at a later date.
- f. Upon the installation of a service line, a request for inspection shall be made to the District's office forty-eight (48) hours in advance for request of inspection, and no back filling of the lines may be made until inspection has been made by the District, its agents or employees.
- g. Back filling of service line trenches must be accomplished within twenty-four (24) hours of inspection and approval, and no debris will be permitted in any service line trench.
- b. As herein above stated, the physical connection to the District's sewer main line will be made by the District, its agents or employees.

28. Standards for Water Service Lines.

- a. In addition to compliance with this service policy, all connections shall comply with the rules and regulations for public water systems issued by the Texas Commission on Environmental Quality set forth in 30 TAC 290. In the event of a conflict between this service policy and TCEQ Rules, the more stringent rule shall apply.
- b. Water pipe and fittings shall be of brass, copper, cast iron, galvanized malleable iron, galvanized wrought iron, galvanized steel, or other approved materials.
- c. Water service lines and wastewater service lines shall not be less than three (3) feet apart horizontally and shall be separated by undisturbed or compacted earth.
- d. Water service lines or any underground water pipe shall not be run or laid in the same trench with non-metallic sewer or drainage piping unless all three of the following conditions are met:
 - i. The bottom of the water service line at all points shall be at least twelve inches (12") above the top of the wastewater line.

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- ii. The water service line shall be placed on a solid shelf excavated at one side of the common trench and the two lines shall be separated by a minimum of eighteen inches (18")
 - iii. The water service line shall be installed with watertight joints tested to a minimum of 150 PSI.
- e. A minimum of four feet (4') of type "L" soft copper pipe shall be installed at the end of the water service line at the connection to the water meter.
- f. Water service lines shall be bedded in washed sand to provide six inches (6") of cushion below the line. The trench bottom and walls shall be cleared of all protruding rocks which could damage the pipe before the sand bedding is placed.
- g. A District-owned water meter and a District approved meter box shall be installed by a District representative.
- h. Potable water supply piping, water discharge outlets, backflow prevention devices, or similar equipment shall not be located so as to make possible the submergence of such equipment in any contaminated or polluted substance.
- i. Lawn sprinkling systems shall be equipped with an approved vacuum breaker installed in the discharge side of each of the last valves. The vacuum breaker shall be installed at least six inches (6") above the surrounding ground and above a sufficient number of heads so at no time will the vacuum breaker be subjected to back pressure or drainage.
- j. The District's water system shall be protected from swimming pool makeup water by means of an approved backflow preventer or an adequate air gap.
- k. Upon the installation of a service line, a request for inspection shall be made to the District's office forty-eight (48) hours in advance for request of inspection, and no back filling of the lines may be made until inspection has been made by the District, its agents or employees.
- l. Back filling of service line trenches must be accomplished within twenty-four (24) hours of inspection and approval, and no debris will be permitted in any service line trench.

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SECTION F: NON-STANDARD SERVICE EXTENSION POLICY

1. **Public Convenience and Necessity.** The Cash Special Utility District (the District) is certificated under Chapter 13, Subchapter G., of the Texas Water Code to provide water service to communities in and/or around Hunt, Hopkins, Rockwall, and Rains Counties, Texas. The District's Certificate of Convenience and Necessity, Service Policy Section D, requires the District to provide continuous and adequate service within these certificated service areas.
2. **Limits of Obligation.** The District shall provide continuous and adequate service within its service areas according to the terms of its Service Policy, the rules and regulations of local, state, and federal jurisdictions, and the covenants of bond obligations, promissory notes, and/or other secured instruments. Specifically, Chapter 13.2502 provides for constructive notice, hereby given, and otherwise provided by the publication of the required, *Notice of Requirement to Comply with the Subdivision Service Extension Policy of the Cash Special Utility District* as evidenced by this document. The District is not required to extend retail water utility service to a service 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.
3. **Purpose.** The purpose of this Non-Standard Service Extension Policy (also sometimes referred to as the Subdivision Service Extension Policy) is to govern agreements and service procedures for any person(s), partnership, cooperative, corporation, agency, public or private organization of any character or any other legal entity who subdivides land by dividing any lot, tract, or parcel of land, within the service area of the District, into two or more lots or sites, for the purpose of sale or development, whether immediate or future, including re-subdivision of land for which a plat has been filed and recorded, or requests two or more water service connections, or the metering equivalents thereof, on a single contiguous tract of land. Additionally, this policy shall govern any development where additional piping, service facilities, etc. are required to accommodate individual, multiple, commercial, or industrial applicants. For the purposes of this Service Policy, applications subject to this section shall be defined as Non- Standard.
4. **Application of Rules.** The Board of Directors of the District shall interpret on an individual basis whether or not the applicant complies with the terms of this policy and whether the applicant's service request shall be subject to all or part of the conditions of this section.
5. **Non- Standard Service Application.** The applicant shall meet the following requirements prior to the initiation of a service contract by the District:
 - a. The applicant shall submit a properly completed Non-Standard Service Application to the District.

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- b. A final plat approved by the appropriate governmental entities, and acceptable to the District, must accompany the application showing the applicant's requested service area. The plat must be approved by all regulatory authorities and local governments having jurisdiction over lot sizes, sewage control, drainage, right-of-way, and other service facilities. Plans, specifications, and special requirements of such regulatory authorities shall be submitted with the plat. If no local governmental authorities have requirements other than those of the District, the applicant shall supply a plat drawn by a registered public surveyor or professional engineer. The plat shall include all previous subdivisions of the property and existing tract owners of record. The plat must distinguish the tracts for which service is currently being requested, and as much as practicable, show future subdivision of larger tracts. Such plats must be filed as a part of the property deed with the appropriate county clerk's office. Applicants for single taps involving extension or up-sizing of facilities shall be required to submit maps or plans detailing the location of the requested extension and details of demand requirements. Other plat requirements are listed in the Non-Standard Service Application form.
- c. The applicant shall submit the properly completed application and plat. The District shall then provide an estimate of the Non-Standard Service investigation fee. This fee shall represent the estimated cost of initial project management, administrative, legal, and preliminary engineering fees. The actual costs of these services shall be assessed on a project by project basis. Following preliminary project review, any unused portion of the fee shall be refundable to the applicant and any additional expenses incurred as a result of efforts by the District to determine service requirements of the applicant shall be paid by the applicant.
- d. Immediately following the applicant's satisfactory completion of application requirements, the District may engage the services of a Project Manager to initiate, facilitate, and complete the project under the terms of this policy. The Project Manager shall assist the General Manager of the District by coordinating all project activities on behalf of the District, or as directed by the General Manager. Project management costs shall be included in the total project costs to be paid by the applicant.
- e. If after the service analysis has been completed, the District determines that the applicant's service request is for property outside the District's Certificated Service Area of Public Convenience and Necessity, service may be extended provided that:
- (1) The service location is contiguous to or within one-fourth (1/4) mile of the District's Certificated Service Area of Public Convenience and Necessity; or
 - (2) The service location is not in an area receiving similar service from another utility;
 - (3) The service location is not within the Area of Public Convenience and Necessity of another similar utility; and
 - (4) The applicant pays the cost of the amendment to the District's Certificated Area to include the area to be served.

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6. **Design.** The District shall study the design requirements of the applicant's required facilities prior to initiation of a service contract by adopting the following schedule:
- a. The District's consulting engineer shall review the service demand requirements for the applicant's planned facilities and prepare a preliminary engineering report for the District. The preliminary engineering report shall address on-site and off-site facilities required to meet service requirements of the applicant, and capacity impacts on existing facilities. The applicant may hire the services of a Texas Registered Professional Engineer for all design of on-site service facilities. The District's engineer shall then design all off-site facilities and review and approve all plans and specifications for other-designed on-site facilities. Design standards shall comply with the District's design specifications.
 - b. Engineering fees for completion of the project shall follow the District's Consulting Engineer's fee schedule. Fee scheduling shall be based on the consultant's hourly rates, the work demands of the specific project, and, in general, the published fee curves of *The Consulting Engineers Council of Texas*. These fees shall be in addition to the preliminary engineering report completed as a part of the Non-Standard Service Investigation Fee and any fees for engineering services hired outside the District engineer's work.
 - c. Upon review and approval of the preliminary cost estimates by the applicant, the Consulting Engineer shall compile and submit to the District a set of detailed plans, specifications, and prepare bid documents for the project as directed by the project manager and/or the District.
 - d. If no local authority imposes other design criteria on the applicant's service request, the District's Engineer shall design facilities to meet the service demands subject to the following terms and conditions.
 - (1) If the plat submitted is approved by the applicable county commissioner's court, and/or by a municipal government having authority for plat approval, then service will be designed according to the number of lots or service units as indicated by the approved plat.
 - (2) If the plat submitted is not approved by the applicable authorities, the District shall impose specific design criteria for service on the potential number of services, platted or not platted as lots or service units, for which service may be ultimately requested in the unapproved plat of the requested service area. The maximum number of lots or service units may be determined by the total acreage divided by the minimum lot size allowed by the county for installation of on-site sewage facilities. The District may allow for a percentage of total potential build-out.
 - (3) Fire flow design demands will be determined on a case by case basis. All development under the jurisdiction of another authority other than the District will have to meet the standards of that authority. Developments under no authority in rural areas, wanting to provide fire flow, will be required to follow the requirements specified in appendix "A" of this section.

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7. **Cost of Service.** Unit cost of service to Non-Standard Service applicants is often inconsistent with the per-unit costs assessed Standard Service applicants. The cost-of-service calculations for Standard Service is based on a uniform system capacity analysis and other factors unique to individual service requirements, including amortized participation of meeting capacity costs through monthly rates. Non-Standard service costs are based more on site-specific capacity analysis due to the development's significant impact on capacity in its pressure plane and based on other factors unique to non-standard service requirements, including the requirement for up-front participation in meeting capacity requirements for their development. Costs to the Non-Standard Service applicant shall be directly related to the fair and reasonable costs of providing service to meet the known and measurable demand of the proposed project for approved, platted developments in its respective pressure plane. Reasonable projections shall also be made by the District to anticipate additional service demands in unapproved, un-platted developments that may result in further subdivision of tracts within the boundaries of the developed property. Costs of upgrading facilities to meet these costs shall be paid by the applicant.

The District also reserves the right to upgrade design of off-site service facilities in a route to, or in the vicinity of the proposed project, to meet future demands, provided however, that the District pays the expense of such upgrading above the applicant's current or future facility requirements. The District's participation in construction due to an upgrade shall be based on the construction cost difference, not the capacity cost difference, unless however, the District's distribution service capacity demand is at or near 85% of total available capacity at the time the construction is contemplated. Therefore, the District shall only pay the incremental increase in upgrade of material costs unless there are substantial additional costs related to construction of facilities due to the District's need to expand its capacity in the area under the 85% rule. Under such conditions, the District shall allocate costs according to the capacity cost difference.

8. **Non- Standard Service Contract.** All applicants requesting or requiring Non- Standard Service shall enter into a written contract prepared by the District. Said contract shall define the terms of service prior to construction of required service facilities. Guidelines for the service contract may include, but are not limited to:
- a. Definition of all costs associated with required management, 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. Definition of procedures by which the applicant shall accept or deny a contractor's bid, thereby committing to continue or discontinue the project.
 - c. Definition of fees required by the District in addition to the construction and other costs required under this section.
 - d. Definition of monthly standby fees as applicable to the service request.

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- e. Definition of terms by which reserved service shall be provided to the applicant and duration of reserved service with respect to the impact the applicant's service request will have upon the District's system capability to meet other service requests.
 - f. Definition of terms by which the applicant shall be reimbursed or compensated for fees duplicated in assessments for monthly rates and other fees.
 - g. Definition of terms by which the District shall administer the applicant's project by:
 - (1) Review of the design of the applicant's on-site service facilities;
 - (2) Design of off-site service facilities to provide service to the applicant's facilities;
 - (3) Securing and qualifying bids for off-site facilities, if applicable;
 - (4) Selection of a qualified bidder for construction of off-site facilities;
 - (5) Approval of qualified bidders or candidates for construction of on-site facilities;
 - (6) Execution of the Service Contract;
 - (7) Construction inspection of on and off-site facilities; and
 - (8) Testing of facilities and closing the project.
 - h. Definition of terms by which the applicant shall indemnify the District from all third party claims or lawsuits in connection with the project contemplated.
 - i. Definition of terms by which the applicant shall deed all constructed facilities to the District and by which the District shall assume operation and maintenance responsibility, including any enforcement of warranties in connection with construction of the applicant's project.
 - j. Definition of terms by which the applicant shall grant title or easement for right-of-ways, constructed facilities, and facility sites and/or terms by which the applicant shall provide for the securing of required right-of-ways and sites.
 - k. Definition of terms by which the Board of Directors shall review and approve the Service Contract pursuant to current rules, regulations, and bylaws.
9. **Property and Right-of-Way Acquisition.** With regard to construction of facilities, the District shall require private right-of-way easements or private property as per the following conditions:
- a. All District water lines shall be located within an easement that is contiguous at all points to a state highway, county approved and maintained road right of way, or a private road that has been approved through the county subdivision platting process. All water meters will be set on the property for which service is requested.
 - b. If the District determines that right-of-way easements or facility sites outside the applicant's property are required, the District shall require the applicant to secure easements or title to facility sites in behalf of the District. All right-of-way easements and property titles shall be researched, validated, and filed by the District at the expense of the applicant.
 - c. A deed showing proof of ownership of property.

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- d. All facilities required to be installed in public right-of-ways in behalf of the applicant, due to inability to secure private right-of-way easements, shall be subject to costs equal to the original cost of facility installation for those facilities in public right-of-ways, plus the estimated cost of future relocation to private right-of-ways or subject to the cost of installation under state condemnation procedures, whichever is most desired by the applicant.
 - e. The District 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 District) and title to property required for other on-site facilities.
 - f. Easements and facility sites shall be prepared for the construction of the District's pipeline and facility installations in accordance with the District's requirements and at the expense of the applicant.
10. **Bids for Construction.** The District's consulting engineer shall advertise for bids for the construction of the applicant's proposed off-site facilities in accordance with generally accepted practices. The applicant's consulting engineer shall advertise for bids for construction of the proposed on-site facilities in accordance with generally accepted practices, or may submit for the District's approval of a qualified candidate for construction without submitting for competitive bidding. Plans and specifications shall be made available, with or without charge, to prospective bidders or candidates. Although the District reserves the right to reject any bid or contractor, the District shall generally provide approval of award to the lowest and best bidder in accordance with the following criteria:
- a. The applicant shall sign the Service Contract noting willingness to proceed with the project and shall pay all costs in advance of off-site construction associated with the project;
 - b. The contractor shall provide an adequate bid bond under terms acceptable to the District;
 - c. The contractor shall secure adequate performance and payment bonding for the project under terms acceptable to the District;
 - d. The contractor shall supply favorable references acceptable to the District;
 - e. The contractor shall qualify with the District as competent to complete the work;
 - f. The contractor shall provide adequate certificates of insurance as required by the District and the District and its consulting engineer shall be named as co-insured parties with the contractor.

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11. **Pre- Payment for Construction and Service.** Upon execution of the Service Contract, the applicant shall pay to the District all costs required under the terms of the contract.
12. **Construction.**
 - a. All road work and site drainage work pursuant to county and/or municipal standards (if applicable) shall be completed prior to facility construction to avoid future problems resulting from road right-of-way completion and excavation. Subject to approval of the requisite authority, road sleeves may be installed prior to road construction to avoid road damage during construction of applicant's facilities.
 - b. The District shall, at the expense of the applicant, inspect the facilities to ensure that District standards are achieved.
 - c. Construction plans and specifications shall be strictly adhered to, but the District reserves the right to change order any specifications, due to unforeseen circumstances during the design phase, to better facilitate operation of the applicant's facility. All change order amounts shall be charged to the applicant.
13. **Service within Subdivisions.** The District's objective to provide service to any customer located within a subdivision governed by this section is strictly limited to the Non-Standard Service specified by the applicant in accordance with the designated lots or service units as a part of the approved plat and specified in the Non-Standard Service Contract. The purchaser of any lots who do not receive service because their service is not consistent with the service contract and paid for by the applicant shall have no recourse to the District but may have recourse to the applicant developer under Texas law, including but not limited to Section 13.257, Texas Water Code, and the Texas Deceptive Trade Practices-Consumer Protection Act, Ch 17, Subchapter E, Business and Commerce Code.
14. **Subdivisions Involving 50 Acres or Larger.** The applicant developer must provide all information otherwise required under this section and must ensure that the District has been provided complete information sufficient to determine whether the level and manner of service requested by the applicant developer can be provided within the time frame specified by the applicant developer and to determine what capital improvements, including expansion of capacity of the District's production, and distribution facilities properly and directly allocable to the requested level and manner of service will be needed. At a minimum, the applicant developer must provide the following:
 - a. Map and description of the area to be served complying with requirements of 30 Texas Administration Code Section 291.105(a) (2) (A)-(G).
 - b. Time frame for the initiation of service and service to each phase.
 - c. Level of service (quantity and quality) for each phase including a map show each phase.
 - d. The projected land uses that support the requested level of service for each phase.
 - e. Copies of all required approves, reports and studies done by or for the applicant developer for this property.
 - f. Proposed improvements to be constructed by the applicant developer including time line for the construction of these improvements.
 - g. A map or plat of the subdivision depicting each phase signed and sealed by a

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licensed surveyor or registered professional engineer.

- h. Projected water and or wastewater demands of the subdivision when fully built out and the projected schedule of build-out.
- i. Any additional requested information by the District necessary to determine the capacity and the cost for providing the requested service.
- j. The applicant developer must advise the District that he/she may request expedited decertification from the TCEQ.

The application will be processed on a time frame that should ensure final decision by the District within 90 days from the date of the Non-Standard Service Application and the payment of all fees required by this section.

Upon payment of all required fees, the District shall review applicant developer's service request. If no additional information is required from the applicant developer, the District will prepare a written report on applicant developer's service request, subject to any final approval by the District's Board of Directors which must be completed within 90 days.

The District 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 for paying.

In the event the District determines additional information is needed, the District will notify applicant developer of the need for such additional information. Notice for additional information will be made in writing within 30 days of the date of the District receives the applicant developer's payment and completed application for Non-Standard Service. Applicant developer should respond to the District with additional information within 15 days of the request. In any case the District will provide the written report, including final approval by the District's Board of Directors within 90 days of the initial application and payment of fees.

By mutual written agreement, the District and the applicant developer may extend the time for review beyond the 90 days provided for expedited petitions to the TCEQ.

The applicant developer is advised that if the applicant developer makes any changes in the level or manner of service and the time frame for initiation of service that is different than the initial application, the original application will be deemed withdrawn and the changes made may be considered a new application for all purposes, including the times specified herein for processing.

Following the 90 days and final approval by the District and acceptance of the District's terms for service by the applicant developer, a non-Standard Service Contract will be executed and the District shall provide service according to the terms and conditions within the Non-Standard Service Contract.

15. 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.). Temporary service shall only be provided for a maximum of 90 days and can only be extended by approval of the General Manager.

APPENDIX A

This appendix is set forth and adopted by the District to meet the growing need to provide fire flow in new subdivisions and developments throughout the District's service area.

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The District reserves the right to "Re-classify" flows on all fire hydrants within the distribution system including new subdivisions and development as the District adds more connections to the distribution system. All fire hydrants shall, at all times, meet the minimum state standards and the "Re-classification of a fire hydrant shall not constitute a need for off-site improvements by the District.

Design

Design is based on current rural development densities as seen throughout the state.

1. 5 acres and larger size lots
6 inch distribution main with fire hydrants (FH) located every 2000 feet. Flow can range from 250 gallon per minutes (gpm) to 500gpm.
2. 2 acre to 5 acre size lots
6 inch distribution main with FHs located every 1000 feet. Flow can range from 500gpm to 750gpm.
3. 1 acre to 2 acre size lots
8 inch distribution main with FHs located every 500 feet. Flow can range from 500gpm to 750gpm*.
4. 1 acre and smaller size lots
8 inch distribution main with FHs located every 500 feet. Flow can range from 1000gpm and up*.
5. Industrial and Commercial Structures
8 inch distribution main with FHs located between each lot. Flow can range from 750gpm to 1000gpm*.
6. Schools
Looped 8 inch distribution main with FHs located every 500 feet. Flow can range from 750gpm to 1000gpm*.

(*) can include the use of more than one FH.

All fire hydrants shall be color coded to the flow established after installation and testing to the District's requirements below. The fire hydrant barrel shall be painted black and the end caps and top bonnet painted according to tested flow.

250gpm to 500gpm flow = Red
500gpm to 750gpm flow = Orange
750gpm to 1400gpm flow = Green
1400gpm and greater flow = Blue

All fire hydrants shall have a reflective device and or tape to aid in locating at night.

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SECTION G.

RATES AND SERVICE FEES

UNLESS SPECIFICALLY DEFINED IN THIS RATE ORDER, ALL FEES, RATES, AND CHARGES AS STATED SHALL BE NON-REFUNDABLE.

1. **Classes of Users** -- All users of the District's water services shall be grouped into the following classes:

- a) Residential users, consisting of residential users located within the District.
- b) Commercial users, consisting of users located within the District to which service to a non-residential structure is provided.
- c) Outside District users, consisting of residential or commercial users located outside the District.
- d) Wholesale users, consisting of Cities, and other retail public utilities.
- e) Construction users, consisting of contractors or others wanting temporary service supplied through a fire hydrant meter.
- f) Independent School District Campuses, consisting of only Boles ISD, and Lone Oak ISD.
- g) Institutional Care and Education Campuses, consisting of only Boles Home.

Water and sewer charges will be assessed in such a manner that each class of users generally pays its share of debt service and operation and maintenance expenses for water service. Charges to outside district customers may be assessed to recognize the additional costs associated with serving outside District customers or the risk that these customers may have other options for receiving service and may not continue being district customers. Other classes of users may be added in the future if necessary.

All classes of users may be grouped into sub-classes according to the meter size provided to their residence and/or commercial establishment.

2. **Service Investigation Fee.** The District shall conduct a service investigation for each service application submitted at the District office. An initial determination shall be made by the District, 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 District'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 District 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.)

3. **Deposit.** At the time the application for service is approved, an Applicant shall pay an account deposit which will be held by the District, without interest, until settlement of the customer's final bill. The Deposit will be used to offset final billing charges of the account. In the event that a surplus exists after the final billing is settled, the balance will be paid to the customer within 45 days, when the District is provided with a suitable address. All requests for refunds shall be made in writing and must be filed within 90 days of termination. In the event that an outstanding balance exists after the Deposit is applied, The District shall attempt to collect the outstanding balance by all lawful means available.
 - a. The Deposit for water service is \$200.00 for each service unit.
 - b. The Deposit for oversized or Master Metered Accounts may be based on multiples of meter size equivalence or actual connections served.
 - c. The Deposit for a Contractor owned fire hydrant meter is \$200.00 per meter.
 - d. If the District is not provided with a suitable address to send the balance of a deposit or if after sending the balance it is returned by the postal service, the District will hold the funds for the customer to claim for a period of one year. After the one-year holding period has expired, the District will turn the money over to the Texas Comptroller's Office. The customer may still claim their deposit once deposited with the Comptroller's Office.

4. **Easement Fee.** When the District 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 District and/or pay all costs incurred by the District in validating, clearing, and retaining such right-of-way in addition to tap fees otherwise required pursuant to the provisions of this Rate Order. 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. 2. c. (2), Section F. 7. a.)

5. **Installation Fee (Tap Fee).** The District shall charge an installation fee for service as follows:
 - a. **Standard Service** shall include all current labor, materials, engineering, legal, service inspection, and administrative costs necessary to provide individual metered water and shall be charged on a per tap basis as follows:

<u>Meter Size</u>	<u>Water Installation (Tap) Fee</u>
5/8" X 3/4"	\$5,500.00
3/4"	Non-standard request
1"	Non-standard request
1 1/2"	Non-standard request
2" -	Non-standard request
 - b. **Non-Standard Service** shall include any and all construction labor and materials, inspection, administration, legal, and engineering fees, as determined by the District under the rules of Section F of this Rate Order.
 - c. **Standard and Non-Standard Service Installations** shall include all costs of any pipeline relocations as per Section E.2. (d) (6) of this Rate Order or other system improvements.
 - d. **Smart (Cell) Meter Fee** is an additional fee added to the Tap Fee for data storage service. Current amount is \$300.00.

6. Monthly Charges.

a. Service Availability Charge

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

METER SIZE	5/8" X 3/4" METER EQUIVALENTS	MONTHLY RATE
5/8" X 3/4"	1.0	\$ 39.69
3/4"	1.5	\$ 59.51
1"	2.5	\$ 99.18
2"	8.0	\$317.23
3" FH Meter		\$594.78

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	0 – 10,000 gallons =	\$5.47 per 1000 gallons
	10,001 – 20,000 gallons =	\$6.83 per 1000 gallons
	20,001 – 30,000 gallons =	\$8.52 per 1000 gallons
	Over 30,000 gallons =	\$10.64 per 1000 gallons

(2) The District shall, as required by Section 5.235, Water Code of the State of Texas, collect from each of its retail customers a regulatory assessment equal to one-half of one percent of the charge for retail water or wastewater service. This charge shall be collected in addition to other charges for utility service. This fee is collected on all charges pertaining to Section G.7. Monthly Charges of this Rate Order. (30 TAC 291.76 d.(3) (i))

(3) Independent School District Campuses and Institutional Care and Education Campuses will be assessed a gallonage charge equal to the cost of water, determined each year as the quotient obtained by dividing Cash's Operating Expenses for the Cash Water System during the preceding calendar year by the total quantity of water sold by Cash during the calendar year; times .90.

7. Standby Fee – (*Debt Service Standby Fee or O&M Standby Fee – Either one must be approved by TCEQ every 3 years!*) The monthly charge for undeveloped property (a tract, lot or reserve in the district to which no vertical improvements and water or wastewater connections or drainage services have been made to serve the property and for which water, wastewater or drainage facilities and services are available.).

8. Late Payment Fee. Once per billing period, a penalty of \$10.00 shall be applied to delinquent bills.

This late payment penalty shall not be applied to any balance to which the penalty was applied in a previous billing, but shall be applied to any unpaid balance during the current billing period.

9. **Owner Notification Fee.** The District may, at the expense of the Customer, notify said Customer of a renter/lessee delinquent account status prior to disconnection of service. The Owner Notification Fee shall be \$10.00 per notification.
10. **Returned Check Fee.** In the event a check, draft, or any other similar instrument is given by a person, firm, District, or partnership to the District for payment of services provided for in this Rate Order, 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 \$35.00.
11. **Reconnect Fee (Service Trip Fee).** The District shall charge a fee of \$60.00 for reconnecting service after the District has previously disconnected the service for any reason provided for in this Rate Order including the activation of service under Section E.3.b. Re-Service.
12. **Service Trip Fee.** The District shall charge a trip fee of \$60.00 for any service call or trip to the Customer's tap as a result of a request by the Customer or resident (unless the service call is in response to damage of the District's or another Customer's facilities) or for the purpose of connecting, disconnecting service under Section E.3.e. Interim Service, and or collecting payment for services.
13. **Equipment Damage Fee.** If the District'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 District actions. This fee shall be charged and paid before service is re-established. If the District'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 Customer. If the District's facilities or equipment have been damaged due to negligence or unauthorized use of the District's equipment, right-of-way, or meter shut-off valve, or due to other acts for which the District incurs losses or damages, the Customer shall be liable for all labor and material charges incurred as a result of said acts or negligence.
14. **Fee for Unauthorized Actions.** Fee for Unauthorized Actions. If the District'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 or replacement of the District's facilities and shall be paid before service is re-established. The fee shall also include the actual costs for all labor, material, equipment, and other actions necessary to correct service diversions, unauthorized taps, or reconnection of service without authorization. All components of this fee will be itemized, and a statement shall be provided to the customer. If the District's facilities or equipment have been damaged due to unauthorized use of the District's equipment, easements, or meter shut-off valve, or due to other unauthorized acts by the customer for which the District incurs losses or damages, the customer shall be liable for all labor and material charges incurred as a result of said acts or negligence. Note: Payment of this fee will not preclude the District from requesting appropriate criminal prosecution.

15. **Administration Fee.** The District shall charge a fee of \$20.00 to a customer or applicant for Interim Service to cover cost associated with the tracking, processing, filing, and entering meter reading before and after disconnection.
16. **Customer History Report Fee.** A fee of \$10.00 shall be charged to provide a copy of the Customers record of past water purchases in response to a Customer's request for such a record.
17. **Meter Test Fee.** The District shall test a Customer's meter upon written request of the Customer. Under the terms of Section E of this Rate Order, a charge of \$120.00 shall be imposed on the affected account.
18. **Information Disclosure Fee.** All public information except that which has been individually requested as confidential shall be available to the public for a fee to be determined by the District based on the level of service and costs to provide such information, but not to be inconsistent with the terms of the Texas Publication Information Act: Chapter 552, Texas Government Code.
19. **Customer Service Inspection Fee.** A fee to be assessed each Applicant before permanent continuous service is provided to new construction.
20. **Additional Assessments.** In the event any federal, state or local government imposes on the District a "per meter" fee or an assessment based on a percent of water/sewer charges, this fee or assessment will be billed and collected as a "pass through" charge to the customer.
21. **Convenience Fee.** A fee assessed to each credit card or debit card transaction. The fee shall cover the cost of such transaction charged to the District by banks, credit card companies, and third-party vendors. The convenience fee will be passed through to the customer during time of payment.
22. **Leak Finders Credit**
A \$25.00 credit shall be given to the first customer who reports a verified leak on the District's water mains. The credit shall appear on the billing following verification.
23. **Other Fees.** All services outside the normal scope of utility operations that the District may be compelled to provide at the request of a customer shall be charged to the recipient based on the cost of providing such service.
24. **Voluntary Contributions.** A fee assessed in accordance with Texas Water Code, Section 13.143. The Board may implement as part of the billing process, a voluntary contribution from the District's customers on behalf of a local library, volunteer fire department, or an emergency medical service provider. Customers wanting to make voluntary contributions must contact the District's office and complete forms approved by the District.

25. **Water Pipeline Damage Penalty.** If the District’s facilities or equipment have been damaged in any respect due to excavation, digging, or any other activity that damages District water lines and facilities, a fee shall be charged equal to the actual costs for all labor, materials and equipment necessary for repair or replacement of the District’s water lines and facilities. In addition to the fee for the costs of all labor, materials, and equipment, an automatic penalty of \$3,000.00 shall also be assessed, and shall apply upon each occurrence of a violation of this section. A penalty under this section is in addition to any other penalty or remedy provided by the laws of the State of Texas or this Rate Order.

26. New Service Pay-Out Policy

\$2975.02	Down Payment (\$200 deposit + \$25 admin fee + \$2500.02 New Service fee)
\$458.33	Due in 30 Days
\$458.33	Due in 60 Days
\$458.33	Due in 90 Days
\$458.33	Due in 120 Days
\$458.33	Due in 150 Days
\$458.33	Due in 180 Days
<u>\$5725.00</u>	Total

27. **Conservation Rate.** At times of severe water shortage, the District may implement the following conservation rate to help reduce the demand of water from retail customers.

Water	0 – 10,000 gallons =	\$5.47 per 1000 gallons
	10,001-20,000 gallons =	\$13.66 per 1000 gallons
	20,001 – 30,000 gallons =	\$17.04 per 1000 gallons
	Over 30,000 gallons =	\$21.28 per 1000 gallons