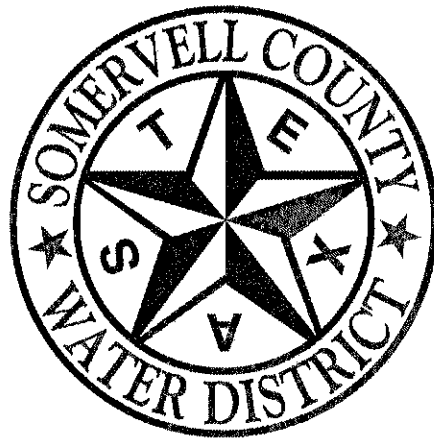


# Somervell County Water District



## DISTRICT SERVICE POLICY

January 10, 2011

Revised May 13, 2014

Revised August 8, 2016

Revised August 9, 2021

Revised September 11, 2023

Revised August 12, 2024

Revised July 14, 2025

Revised November 10, 2025

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# TABLE OF CONTENTS

## ORDER ADOPTING SERVICE POLICY

### SECTION A.

#### AUTHORITY

### SECTION B.

#### STATEMENTS

1. Organization
2. Non-Discrimination Policy
3. Policy and Rule Application
4. Fire Protection Responsibility
5. Liability
6. Information Disclosure
7. Customer Notice Provision
8. Customer Service Inspections
9. Submetering Responsibility

### SECTION C.

#### DEFINITIONS

### SECTION D.

#### GEOGRAPHIC AREA SERVED

### SECTION E.

#### DISTRICT SERVICE RULES AND REGULATIONS

1. Service Entitlement
2. Application Procedures and Requirements
3. Activation of Standard and Non-Standard Service
4. Changes in Service Classification
5. Denial of Service
6. Applicant's Recourse
7. Insufficient Grounds for Refusal of Service
8. Deferred Payment Agreement
9. Charge Distribution and Payment Application
10. Due Dates, Delinquent Bills, and Service Disconnection Date
11. Rules for Disconnection of Service
12. Billing Cycle Changes
13. Back-Billing
14. Disputed Bills
15. Inoperative Meters
16. Bill Adjustment Due to Meter Error
17. Meter Tampering and Diversion
18. Service Facility Relocation
19. Prohibition of Multiple Connections to a Single Tap
20. Customer's Responsibility
21. Prohibited Plumbing Practices
22. Connection of Water Service
23. Standards for Water Service Lines

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

1. District's Limitations
2. Purpose
3. Application of Rules
4. Non-Standard Service Application
5. Design
6. Non-Standard Service Contract
7. Property and Right-of-Way Acquisition
8. Bids for Construction
9. Pre-Payment for Construction and Other Costs
10. Construction
11. Service Within Subdivisions
12. Service to Subdivisions of 50 acres or greater

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

1. Classes of Users
2. Service Investigation Fee
3. Deposit
4. Easement Fee
5. Installation Fee (Tap Fee)
6. Monthly Charges
7. Late Payment Fee
8. Returned Check Fee
9. Reconnect Fee (Re-Service Fee)
10. Service Trip Fee
11. Fee for Unauthorized Actions
12. Customer History Report Fee
13. Meter Test Fee
14. Regulatory Assessment
15. Additional Assessments
16. Other Fees

**SECTION H.****SAMPLE APPLICATION PACKET**

1. District Service Application and Agreement
2. Right-of-Way Easement (General)
3. Right-of-Way Easement (Location Required)
4. Non-Standard Service Contract
5. Applicant Notice of Insufficient Information

**SECTION I.****MISCELLANEOUS TRANSACTION FORMS**

1. Confidentiality of Customer Records
2. Customer Notice of Water Rationing
3. Customer Notice of First Violation & Penalty
4. Customer Notice of Second Violation & Penalty
5. Customer Notice of Subsequent Violation & Penalty
6. Notice of Termination – Water Rationing Violations

7. Deferred Payment Agreement
8. Line Extension Refund Agreement
9. Meter Test Authorization and Test Report
10. Notice of Requirement to comply with the Subdivision and Service Extension Policy
11. Notice of Returned Check
12. Right-of-Way Easement Denial Letter and Affidavit Form
13. Equipment and Line Dedication Agreement
14. Termination Notice – Past Due Account
15. Wastewater Billing Services Agreement
16. Developer Dedication, Bill of Sale & Assignment Agreement
17. Individual Dedication Agreement
18. Customer Service Inspection Certification

## **SECTION A** **AUTHORITY**

1. This Service Policy was adopted by resolution by the Board of Directors of the District on January 10th, 2011. This Service Policy supersedes all utility service policies, adopted or passed by the Board of Directors previously, unless otherwise provided.
2. The adoption of this Service Policy shall not affect any violation or act committed or done, or any penalty or forfeiture incurred, or any contract or vested right established or accrued under any prior Service Policy.
3. 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.
4. 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.
5. This Service Policy is immediately effective upon the date of adoption unless otherwise specified.

## **SECTION B** **STATEMENTS**

1. **Organization.** The Somervell County Water District is a Political Subdivision of the State of Texas, existing and operating pursuant to Article XVI, Section 59 of the Texas Constitution, Chapter 86, acts of the 69<sup>th</sup> Legislature of Texas (R.S. 1985) and to the extent applicable, Chapters 49 of the Texas Water Code for the purpose of furnishing potable water service to Somervell County (general area description). 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, creed, color, national origin, gender, disability, or marital status.
3. **Policy and Rule Application.** These policies, rules, and regulations apply to the water services provided by the District. Failure on the part of the Customer or Applicant to observe these policies, rules and regulations 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 on any of 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 for refill only by authorized fire departments. Any hydrant, flush valve or similar fixture painted black is not available for fire flow and shall not be used for such purposes according to state law. 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, and for normal system failures.
6. **Information Disclosure.** The records of the District shall be kept in the District's office at 2099 C.R. 301, Glen Rose, 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. A reasonable charge as established pursuant to the Texas Public Information Act may be assessed to any person requesting copies of District records. An individual customer may request in writing that their address, telephone number, account record of water use or social security number be kept confidential. Such confidentiality does not prohibit the District 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 acting in connection with the employee's duties or as otherwise authorized by Section 182.054 of the Texas Utilities Code.
7. **Customer Notice Provision** -- The District will give written notice of a monthly water 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 non-standard 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(i-j))
  
9. ***Submetering Responsibility.*** Submetering and Non-Submetering by Master Metered Accounts may be allowed in the District's water distribution system provided the Master Metered Account customer complies with the Texas Commission on Environmental Quality Chapter 291 Subchapter H rules pertaining to Submetering. The 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 Texas Commission on Environmental Quality.

## **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.

**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.

**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 having District's service at any specified premises designated to receive service.

**Defined Service Area** - That area within which water services are provided to customers and that includes the area within the District's boundaries.

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

**Developer** - Any person who owns land located within the District who has divided or proposes to divide the land into two or more 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 thereto.

**Disconnection of Service** - The discontinuance of water service to a customer of the District.

**District** - The Somervell County Water District.

**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 perpetual right-of-way dedicated to the District for the installation of water (and sewer) pipelines and necessary facilities which allows access to property for future operation, maintenance, facility replacement, facility upgrades, and/or installation of additional pipelines 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. The District maintains and occasionally updates a standard easement which must be provided prior to service to a new customer or new service connection.

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

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

**Master Meter** - A meter that serves two or more connections and is installed in accordance with the requirements set forth in Section E (2) (d) of this Service Policy.

**Re-Service** - Providing service to an Applicant at a location at which service previously existed and at which 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 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 systems.

**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 Classification** - The type of water service required by an Applicant as may be determined by the District based on specific criteria such as usage, meter size, demand, type application, and other relevant factors related to the Applicant's request. The base unit of water used by the District in facilities design and rate making in this Service Policy is a 5/8" X 3/4" water meter.

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

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

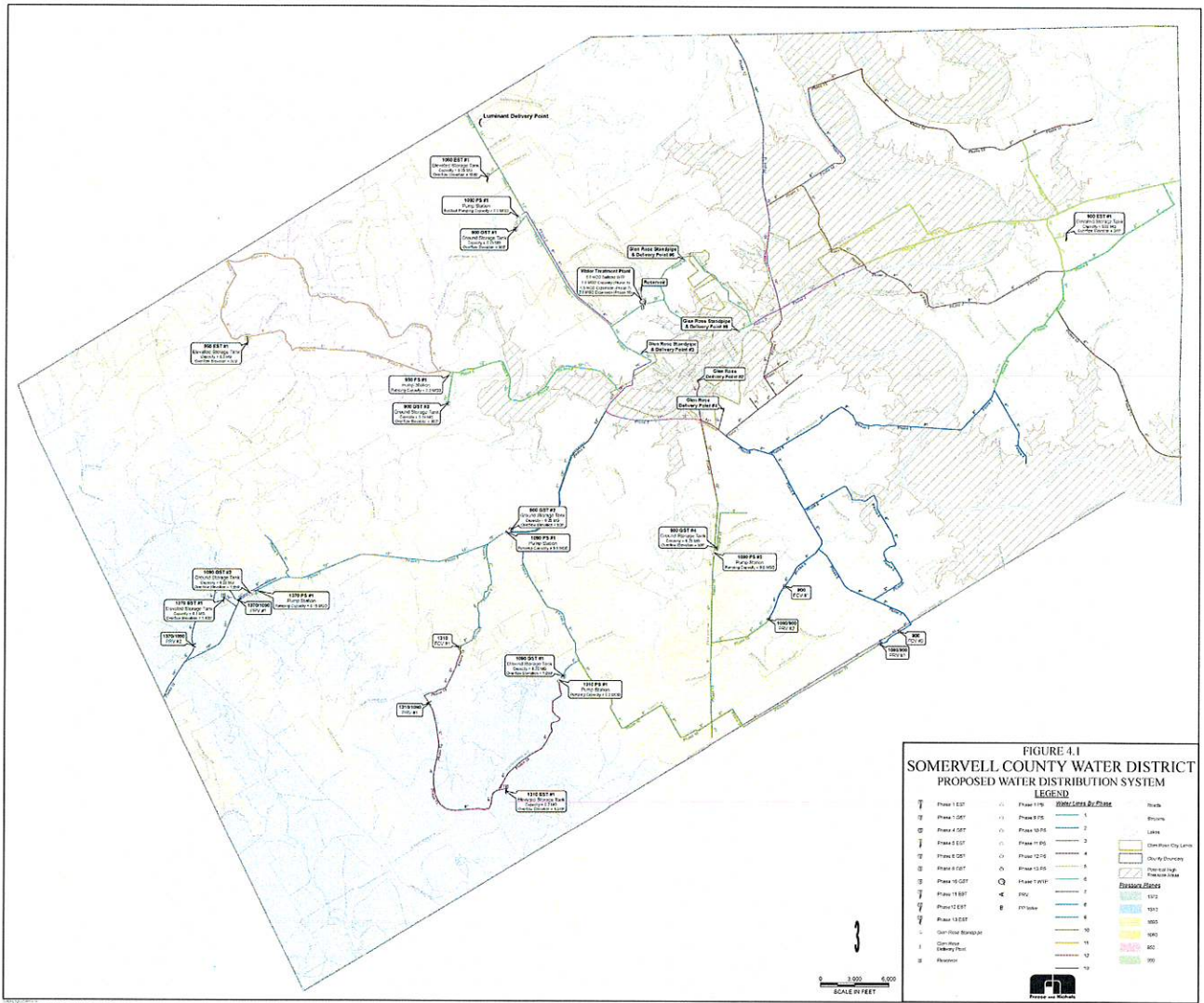
**Subdivision** - An area of land that has been subdivided into lots or tracts (Local Government Code Chapter 232, Section 232.021 Definitions).

**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.

**Texas Commission on Environmental Quality (TCEQ)** - State regulatory agency having jurisdiction of water and sewer service utilities and appellate jurisdiction over the rates and fees charged by the District.

# SECTION D GEOGRAPHIC AREA SERVED

This section should include an area map that shows all areas in which the District maintains facilities or proposes to construct facilities for the purpose of providing service, including but not limited to all areas within the District's boundaries. For those Districts holding a CCN, it is the responsibility of the District to properly record in the real property records of each county included in the District's CCN a current copy of the CCN map and a boundary description of the CCN area as per Section 13.257 (r) Texas Water Code.



**SECTION E**  
**DISTRICT SERVICE RULES AND REGULATIONS**

1. ***Service Entitlement.*** An Applicant requesting service within the boundaries of the District shall be considered qualified and entitled to water 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.
  
2. ***Application Procedures and Requirements.*** For the purposes of this Service Policy, service shall be divided into the following two classes:
  - a. **Standard Service** is defined as service on an existing pipeline where pipeline or service facility extensions are not required and special design and/or engineering considerations are not necessary. Typically, this would include 5/8" X 3/4" or 3/4" sized water meter services set on existing pipelines.
  - b. **Non-Standard Service** is defined as any service request which requires a larger meter service, service to a Master Metered Account (see E. 2. c. (4) 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 Non-Standard Service Applicant prior to providing service. The District shall make a determination as to the appropriate size and type of meter to serve non-standard applicants.
  - c. **Requirements for Standard and Non-Standard 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, 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 service to the applicant and to facilitate current and future system-wide service (Texas Water Code §49.218(d),(f)).
    - iii. As set forth in Section B.10 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 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. The District may consider master metering of water service and/or non-standard sewer service to apartments, condos, trailer /RV parks, or business centers and other similar type enterprises at an Applicant's request provided the total number of units to be served are:

- a. owned by the same person, partnership, cooperative, corporation, agency, public or private organization of any type but not including a family unit, and considered a commercial enterprise; i.e. for business, rental, or lease purposes; or
  - b. not directly accessible to public right-of-way (such as but not limited to gated communities).
- v. **Individual Metering for Multiple Use Facilities.** On request by the property owner or manager, the district shall install individual meters owned by the District in an apartment house, manufactured home rental community, multiple use facility, or condominium 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. 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.
- vii. If the water main has been located in the public right-of-way and is adjacent to Applicant's property due to the current or previous landowner's refusal to grant an easement 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 ROW and construct the appropriate line or lines within that easement for the District's system-wide service (See Miscellaneous Transaction Forms).

### 3. *Activation of Standard and Non-Standard Service.*

- a. **New Tap** -- The District shall charge a non-refundable service installation fee and a refundable 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 (30 TAC 291.86 (a)(1)(A)).
- b. **Re-Service** -- For re-service the District shall charge the deposit fee and other costs necessary to restore service. When re-service is requested by an applicant owing any delinquent charges on previous service at any location served by the District, all delinquent charges 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 whenever practicable, but not later than ten (10) 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 Non-Standard Service Request (see Section F., 30 TAC 291.85).

- d. **Inspection of Customer Service Facilities** -- The facilities at the service connection shall be inspected to insure compliance with state required Minimum Acceptable Operating Practices for Public Drinking Water Systems as promulgated by the Texas Commission on Environmental Quality or successor agency. The customer must, at his or her expense, properly install and provide certification of maintenance on any backflow prevention device required by the District (30 TAC 290.46(j)).
4. **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, Section E, Sub-Section 11.a.
5. **Denial of Service.** The District may deny service for the following reasons:
  - a. Failure of the Applicant to provide all required easements and forms and to pay all required fees and charges;
  - b. Failure of the Applicant to comply with rules, regulations, policies, and bylaws of the District;
  - c. Existence of a hazardous condition at the Applicant's property which could jeopardize the welfare of other customers of the District upon connection;
  - d. Failure of Applicant to provide representatives or employees of the District reasonable access to property for which service has been requested;
  - e. Applicant's service facilities are known to be inadequate or of such condition that satisfactory service cannot be provided.
6. **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.
7. **Insufficient Grounds for Refusal of Service.** The following shall not constitute sufficient cause for the refusal of service to an Applicant:
  - a. Delinquency in payment for service by a previous occupant of the premises to be served;
  - b. Failure to pay a bill to correct previous underbilling due to meter error, misapplied meter multiplier, incorrect meter readings, or computation error more than six (6) months prior to the date of application;
  - c. Violation of the District's rules pertaining to operation of non-standard equipment or unauthorized attachments which interfere with the service of others, unless the customer has first been notified and been afforded reasonable opportunity to comply with said requirements;
  - d. Failure to pay the bill of another customer at the same address except where the change of customer identity is made to avoid or evade payment of a utility bill; or
  - e. 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.
8. **Deferred Payment Agreement.** The District may offer a deferred payment plan to a Customer who cannot pay an outstanding balance in full and is willing to pay the balance in reasonable installments as determined by the District, including any Late Penalty Fees or interest on the monthly balance to be determined as per agreement (See Miscellaneous Transaction Forms).

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

- a. **The Service Availability Charge** is billed on a monthly basis. Charges shall be prorated for meter installations and service terminations falling during the billing period.
- b. **Gallonge Charge** shall be billed at the rate specified in Section G and billing shall be calculated in one thousand (1000) gallon increments. Water charges are based on monthly meter readings and are calculated from reading date to reading date. Readings used in all billing calculations shall be taken by the 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.

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

- a. The District shall mail all bills on or about the 1st of the month. All bills shall be due and payable upon receipt and are past due beyond the date indicated on the bill (allowing approximately fifteen (15) days to pay), after which time a penalty shall be applied as described in Section G. A bill is delinquent if not paid on or before the past due date. Payments made by mail will be considered late if postmarked after the past due date. A two day grace period may then be allowed for delayed payments prior to mailing of final notices. Final notices shall be mailed allowing ten (10) additional days for payment prior to disconnection. The ten (10) additional days shall begin on the day the final notice is deposited with the U.S. Postal Service with sufficient postage. If the past due date for the regular or final billing is on a weekend or holiday, the past due date for payment purposes shall be the next day the 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.  
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 (Reference: Utilities Code Section 182.001 - 182.005).

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

- a. **Disconnection with Notice** -- Water utility service may be disconnected for any of the following reasons after proper notification has been given.
  - 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 (Miscellaneous Transaction Forms). Any such instruments returned as insufficient or non-negotiable for any reason for any two billing periods within a 12-month period shall be considered evidence of bad credit risk by the District. The Customer in violation shall be placed on a "cash-only" basis for a period of 12 months.  
**NOTE:** "cash only," means certified check, money order, or cash.

- 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 (Miscellaneous Transaction Forms).
  - iii. Violation of the District's rules pertaining to the use of service in a manner which interferes with the service of others or the operation of non-standard equipment if a reasonable attempt has been made to notify the 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 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 that a hazardous condition or policy violation exists for which access is necessary to verify.
  - 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 Customer no longer meets the terms of the service classification originally applied for under the original service application.
- 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 violation of the Texas Sanitation and Health Protection Law Article 4477-1 (Rev. Civ. Stat. Ann.), or there is reason to believe a dangerous or hazardous condition exists and the Customer refuses to allow access for the purpose of confirming the existence of such condition and/or removing the dangerous or hazardous condition (Section E. 3. d., E. 20, 21., 30 TAC 290.46 (j) );
  - ii. Service is connected without authorization or has been reconnected without authorization following termination of service for nonpayment; and
  - iii. Tampering with the District's meter or equipment, by-passing the meter or equipment, or other unauthorized diversion of service.
  - iv. When a returned check is received on an account that was scheduled for disconnection, service shall be immediately disconnected in accordance with the standard delinquent account policy. Notice shall be provided by same day mail or hand-delivery that insufficient check was received. Notice shall state the hours and location where this insufficient check can be redeemed to allow service to be re-connected.
- NOTE:** Where reasonable under the circumstances of the disconnection without notice, a written statement providing notice of disconnection and the reason therefore shall be posted at the place of common entry or upon the front door of each affected residential unit after service has been 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. 15. 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 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 and Disabled** -- 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. Each time a Customer seeks to avoid termination of service under this Sub-section, the Customer must have the attending physician call or contact the District within sixteen (16) days of issuance of the bill. A written statement must be received by the District from the physician within twenty-six (26) days of the issuance of the utility bill. The prohibition against service termination shall last sixty-three (63) days from the issuance of the utility bill or such lesser period as may be agreed upon by the District and Customer's physician. The Customer shall enter into a Deferred Payment Agreement (see Miscellaneous Transaction Forms).
- g. **Disconnection of Master-Metered Accounts** -- When a bill for water utility services is delinquent for a master-metered service complex (defined as a complex in which a single meter serves two (2) or more residential dwelling units), the following shall apply:
  - 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.

12. **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.

13. **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.
14. **Disputed Bills.** In the event of a dispute between the Customer and the District regarding any bill, the District shall forthwith make and conduct an investigation as shall be 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.
15. **Inoperative Meters.** Water meters found inoperative will be repaired or replaced within a reasonable time. If a meter is found not to register for any period, unless by-passed or tampered with, the 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 by-passing or tampering, the District will proceed with disconnection under Subsection E.b.iii. See also Section E.17.
16. **Bill Adjustment 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. (See Misc. Transaction Forms)
17. **Meter Tampering and Diversion.** Meter-tampering, by-passing, or diversion are strictly prohibited, including any tampering with the District's service equipment, by-passing the same, or other instances of diversion, such as:
  - a. removing a locking or shut-off device used by the District to discontinue service;
  - b. physically disorienting the meter;
  - c. attaching objects to the meter to divert service or to by-pass;
  - d. inserting objects into the meter; or
  - e. other electrical or mechanical means of tampering with, by-passing, or diverting service.Photographic evidence or any other reliable and credible evidence may be used to establish that a violation of this prohibition has occurred and to justify appropriate action by the District. A court finding of meter tampering may be used instead of photographic or other evidence, if applicable. Violation of this prohibition may be prosecuted to the extent allowed by law under the Texas Penal Code 28.03 and Penal Code 12.21.
18. **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; and
  - b. The Customer pays the actual cost of relocation plus administrative fees.
19. **Prohibition of Multiple Connections To A Single Tap.** No more than one (1) residential, commercial, or industrial service connection is allowed per meter. The District may consider allowing an apartment building or mobile home/RV park to apply as a "Master Metered Account" and have a single meter (Referring to Section E. 2. d. (4)). Any unauthorized submetering or diversion of service shall be

considered a Multiple Connection and subject to disconnection of service. 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.

#### **20. *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. (Section E. 3. 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)
  - ii. The use of pipe and pipe fittings that contain more than .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)
- c. The District's ownership and maintenance responsibility of water supply and metering equipment shall end at the meter or other service equipment. Therefore, all water usage registering upon and/or damages occurring to the metering equipment owned and maintained by the 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.

#### **21. *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 the eight percent (.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.

## 22. *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 system wide 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.

## 23. *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 31 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.
  - 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 water tight joints tested to a minimum of 150 PSI.
- e. 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.

- f. A District-owned water meter and a District approved meter box shall be installed by a District representative.
- g. 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.
- h. 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.
- i. 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.
- j. 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.
- k. Back filling of service line trenches must be accomplished within 24 hours of inspection and approval, and no debris will be permitted in any service line trench.

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

1. ***District's Limitations.*** All Applicants shall recognize that the District must comply with local, state, and federal rules and regulations as promulgated from time to time, and with covenants of current indebtedness.
2. ***Purpose.*** It is the purpose of this Section to define the process by which the specific terms and conditions for all kinds of Non-Standard Service, including specifically for Non-Standard Service to subdivisions and the respective developers and subdividers, are determined, including the Non-Standard Service Application and the District's respective costs.
3. ***Application of Rules.*** This Section sets forth the terms and conditions pursuant to which the District will process Non-Standard Service Requests. This Section is applicable to subdivisions, additions to subdivisions, developments, or whenever additional service facilities are required for a single tract of property. Examples of non-standard services for a single tract of property include, but are not limited to, road bores, extensions to the distribution system, meters larger than 5/8" X 3/4", water service lines exceeding 3/4" diameter and exceeding 500 feet in length. For the purposes of this Service Policy, Applications subject to this Section shall be defined as Non-Standard. In cases of service to a single tract, the General Manager shall determine whether or not an Applicant's service request shall be subject to all or part of the conditions of this Section. Non-Standard Service to subdivisions are governed by this Section.
4. ***Non-Standard Service Application.*** The Applicant shall meet the following requirements prior to the initiation of Non-Standard Service or the execution of a Non-Standard Service Contract by the District:
  - a. The Applicant shall provide the District a completed Service Application and Agreement giving special attention to the item(s) on SPECIAL SERVICE NEEDS OF THE APPLICANT.
  - b. The Applicant must be authorized to enter into a contract with the District setting forth terms and conditions pursuant to which Non-Standard Service will be furnished to a property or subdivision. The Specific terms and conditions pursuant to which the District will provide non-standard service in response to any request will depend upon the nature of such request and may be set forth in a legally enforceable, contractual agreement to be entered into by the District and the service Applicant. A Non-Standard service contract may not contain any terms or conditions that conflict with this section.
  - c. A plat acceptable to the District must accompany the Application showing the Applicant's requested service area. The plat must be approved by all governmental authorities exercising jurisdiction over lot sizes, sewage control, drainage, right-of-way, and other service facilities. Plans, specifications, and special requirements of such governmental authorities shall be submitted with the plat. Applicants for single taps

involving extension or upsizing of facilities shall be required to submit maps or plans detailing the location of the requested extension and details of demand requirements.

- d. A Non-Standard Service Investigation Fee shall be paid to the District in accordance with the requirements of Section G for purposes of paying initial administrative, legal, and engineering fees. The District shall refund any balance that remains after it has completed its service investigation, and has completed all legal and engineering services associated with processing a request. In the event such a fee is not sufficient to pay all reasonable expenses incurred by the District, the Applicant shall pay to the District all remaining expenses that have been, or will be incurred by the District and District shall have no obligation to complete processing of the request until all remaining expenses have been paid.
  - e. If after the service investigation has been completed, the District determines that the Applicant's service request is for property located, in whole or in part, outside the area described in the District's defined service area, service may be extended provided that:
    - i. The service location is not in an area receiving similar service from another retail public utility;
    - ii. The service location is not within another retail public utility's Certificate of Convenience and Necessity; and
    - iii. The District's defined service area shall be amended to include the entirety of Applicant's property for which service is requested. Applicant shall pay all reasonable costs incurred by District for annexation or for amending its CCN, including but not limited to engineering and professional fees. The District may extend service prior to completing the amendment to its CCN, but will do so only upon Applicant's legally enforceable agreement to fully support such amendment (including but not limited to payment of all professional fees, including legal, surveying and engineering fees incurred by District in securing the amendment). If the District determines to annex the property, the Applicant shall secure written requests for annexation from all ownership interests in the property to be annexed, and shall pay all costs, including engineering and professional fees for the annexation.
5. **Design.** Upon receipt of a complete Non-Standard Service Application and Investigation Fee, the District shall study the design requirements of the Applicant's required facilities prior to initiation of a Non-Standard Service Contract by adopting the following schedule:
- a. The District's Consulting Engineer shall design, or review and approve plans for, all on-site and off-site service facilities for the Applicant's requested level and manner of service within the District's specifications, incorporating any applicable municipal or other governmental codes and specifications.
  - b. The Consulting Engineer's fees shall be paid out of the Non-Standard Service Investigation Fee under Section 4.
  - c. The Consulting Engineer shall submit to the District a set of detailed plans, specifications, and cost estimates for the project.
  - d. The District's Engineer shall ensure all facilities for any Applicant are of proper size and type to meet the level and manner of service specified in the Non-Standard Service Application. The District reserves the right to upgrade design of service facilities to

meet future demands provided however, that the District shall pay the expense of such upgrading in excess of what is reasonably and directly allocable to the Applicant's facility requirements.

6. ***Non-Standard Service Contract.*** Applicants requiring Non-Standard Service may be required to execute a Non-Standard Service Contract, drawn up by the District's Attorney, in addition to submitting the District's Service Application and Agreement. Service to any subdivision shall require a Non-Standard Service Contract. Said Contract shall define the terms, including the level and manner of service and the date for commencing service, prior to construction of any facilities. The Non-Standard Service Contract may include, but is not limited to:
- a. Specifying the costs for contract administration, the design, construction, and inspection of facilities, securing additional water supply capacity, and terms by which these costs are to be paid.
  - b. Procedures by which the Applicant shall accept or deny a contractor's bid, thereby committing to continue or discontinue the project.
  - c. Terms by which service capacity adequate to the level and manner of service requested shall be reserved for the Applicant following construction of facilities and duration of reserved service taking into consideration the impact the Applicant's service demand will have upon the District's overall system capability to meet other service requests, as well as assessment of any service availability charges following construction of facilities (if applicable).
  - d. Terms by which the District shall administer the Applicant's project with respect to:
    - i. Design of the on-site and off-site facilities;
    - ii. Securing and qualifying bids;
    - iii. Requirements for executing the Non-Standard Service Agreement;
    - iv. Selection of a qualified bidder for construction;
    - v. Dispensing funds advanced prior to initiation of construction;
    - vi. Inspecting facilities following construction; and
    - vii. Testing facilities and closing the project.
  - e. Terms by which the Applicant shall indemnify the District from all third party claims or lawsuits in connection with the project.
  - f. Terms by which the Applicant shall convey 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.
  - g. Terms by which the Applicant shall grant title or easements for use of property during construction and for ongoing service thereafter.
  - h. Terms by which the Board of Directors shall review and approve the Non-Standard Service Contract pursuant to current rules, regulations, and bylaws.
  - i. Agreement to enforceable remedies in the event Applicant fails to comply with all contract obligations, including specific performance.

In the event that the Applicant undertakes any construction of any such facilities prior to execution of a Non-Standard Contract with the District, the District may refuse to provide service to the Applicant or to any portion of the Applicant's property (or require payment of

all costs for replacing/repairing any facilities constructed without prior execution of a Contract from any person requesting service within the Applicant's service area, such as a person buying a lot or home within the subdivision), require that all facilities be uncovered by the Applicant for inspection by the District, require that any facilities not approved by the District be replaced, or take any other lawful action determined appropriate by the Board of Directors of the District.

7. ***Property and Right-of-Way Acquisition.*** With regard to construction and subsequent maintenance and operation of facilities, the District shall require exclusive easements or title to property as appropriate.
  - a. If the District determines that easements or facility sites outside the Applicant's property are required, the Applicant shall secure such easements or title to facility sites exclusively for the District. All easements and property titles shall be researched, validated, and filed by the District at the expense of the Applicant (See Sample Application Packet RUS Form 442-8 or 442-9).
  - b. In the event the Applicant is unable to secure any easements or title to any sites required by the District, and the District determines to acquire such easements or title by eminent domain, all reasonable costs incurred by the District shall be paid by the Applicant, including legal fees, appraisal fees, court costs, and the condemnation award.
  - c. The District shall require exclusive dedicated easements on the Applicant's property as appropriate for the level and manner of service requested by the Applicant and system-wide service by the District. All such easements shall be adequate to authorize the District to construct, install, maintain, replace, upgrade, inspect, or test any facility necessary for service to the Applicant as well as system-wide service within the District generally. Easements for subdivisions also must be sufficient for service throughout the subdivision when the subdivision is fully occupied. Title to any portion of Applicant's property required for on-site facilities will be provided and exclusive to the District.
  - d. Easements and facilities sites shall be prepared for the construction of all District facilities in accordance with the District's requirements and at the expense of the Applicant.
  
8. ***Bids For Construction.*** The District's Consulting Engineer shall solicit or shall advertise for bids for the construction of the Applicant's proposed facilities in accordance with law and generally accepted practices. Plans and specifications shall be made available, with or without charge, to prospective bidders. Although the District reserves the right to reject any bid or contractor, the District shall generally award the contract to the lowest and best bidder in accordance with the following criteria:
  - a. The Applicant shall execute the Non-Standard Service Contract evidencing willingness to proceed with the project and shall pay all costs in advance of construction associated with the project;
  - b. The Contractor shall provide an adequate bid bond under terms acceptable to the 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; and
  - f. The Contractor shall provide adequate certificates of insurance as required by the District.
9. **Pre-Payment for Construction and Other Costs.** As a general rule, Applicant shall be required to pay all anticipated costs of construction, easement and title acquisition, legal and engineering fees, and other costs associated with extending non-standard service prior to these costs being incurred by District. District shall promptly remit any and all unexpended prepaid funds, without interest, upon completion of the non-standard service extension and commencement of service. While the District will make every reasonable effort to work with Applicant, prepayment of costs shall be provided in a manner acceptable to District.
10. **Construction.**
- a. All roadwork pursuant to state, county and/or municipal standards (as applicable) shall be completed prior to facility construction to avoid future problems resulting from road right-of-way completion and excavation. Subject to approval of the requisite authority, road sleeves may be installed prior to road construction to avoid road damage of Applicant's facilities during construction.
  - b. The District shall, at the expense of the Applicant, inspect the facilities to ensure compliance with District standards.
  - 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 construction or operation of the Applicant's facility. All change-order amounts shall be charged to the Applicant.
11. **Service within Subdivisions-** The District's obligation to provide service to any customer located within a subdivision governed by this Section is strictly limited to the level and manner of the service specified by the Applicant Developer for that subdivision. The Applicant Developer is responsible for paying for all costs necessary for non-standard service to a subdivision as determined by the District under the provisions of this Service Policy and specifically the provisions of this Section. If the Applicant Developer fails to pay these costs, the District has the right to require payment of these costs by any one or more of the persons purchasing lots or homes within such subdivision before the District is obligated to provide retail utility service to any customer service applicant within the subdivision. In addition, District may elect to pursue any remedies provided by the Non-Standard Service Contract if one has been executed. Applicant Developer is advised that purchasers of lots also may have legal 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, Chapter 17, Subchapter E, Business and Commerce Code.

12. *Service to Subdivisions of 50 acres or greater*

- a. For Service to subdivisions involving tracts of 50 acres or greater, 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, treatment and/or storage facilities and/or general transmission facilities properly and directly allocable to the requested level and manner of service, will be needed. At a minimum, and in addition to information otherwise required under this Section, the Applicant Developer must provide:
  - i. Map and description of the area to be served complying with the map requirements of 30 Texas Administrative Code Section 291.105(a)(2)(A)-(G) of the TCEQ's Rules.
  - ii. Time frame for:
    - a. Initiation of service; and
    - b. Service to each additional phase following the initial service.
  - iii. Level of service (quantity and quality) for;
    - a. Initial service; and
    - b. If the Applicant Developer proposes development in phases, the level of service that must be provided for each phase, and the estimated location of each phase depicted on the maps required under Section 12.a-i of this policy.
  - iv. Manner of service for;
    - a. Initial needs; and
    - b. Phased and final needs and the projected land uses that support the requested level of service for each phase.
  - v. Copies of all required approvals, reports and studies done by or for the Applicant Developer to support the viability of the proposed subdivision.
  - vi. The proposed improvements to be constructed by the Applicant Developer including time lines for the construction of these improvements.
  - vii. A map or plat of the subdivision depicting each phase and signed and sealed by a licensed surveyor or registered professional engineer.
  - viii. Intended land use of the development, including detailed information concerning types of land use proposed;
  - ix. The projected water and/or sewer demand of the development when fully built out and occupied, the anticipated water/sewer demands for each type of land use, and a projected schedule of build-out;
  - x. A schedule of events leading up to the anticipated date upon which service from the District will first be needed; and
  - xi. A proposed calendar of events, including design, plat approval, construction phasing and initial occupancy; and
  - xii. Any additional information requested by the District necessary to determine the capacity and the costs for providing the requested service.

- b. Applicant Developer must establish that current and projected service demands justify the level and manner of service being requested.
- c. The Applicant Developer must advise the District that he/she may request expedited decertification from the TCEQ.
- d. 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.
  - i. Upon payment of all required fees, the District shall review Applicant Developer's service request. If no additional information is required from Applicant Developer, the District will prepare a written report on Applicant Developer's service request, subject to any final approval by the District's governing body (if applicable) which must be completed within the 90 days from the date of application and payment of the required fees. The District's written report will state whether the requested service will be provided, whether the requested service can be provided within the time frame specified by the Applicant Developer, and the costs for which the Applicant Developer will be responsible (including capital improvements, acquisition of any additional water supply capacity, easements and land acquisition costs, and professional fees).
  - ii. In the event the District's initial review of the Applicant Developer's service application shows that additional information is needed, the District will notify Applicant Developer of the need for such additional information. Notice of the need for additional information will be made in writing within 30 days of the date the District receives the Applicant Developer's payment of the required fees and completed application for Non-Standard Service. Applicant Developer should respond to the District's request for additional information within 15 days of receipt of the District's written request. In any case, the District will provide the written report, including any final approval by the District's Board (if applicable) within 90 days from the date of the initial written application and payment of all required fees.
  - iii. 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 failure to timely provide the information required by this Section, including this Subsection, may cause the TCEQ to reject any subsequent petition for decertification of Applicant Developer's property. The Applicant Developer is further advised that if the Applicant Developer makes any change in level or manner of service requested, the time frame for initiation of service, or the level or manner or time frame for any phase of service, the Applicant Developer's original Application for Non-Standard Service will be deemed withdrawn, and the change may be considered a new Application for Non-Standard Service for all purposes, including the times specified herein for processing.

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

## **SECTION G**

### **RATES AND SERVICE FEES**

UNLESS SPECIFICALLY DEFINED IN THIS SERVICE POLICY, ALL FEES, RATES, AND CHARGES AS STATED HEREIN SHALL BE NON-REFUNDABLE.

1. **Classes of Users** -- All users of the District's water service shall be classified as standard service, non-standard service or municipal wholesale, as further defined in Section E and Section F of this Service Policy. Either class of users may be further classified into sub-classes according to the meter size by which service is provided. Municipal wholesale customers may at the District's discretion be exempt from any and all fees in this section normally associated with retail customers. Municipal customers may only be subject to the terms of the service contract between the District and the municipality.
  
2. **Service Investigation Fee.** The District shall conduct a service investigation for each service application submitted to the District. 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 required by the District to:
    - i. provide cost estimates of the project,
    - ii. develop detailed plans and specifications as per final plat,
    - iii. advertise and accept bids for the project,
    - iv. execute a Non-Standard Service Contract with the Applicant, and
    - v. provide other services as required by the District for such investigation.
  
3. **Deposit.**
  - a. At the time the application for service is approved, an Applicant for standard service shall pay an account Deposit of \$50 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 five dollars (\$5.00) or more of the Deposit remains after the final billing is settled, the balance will be paid to the customer within 45 days, provided the District is given a suitable address. All requests for refunds shall be made in writing and should 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.
    - i. The Deposit for a standard water service is \$50 for each service unit.
    - ii. The Deposit for a non-standard oversized or Master Metered Accounts shall be based on multiples of meter size equivalence (Section G.6.a.) or actual connections served.

b. 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 three years. After the three 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 dedicated 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 the necessary easements and/or sites in behalf of the District and/or pay all costs incurred by the District in validating, clearing, and retaining such easements or sites in addition to tap fees otherwise required pursuant to the provisions of this Service Policy. The costs may include all legal fees and expenses necessary to attempt to secure such easements and/or facilities sites in behalf of the District.

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, customer service inspection, and administrative costs necessary to provide individual metered water. Standard service (residential) meter sizes will be determined by the district according to residence size, distance, and projected usage. Service shall be charged on a per tap basis as follows:

Meter Size	Water Installation (Tap) Fee
Tier 1 5/8" X 3/4" Residential	\$ 950 (+ \$50 Deposit)
Tier 2 5/8" X 3/4" Residential	\$1950 (+ \$50 Deposit)
1" Commercial	Non-Standard Service
2" Commercial	Non-Standard Service

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 Service Policy.  
 c. **Standard and Non-Standard Service Installations** shall include all costs of any pipeline relocations as per Section E.2. (d) (vii.) of this Service Policy or other system improvements.  
 d. **Tier 2 rates** are applicable to all final plots of record in the County on or after August 9, 2021

6. **Monthly Charges.**

a. **Service Availability Charge**

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 any allowable gallonage. Rates and equivalents are as follows:

METER SIZE	5/8" X 3/4" METER EQUIVALENTS	MONTHLY RATE
5/8" X 3/4" Residential	1.0	\$ 15
1" Commercial	2.5	\$ 37.50
2" Commercial	8.0	\$ 120

4" Commercial	25.0	\$ 375
6" Commercial	50.0	\$ 750

- b. **Gallonge Charge** - In addition to the Service Availability Charge, a gallonge charge shall be added at the following rates for usage during any one (1) billing period. The District shall, as required by Section 5.235, Water Code, collect from each of its retail customers a regulatory assessment equal to one-half of one percent (.5%) 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.6. Monthly Charges of this Service Policy.

**Standard Service (residential)**

Up to 15K gallon - \$3.65 per thousand  
 15K to 25K gallon - \$4.97 per thousand  
 25K to 100K gallon - \$6.29 per thousand  
 100K gallon and up - \$6.95 per thousand

**Non-Standard Service (Commercial)**

Up to 20K gallon - \$3.97 per thousand  
 20K to 50K gallon - \$5.29 per thousand  
 50K to 100K gallon - \$6.62 per thousand  
 100K gallon and up - \$7.94 per thousand

7. **Late Payment Fee.** Once per billing period, a penalty of \$10 or 10% (whichever is higher) shall be applied to delinquent bills. This late payment penalty shall not be applied to any balance to which the penalty was applied in a previous billing, but shall be applied to any unpaid balance during the current billing period.
8. **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 Service Policy, 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.
9. **Reconnect Fee (Re-Service Fee).** The District shall charge a fee of \$100 for reconnecting service after the District has previously disconnected the service for any reason provided for in this Service Policy except for activation of service under Section E.3.b. Re-Service. Customers who have had service disconnected will be required to pay the account current before service will be reconnected.
10. **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.

11. ***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 use or charges, this fee or assessment will be billed and collected as a "pass through" charge to the customer.
  
12. ***Other Fees.*** The actual and reasonable costs for any 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 Customer.