CERTIFICATE FOR ORDER

THE STATE OF TEXAS	§
	§
COUNTIES OF HARRIS AND FORT BEND	§

- I, the undersigned officer of the Board of Directors of Cornerstones Municipal Utility District, hereby certify as follows:
- 1. The Board of Directors of Cornerstones Municipal Utility District convened in regular session on the 17th day of September, 2018, at the regular meeting place outside the boundaries of the District, and the roll was called of the duly constituted officers and members of the Board, towit:

Morgan Stagg
Michael D. Chittwood
Stephen A. Talecki
Virginia P. Lester
Lionel A. (Tony) Garza

President
Vice President
Assistant Vice President
Secretary
Assistant Secretary

and all of said persons were present except Director(s) ______, thus constituting a quorum. Whereupon, among other business, the following was transacted at the meeting: a written

AMENDED RATE ORDER

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

2. That a true, full and correct copy of the aforesaid Order adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that the Order has been duly recorded in the Board's minutes of the meeting; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the Board as indicated therein; that each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid meeting, and that the Order would be introduced and considered for adoption at the meeting, and each of the officers and members consented, in advance, to the holding of the meeting for such purpose; that the meeting was open to the public as required by law; and that public notice of the time, place and subject of the meeting was given as required by Chapter 551 of the Texas Government Code, as amended, and Section 49.063 of the Texas Water Code, as amended.

SIGNED AND SEALED the 17th day of September, 2018.

Acct. Secretary

Amended Rate Order

THE STATE OF TEXAS			
COUNTIES OF HARRIS AND FO	RT B	END	

WHEREAS, Cornerstones Municipal Utility District, Harris and Fort Bend Counties, Texas (the "District") is in the process of constructing or acquiring a water, sewer and drainage system to provide service to residential and commercial establishments within the District; and

WHEREAS, the Board of Directors deems it necessary to amend the rates and charges previously established for persons receiving water, sewer and drainage service from the District; Now, Therefore

BE IT ORDERED BY THE BOARD OF DIRECTORS OF CORNERSTONES MUNICIPAL UTILITY DISTRICT THAT:

Section 1: Definitions. The following words or phrases shall have the meanings indicated below:

- A. "Commission" or "TCEQ" means the Texas Commission on Environmental Quality and any successor agencies of the State of Texas.
- B. "Single Family Residential User" means a user of the District's water and sewer system which consists of one residence designed for use and occupancy by a single family unit. For purposes of this Amended Rate Order, "Single Family Residential User" shall also include property owners' associations as defined in Texas Property Code Section 202.001.
- C. "Multi-Family Residential User" means a user of the District's water and sewer system which consists of one or more buildings designed for use and occupancy by more than one single family unit.
- D. "Nonresidential User" means any user of the District's water and sewer system other than a Single Family Residential User or Multi-Family Residential User including, but not limited to, commercial establishments, churches, and schools.
- E. "User" means a user of the District's water and sewer system.

Section 2: Connection Charges (Tap Fees).

A. Prior to connection to the District's water system by a Single Family Residential User or irrigation system, a tap fee shall be paid to the District to cover the cost of making said connection and the cost of providing the water meter according to the following schedule:

5/8 inch tap including meter and box	\$500
3/4 inch tap including meter and box	\$800
1-inch tap including meter and box	\$950
Oversized tap	Cost thereof to the District (including meter and box (including inspection fees) plus 25% of such cost, or cost plus \$150, whichever is

greater

- B. Connection charges to a non-taxable entity shall be established by the District on a case by case basis, but shall not exceed the actual costs to the District for construction, installation, and inspection of the tap or connection and for all facilities that are necessary to provide District services to such entity and that are financed or are to be financed in whole or in part by tax-supported bonds of the District.
- C. All connection charges other than single family residential connection charges, irrigation system connection charges, and connection charges to a non-taxable entity, shall be three times (3x) the actual and reasonable costs to the District for construction, installation, and inspection of the tap or connection, including all necessary service lines and meters.

Section 3: Water Connections.

Every person desiring the installation of a water meter shall be required to sign and execute an application for installing a meter before the district will install such meter. No person, other than the properly authorized agents 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 service-water pipe. Should the establishments within a commercial facility be separately metered, it shall be the responsibility of the User, and of the owner if other than the User, to maintain the plumbing and make any future modifications to the plumbing that are required so as to continue to allow and provide a separate meter for each User within the premises.

Section 4: Sewer Connections. All connections to the District's sewer system shall be made in accordance with the provisions of the Rules and Regulations Governing Sewer House Lines and Sewer Connections. All connections to the District's sewer system shall be inspected by a representative of the District prior to being covered in the ground. In the event a connection is made and covered without inspection by a representative of the District, water service at such location shall be terminated. An inspection fee of \$60.00 per Single Family Residential inspection or reinspection, and \$125.00 per Nonresidential inspection or reinspection, shall be paid to the District to cover the cost of making the inspection or reinspection.

Section 5: Sewer Surcharge. The District has committed to provide specified amounts of sewer treatment capacity to various Nonresidential tracts within the District pursuant to various utility commitment letters. Under the terms of the letters, a specific limit on the amount of sewage treatment capacity which could be used on each tract was established. The capacity committed to each tract was based upon the representation of the User of the tract as to the amount of capacity needed to serve the intended development of that tract. The District has sewage treatment capacity in the Cinco Regional Sewage Treatment Plant, and the District is contractually obligated not to exceed its reserved capacity in said Plant. In fairness to all Users of land within the District, and to honor its contractual obligations and commitments, the District intends to monitor the discharge of sewage to determine if Users are exceeding the amount of sewage capacity committed. As one method of enforcement, the District has determined to impose a surcharge on Nonresidential Users who discharge sewage in excess of the amount reserved to such User or tract. Accordingly, in addition to the other charges specified herein, there is hereby imposed an additional charge of \$0.05 per gallon of sewage discharged in excess of 110% of the amount of sewage capacity reserved to the tract by the utility commitment letter. The amount of sewage discharged shall be determined by the amount of water used by the User or Users within each tract. Any User who believes that there is a significant variance between water used and sewage discharged shall have the right, at the User's expense, to have the sewage discharge monitored by the District for a reasonable period of time. The surcharge for excessive sewage discharge shall be applicable to all sewer service commencing after February 19, 1986.

Section 6: Drainage System Connection. Before any Nonresidential connection is made to the District's water, sewage or drainage systems, or before any reconnection is made, the person requesting such connection shall submit to the District's engineer for review and approval the drainage plans for the property for which the connection is sought. Such plans shall clearly show the estimated volume of water and the points of connection to the District's drainage system. A copy of such approved drainage plan with the engineer's approval indicated thereon shall be submitted to the District's operator. Any modification of such drainage plan shall require reapproval by the District's engineer. The District reserves the right to require removal of any connection made in violation of this section.

Section 7: Facility Inspections.

- A. Pre-Construction. All builders or contractors for property owners within the District must contact the operator, prior to starting any work on property within the District, for an inspection to verify District facilities. If any District facility is either damaged or cannot be located, the operator will make necessary repairs or locate and make such facilities visible at the expense of the District. A copy of the inspection will be given to the representative of the builder or contractor. After the inspection and any necessary work is completed, the builder or contractor will then be responsible for paying the costs of all damages, adjustments, relocations and repairs found during the final inspection. The cost for each pre-construction inspection is \$125.00.
- B. Post-Construction. Immediately upon completion of the District's operator's installation of the initial water tap and meter, and the sewer connection and inspection, the operator will conduct a post-construction facility inspection. At such inspection, the operator shall make note of the condition and location of all District facilities on the property, but before service is transferred to a User, the District's operator will reinspect the water tap, meter and all other District facilities on the property for a fee of \$125.00. (The \$125.00 fee shall be collected at the time the tap fee is paid.) The property owner or builder will be held responsible for any damages to District facilities and for repairing the damages to the satisfaction of the District's operator before service shall be initiated to a User. Any User may request the District's operator to reinspect the facilities for a fee of \$125.00 when service is transferred to a subsequent User. The fee for all other post-construction inspections (e.g. swimming pool, hot tub, water softener, etc.) shall be \$90.00.
- <u>Section 8</u>: <u>Builder Connections</u>. During construction and prior to initial occupancy, a builder shall be charged for water service as a Single Family Residential User. Builders will not be charged for sewer service during construction and prior to initial occupancy.
- <u>Section 9: Platting Requirement.</u> Prior to initially connecting to the District's water, sewer or drainage systems, a User shall submit to the District's operator proof that the User's property has been platted in accordance with the subdivision ordinances of the City of Houston. Acceptable proof of platting includes a copy of the recorded plat or a certificate from the City of Houston that the property has been platted or that the property is legally exempt from the platting process.
- <u>Section 10:</u> <u>Maintenance and Repair.</u> It shall be the responsibility of each User to maintain the water and sewer lines from the point of connection to the District's water and sewer system to the building served.
- <u>Section 11:</u> <u>Regulatory Assessment</u>. As required by the Texas Water Code, each User of the District's water and sanitary sewer system is hereby assessed a charge of one-half of one percent of the District's charge for water and sewer service. This assessment is included in the rate schedules listed below and will be forwarded to the Texas Commission on Environmental Quality (the "TCEQ") and will be used to pay costs and expenses incurred in its regulation of water districts.

<u>Section 12</u>: <u>Water Rates for Single Family Residential Users</u>. Single Family Residential Users within the District shall be charged for water service from the District on a monthly basis according to the water used at the rates set forth in the following schedule:

Amount of Payment	Water Usage
© 19 00 (minimum monthly change)	0 - 10,000 gallons
\$ 18.00 (minimum monthly charge)	,
\$ 2.00 per 1,000 gallons	10,001 - 20,000 gallons
\$ 3.00 per 1,000 gallons	20,001 - 30,000 gallons
\$ 4.00 per 1,000 gallons	All over 30,000 gallons

Section 13: Water Rates for Multi-Family Residential Users. Apartments and other multi-family dwelling units within the District shall be charged for water service from the District on a monthly basis according to the water used at the rates set forth in the following schedule, which shall be applicable to each occupied and unoccupied dwelling unit within a project; provided, however, that water to a project may be furnished through a master meter in which case the quantities and minimum monthly charge shall be multiplied by the number of units therein.

Amount of Payment		Water Usage
\$ 4.00 (minimum monthly charge)		0 - 2,000 gallons
\$ 3.00 per 1,000 gallons		All over 2,000 gallons

For example, the monthly rates for water service to 100 units within an apartment project that are served by a master meter are as follows:

Amount of Payment	Water Usage
\$ 400.00 (minimum monthly charge)	0 - 200,000 gallons
\$ 3.00 per 1,000 gallons	All over 200,000 gallons

If this same 100-unit complex used 450,000 gallons of water in one month, the payment for water used would be \$1,150. [\$400 for the first 200,000 gallons + (\$3 per 1,000 gallons in excess of 200,000 x 250)].

<u>Section 14:</u> <u>Water Rates for Nonresidential Users.</u> Except as may be hereinafter provided otherwise for separately metered irrigation systems and purchasers of bulk water, Nonresidential Users within the District shall be charged for water service from the District on a monthly basis according to the water used at the rates set forth in the following schedule:

Amount of Payment \$ 18.00 (minimum monthly charge) \$ 2.00 per 1,000 gallons \$ 3.00 per 1,000 gallons \$ 4.00 per 1,000 gallons \$ 4.00 per 1,000 gallons All over 30,000 gallons

Section 15: Irrigation Systems and Bulk Water. Separately metered irrigation systems and purchasers of bulk water within the District shall be charged for water service from the District on a monthly basis according to the water used at the same rates as are set forth in Section 14 above for Nonresidential Users, but shall not be charged for sewer service. In addition, bulk water purchasers shall reimburse the District for all costs incurred to supply the water purchased, including without limitation the costs of connection, metering, and disconnection.

Section 16: NFBWA Fee. In addition to the foregoing rates, the User shall pay a North Fort Bend Water Authority Fee per thousand gallons, equal to the pumpage fees per thousand gallons of water that the District is required to pay, if any, to the North Fort Bend Water Authority with respect to water that is delivered to the User.

Section 17: Sewer Charges for Single Family Residential Users. Single Family Residential Users within the District shall be charged for sewer service from the District on a monthly basis according to the water used at the rates set forth in the following schedule:

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Accounts in North Lake	VILLAGE	L'orneretone	PIACE	and I reekstone
Accounts in North Lake	v mage.	Commensione	racc.	and Ciccasione.

Amount of Payment	Water Usage
\$23.10 (minimum monthly charge) \$ 1.00 per 1,000 gallons	0 - 30,000 gallons All over 30,000 gallons
Accounts in Chesterfield:	
Amount of Payment	Water Usage
\$27.65 (minimum monthly charge) \$ 1.00 per 1,000 gallons	0 - 30,000 gallons All over 30,000 gallons
All accounts not specified above: Amount of Payment	Water Usage
\$10.00 (minimum monthly charge) \$ 1.00 per 1,000 gallons	0 - 30,000 gallons All over 30,000 gallons

<u>Section 18</u>: <u>Sewer Charges for Multi-Family Residential Users</u>. Apartments and other multi-family residential users within the District shall be charged for sewer service from the District

on a monthly basis according to the water used at the rate of \$1.50 for each 1,000 gallons of water usage or increment thereof.

<u>Section 19</u>: <u>Sewer Charges for Nonresidential Users</u>. Nonresidential Users within the District shall be charged for sewer service from the District on a monthly basis according to the water used at the rates set forth in the following schedule:

Amount of Payment

Water Usage

\$10.00 (minimum monthly charge) \$ 2.00 per 1,000 gallons 0 - 10,000 gallons All over 10,000 gallons

Section 20: Deposit to secure payment.

The district's operator is hereby given authority to require persons requesting water and/or sewer service from the district for single-family residential purposes to post a deposit with the operator of \$100.00 for each connection to the district's system. For persons requesting water and/or sewer service for commercial or apartment purposes, the operator shall require a deposit equal to the greater of \$250.00 or 2.5 times the estimated monthly bill. For builders requesting service during construction, the operator shall require a deposit of \$1,500.00. Each time that service to a User is disconnected for failure to pay bills when due, in addition to payment of all sums due in order to reinstate service, the User shall be required to increase the deposit with the district by \$50.00 until and unless the User's total deposit with the district is equal to \$450. Such deposit is solely to secure the payment of charges established by this order. Upon termination of service, the district shall apply the deposit on hand to the unpaid service charges of the User and the excess, if any, will be paid to the User. No interest will be paid by the district on such deposit. The deposit requirement shall be applicable to all service commencing or reinstated after June 15, 2009.

Section 21: Commercial Wastes.

A. Supervision.

If the District or its designated representative determines that a violation of this Amended Rate Order or of other duly promulgated rules or regulations of the District exists, or that a discharge or a proposed discharge into the District's sewer system may adversely affect the District's sewer system or receiving waters, or the ability of the System to comply with applicable permits or other regulatory requirements, or create a hazard to life or health, or create a public nuisance, it may require:

1. Discontinuation of the discharge into the District's sewer system in its entirety by action of the discharger or termination of service by the District;

- 2. Pretreatment to an acceptable condition for discharge into the District's sewer system;
- 3. Control over the quantities and rates of discharge; and
- 4. Waste surcharge payments in addition to the basic rate and sufficient to compensate the District for the cost of handling and treating the waste.

If pretreatment or control is required by the District, it shall review and approve the design and installation of the equipment and processes in conformity with all applicable laws and regulatory requirements. Any User responsible for discharges requiring such pretreatment or control facilities, and the owner of the premises if other than the User, shall provide and maintain such facilities in effective operating condition.

B. Traps.

Discharges requiring a trap include, but are not limited to, grease, oil, sand, flammable waste, and any other wastes containing ingredients determined by the District to be harmful to the public sanitary sewer or wastewater treatment process. Any User responsible for a discharge requiring a trap, and the owner of the premises if other than the User, shall, as required by the District, provide equipment and facilities of a type and capacity approved by the District, locate the trap in a manner that provides ready and easy access for cleaning and inspection, maintain the trap in effective operating condition, and provide evidence of such maintenance, including copies of receipts for pumping the trap out, when requested. Human waste shall not be allowed to pass through the trap. Should the use of the premises change, it shall be the responsibility of the User, and of the owner of the premises if other than the User, to modify the plumbing so as to properly separate wastes requiring a trap from other waste.

C. <u>Sampling, testing, inspection, application</u>.

The District or its duly authorized agent or representative may enter at reasonable times any lands or premises served or proposed to be served by the District's sewer system for the purposes of carrying out and determining compliance with the provisions hereof. Sampling and testing shall be conducted in accordance with customarily accepted methods, reflecting the effects of constituent wastes upon the District's sewer system and the existence of hazards to health, life, limb, or property.

Any User proposing to discharge any waste other than domestic waste from residential property shall make application to the District for a determination by the District's engineer as to whether pretreatment will be required. The User will be advised as to the quantity and quality of discharge that will be permitted. If the nature of the discharge changes following approval, reapplication is required.

D. <u>Maintenance and inspection of grease traps</u>.

In order to protect the District's ability to properly treat the waste produced in the District, the District shall have the right to inspect all grease traps operated within the District or pursuant to the contract with the District. Inspections shall be performed by the operator at monthly intervals. The User shall be charged an inspection fee of \$60.00 for each inspection. If the operator finds a grease trap that is not being properly cleaned and monitored, the operator shall give written notice to the User or responsible party of failure to maintain the grease trap. If the User or responsible party has not cleaned the grease trap within 48 hours of receipt of notice from the operator, the operator shall take the necessary action to clean the grease trap and shall bill the User or responsible party for the cost of such service.

Section 22: Monthly Billings; Discontinuation of Service for Non-payment; Returned **Payments.** Charges for water and sewer service shall be billed monthly. All bills shall be payable on the 20th day after the date of the statement for said charges. Unless payment is received on or before the 20th day after the date of said statement, such account shall be considered delinquent. The District shall have the right to discontinue service and cut off the supply of water to a User at any time after his bill becomes delinquent. Thirty (30) days after the date an account becomes delinquent, or as soon thereafter as practical, the District's operator shall issue a delinquent letter informing the User (i) that if the account is not brought current, a termination notice will be issued in approximately ten (10) days, and (ii) that if a termination notice is issued, the account will be assessed a charge of \$25.00 to cover the District's cost of handling. A \$10.00 delinquent letter fee shall be added to the User's bill to cover the District's cost of handling. If the account is not brought current and the delinquent letter fee paid within ten (10) days after the delinquent letter is issued, the operator shall leave a notice at the service address in the form of a door knocker announcement informing the User as to the amount of the deficiency and that the User must pay the amount of the deficiency, plus the current month's billing and a \$25.00 charge for the door knocker service, within forty-eight (48) hours after the time the operator leaves the notice. If service to a User is disconnected for any cause, there shall be charged a reconnection fee of \$75.00 before service is again commenced to such User. Additionally, the User may be required to increase his deposit to secure payment as provided in Section 20 of this Rate Order. If User reconnects to the system without authorization and operator deems it necessary to pull the meter, then User will be charged \$100.00 for reinstallation of the meter and restoration of service.

A charge of \$25.00 shall be made for each payment returned by the bank due to insufficient funds.

Section 23: Penalty for failure to pay bill before delinquent.

A one-time charge of 10% of the amount of the User's bill shall be added thereto when such bill has become delinquent.

Section 24: Discontinuing or transferring service upon request of User.

Whenever a User desires to transfer service into a new User's name, a transfer fee of \$35.00 shall be charged to the account. The new User shall be required to comply with the applicable customer deposit requirements. Whenever a User temporarily or permanently abandons the structure being served and no longer wishes to be furnished with water, the User shall notify the district's operator at least two days prior to the time the User desires such service discontinued. A charge of \$25.00 shall be made for discontinuing and a charge of \$25.00 for restoring water service where such service is discontinued or restored at the request of the User, and the User is not delinquent in the payment of any bill at the time of the User's request.

<u>Section 25</u>: <u>No Free Service</u>. No free service shall be provided by the District to any person, organization or institution, including charitable institutions. All water supplied by the District shall be metered.

<u>Section 26</u>: <u>Prohibition onto District's Property</u>. Pursuant to its authority under Sections 54.205 and 49.004 of the Texas Water Code, the following acts are hereby declared to be unlawful:

- (a) purposely entering into or on any District Right-of-Way by unauthorized persons;
- (b) unauthorized use of a motorized vehicle, bicycle or other mechanism potentially destructive of vegetation or other District property in or on any District Right-of-Way;
- (c) dumping of garbage, trash or other materials or substances in or on any District Right-of-Way;
- (d) theft, destruction or damage to District landscaping, property or improvements or any act constituting malicious mischief or vandalism; and
- (e) unauthorized discharge into District drainage facilities of storm water or any substance other than normal storm water or of any other substance prohibited by any law, rule or regulation of any authority governing discharges into District drainage facilities.

Section 27: Users not entitled to specific quantity or pressure of water. Water Users are not guaranteed a specific quantity or pressure of water for any purpose whatever, and it is understood that the District is only to furnish a connection with its water system and is in no case to be liable for failure or refusal to furnish water or any particular amount or pressure of water.

<u>Section 28</u>: <u>Plumbing Restrictions; Service Inspection Certification; Service Agreement; Backflow Prevention.</u>

A. Plumbing Restrictions.

- 1. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by an air-gap or an appropriate backflow prevention device.
- 2. No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the installation of an air-gap or reduced pressure zone backflow prevention device.
- 3. No connection which allows water to be returned to the public drinking water supply is permitted.
- 4. No pipe or pipe fitting which contains more that 8.0% lead may be used for the installation or repair of plumbing at any connection which provides water for human use.
- 5. No solder or flux which contains more than 0.2% lead can be used for the installation or repair of plumbing at any connection which provides water for human use.
- 6. No plumbing fixture shall be installed which is not in compliance with a State approved plumbing code.
- 7. As unacceptable plumbing practices are discovered, they shall be promptly eliminated by the User to prevent possible contamination of the water supplied by the District. Unacceptable plumbing practices are those practices which are not in compliance with a State approved plumbing code.
- B. Certificate of Compliance. Before the District will provide water and sewer service to any new improvement, a Certificate of Compliance, in the form attached as Exhibit "A", must be completed by a licensed plumber and submitted to the District at the time the tap fee is paid.
- C. Service Inspection Certification. The District shall not provide continuous water service to new construction unless (i) a service inspection has been made by the District's operator, and (ii) a Service Inspection Certification containing at a minimum the information contained in Exhibit "B" attached hereto has been received by the District. Such an inspection and certification shall also be required at any existing service location when the District has reason to believe that cross-connections or other unacceptable plumbing practices exist, or after any material improvement, correction or addition to the private plumbing facilities. The District shall retain

copies of properly completed certifications on file for a minimum of ten (10) years. The User shall be charged a fee of \$90.00 per single family residential inspection. For inspections other than single family residential inspections, the User shall be charged a fee equal to the costs incurred by the District for the inspection plus 10%. If a service inspection is made at the District's request because the District has reason to believe that unacceptable plumbing practices exists, the User shall not be charged for the inspection unless unacceptable plumbing practices are found. Service inspection certifications for new construction shall be submitted to the District before service is transferred from the builder to a homeowner. Certifications for inspections made after the District has begun providing water service to a User shall be submitted to the District no later than ten (10) days after the inspection has been completed.

- D. Service Agreement. To insure that neither cross-connections nor other unacceptable plumbing practices are permitted, each new User and each User whose service has been suspended or terminated and is proposed for re-connection must sign a copy of the Service Agreement attached hereto as Exhibit "C" prior to commencement of service by the District.
- E. Backflow Prevention Requirement. The User shall at its own expense properly install, test and maintain a backflow prevention device, and shall provide the District with backflow prevention device testing and maintenance records, all in accordance with TCEQ rules, in those applications for which the plumbing code of the City of Houston requires installation of a backflow prevention device, and for establishments handling substances which the District determines in its sole discretion to be deleterious or hazardous to the public health.
- F. Testing of Backflow Prevention Assemblies. All backflow prevention assemblies must be tested upon installation by a recognized backflow prevention assembly tester as defined in TCEQ rules and certified to be operating within specifications. Further, backflow prevention assemblies installed to provide protection must be tested and certified annually. The User shall be charged an annual fee equal to the costs incurred by the District in connection with the testing and related recordkeeping requirements, plus 10%. For each assembly tested, a signed and dated original Backflow Prevention Assembly Test and Maintenance Report using the format and containing at a minimum the information found in the form provided by TCEQ rules must be completed and submitted to the District. The District must retain such Test Reports for a minimum of three (3) years. Failure to arrange for submission of a properly completed Test Report to the District as required hereunder may result in termination of service to a User as provided in subsection G below.
- G. Enforcement. If the User fails to comply with the requirements of this Section, the District may, at its option, either terminate service to the User until such requirement has been satisfied, or the District may properly install, test, and maintain a backflow prevention device and bill the User all expenses relating thereto. The District shall consider the existence of a serious threat to the integrity of the District's water system to be sufficient grounds for immediate termination of water service to any User who may cause possible contamination of the District's water supply. In

the event water service to a User is terminated pursuant to this Section, water service shall be restored by the District only after it determines that the source of potential contamination no longer exists, or when sufficient additional safeguards have been taken.

<u>Section 29</u>: <u>Damages to District Facilities</u>. The User shall, upon being billed therefor, reimburse the District for any and all expense incurred by the District in making repairs to District facilities necessitated by acts or omissions on the part of the User, his agents, invitees, and contractors, the need for which repairs shall be determined by the board of directors for the District in their sole discretion.

<u>Section 30</u>: <u>Penalties for Violation</u>. Any person, corporation or other entity who violates any Section of this Order shall be subject to a penalty not to exceed \$200.00 or imprisonment for more than 30 days or both for each breach of the foregoing provisions. Each day that a breach of any provision hereof continues shall be considered a separate breach. This penalty shall be in addition to the other penalties provided by the laws of the State and to any other legal rights and remedies of the District as may be allowed by law.

<u>Section 31</u>: <u>Expenses of Enforcement</u>. The User shall reimburse the District for any and all expenses incurred by the District, including reasonable attorney's fees, in enforcing the User's compliance with the terms of this order.

<u>Section 32</u>: <u>Superseding Orders</u>. This Order supersedes all prior orders, resolutions and other actions of the Board concerning fees and charges for water and sewer services, effective as of the first day of service during the first full billing period which follows October 1, 2018.

(The remainder of this page has been intentionally left blank.)

Adopted this 17th day of September, 2018.

ATTEST:

President, Board of Directors

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EXHIBIT "A"

	OFFICE USE ONLY			
	TO#	DATE #		
	W	\mathbf{S}	PRE	
DISTRICT:	POST	L/S	C/C	
SECTION NAME:	%	C/S	BKF	
	~~			
DATE: METER SIZE:	BD	AD	<u>H</u>	
SERVICE ADDRESS:	LOT	BLK	SEC	
REQUESTED BY:	TELEPHO			
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BUILDER NAME:			· · · · · · · · · · · · · · · · · · ·	
MAILING ADDRESS:				
CITY, STATE, ZIP:		·	- 	
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	ANGE WITH PROH	IDITION		
CERTIFICATE OF COMPLI				
ON USE OF SPECIFIED MA				
TO MUNICIPAL UTILITY D	ISTRICT WATER S	YSTEMS		
La duly licensed plumber in the State of	Tayag ragnangihla far	the installation	of interior or	
I, a duly licensed plumber in the State of Texterior water lines for the above address, certifications.				
District's Construction Standards for Water Servi				
and every pipe and pipe fitting used for the impro				
and all solder or flux used in the improvement co				
materials for installation or construction of water				
If new water lines are installed that do not of	1 .			
not be liable for any damage that is caused by or				
I am aware that there are significant penalt	ies for false certificat	ion, including t	ne possibility	
of fine.	ED INIEODMATION		•	
LICENSED PLUMB	ER INFORMATION			
SIGNATURE:	CO. NA	ME:		
PRINTED NAME: DATE:		CENSE#		

EXHIBIT "B"

Service Inspection Certification

Name	of PWS: NAME OF	DISTRICT			in the second se				
	I.D.No.:								, , , , , , , , , , , , , , , , , , ,
Locat	ion of Service								
I,		, up	on inspection of	the private p	lumbing fac	cilities conne	cted to the	he aforemer	ntioned public water
supply	do hereby certify that	, to the best of my k	nowledge:						
(1)	contamination exist system by an air gap	on between the pub is. Potential sources o or an appropriate b	of contamination of con	on are isolate ion assembly	ed from the in accordar	public water nce with state	r e	ompliance	Non- Compliance
		s. Additionally, all p state plumbing code		ues and therr	nai expansio	on devices are	;		
(2)	Where an actual air supply, an approved	n between the public gap is not maintained reduced pressure-zonement exists for an ester.	d between the pu	ublic water so vention asser	ipply and a nobly is prop	private water erly installed	i, I		
(3)		ts which would allow back to the public w		vater used for	condensing	g, cooling, or			
(4)	No pipe or pipe fitti installed on or after lead exists in private	ng which contains m July 1, 1988, and no e plumbing facilities	pipe or pipe fit	ting which c	ontains more				
(5)	No solder or flux vinstalled on or after		than 0.2% lead	exists in pr	ivate plumb	oing facilities			
(6)	No plumbing fixture	is installed which is	not in compliance	e with a state	approved plu	umbing code			
	service shall not be pro ermined to be in comp		ne private plumbi	ng facilities	intil the abov	ve conditions	,		
I furthe	er certify that the follo	wing materials were	used in the insta	llation of the	plumbing f	acilities:			
	Service Lines: Solder:	Lead □ Lead □	o spp ss	□ PVC □ Solvent	Weld \Box				
	nize that this documen idity of the information		nanent record of	the aforemen	tioned Publ	ic Water Sys	tem and	that I am leg	ally responsible for
Signatı	are of Inspector				Registratio	on Number		-	
Title					Type of Re	egistration			

Date

EXHIBIT "C" Page 1 of 2

SERVICE AGREEMENT

- I. **PURPOSE.** The <u>NAME OF DISTRICT</u> (hereinafter referred to as the "District") is responsible for protecting the drinking water supply from contamination or pollution which could result from improper plumbing practices. The purpose of this Service Agreement is to notify each customer of the plumbing restrictions which are in place to provide this protection. The District enforces these restrictions to ensure the public health and welfare. Each customer must sign this agreement before the District will begin service. In addition, when service to an existing connection has been suspended or terminated, the District will not re-establish service unless it has received a signed copy of this agreement.
- II. **PLUMBING RESTRICTIONS.** The following unacceptable plumbing practices are prohibited by State regulations.
 - A. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by an air-gap or an appropriate backflow prevention device.
 - B. No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the 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 installed on or after July 1, 1988, and no pipe or pipe fitting which contains more than 0.25% lead installed on or after January 4, 2014, may be used for the installation or repair of plumbing at any connection which provides water for human use.
 - E. No solder or flux which contains more than 0.2% lead can be used for the installation or repair of plumbing at any connection which provides water for human use.

EXHIBIT "C" Page 2 of 2

- III. **SERVICE AGREEMENT.** The following are the terms of the Service Agreement between the District and the undersigned Customer (the "Customer"):
 - A. The District will maintain a copy of this agreement as long as the Customer and/or the premises is connected to the District's water system.
 - B. The Customer shall allow his property to be inspected for possible cross-connections and other unacceptable plumbing practices. These inspections shall be conducted by the District or its designated agent prior to initiating new water service; when there is reason to believe that cross-connections or other unacceptable plumbing practices exist; or after any major changes to the private plumbing facilities. The inspections shall be conducted during the District's normal business hours.
 - C. The District shall notify the Customer in writing of any cross-connection or other unacceptable plumbing practice which has been identified during the initial inspection or the periodic reinspection.
 - D. The Customer shall immediately correct any unacceptable plumbing practice on his premises.
 - E. The Customer shall, at his expense, properly install, test, and maintain any backflow prevention device required by the District. Copies of all testing and maintenance records shall be provided to the District.
- IV. **ENFORCEMENT.** If the Customer fails to comply with the terms of this Service Agreement, the District shall, at its option, either terminate service or properly install, test, and maintain an appropriate backflow prevention device at the service connection. Any expenses associated with the enforcement of this Service Agreement shall be billed to the Customer.

DATE:			
CUSTOMER'S SIGNATURE			
CUSTOMER'S NAME (Typed/Pri	nted)	 	
SERVICE ADDRESS			