

Tariff for  
Lost Springs Ranch  
Water Supply Corporation

Lost Springs Ranch WSC  
PO Box 1404  
Wimberley, Texas 78676

## Table of Contents

<b>Section A. Resolutions .....</b>	<b>5</b>
<b>Section B. Statements .....</b>	<b>6</b>
<b>Section C. Definitions .....</b>	<b>8</b>
<b>Section D. Geographic Area Served.....</b>	<b>12</b>
Attached, plats of Lost Springs Ranch, Hays County Appraisal District, serving as “Map of CCN Area”	
<b>Section E. Service Rules And Regulations.....</b>	<b>14</b>
1. Activation of Standard Service.....	14
2. Activation of Nonstandard Service.....	14
3. Applicant’s or Transferee’s Recourse.....	14
4. Back-Billing .....	14
5. Bill Adjustment .....	15
6. Billing Cycle Changes.....	15
7. Changes in Service Classification .....	15
8. Charge Distribution and Payment Application.....	16
9. Deferred Payment Agreement.....	16
10. Denial of Service.....	17
11. Disconnection of Service - Rules .....	17
12. Disputed Bills.....	21
13. Due Dates, Delinquent Bills, and Service Disconnection Date.....	21
14. Inoperative Meters.....	22
15. Insufficient Grounds for Refusal of Service.....	22
16. Line Extension Reimbursement.....	22
17. Membership.....	23
18. Member’s Responsibility.....	26
19. Meter Relocation.....	27
20. Meter Tampering and Damage To Property.....	27
21. Ownership of Equipment.....	28
22. Prohibition of Multiple Connections to a Single Tap.....	28
23. Service Entitlement.....	28
24. Service Requirements.....	29
<b>Section F. Rates And Service Fees.....</b>	<b>30</b>
1. Additional Assessments.....	30
2. Assessments.....	30
3. Customer History Report Fee.....	30
4. Customer Service Inspection Fee .....	30
5. Easement Fee .....	30
6. Equipment Damage Fee.....	30
7. Equity Buy-In Fee .....	31
8. Groundwater District Production Fee.....	31
9. Information Copy Fee.....	31
10. Installation Fee .....	31
11. Late Payment Fee .....	31
12. Line Extension Reimbursement Fee.....	32
13. Membership Fee.....	32
14. Meter Tampering and Damage to Property Penalty .....	32
15. Monthly Charges .....	32
16. Meter Test Fee.....	32

17. Other Fees.....	32
18. Owner Notification Fee .....	32
19. Reconnect Fee .....	33
20. Regulatory Assessment.....	33
21. Returned Check Fee.....	33
22. Seasonal Reconnect Fee .....	33
23. Service Investigation Fee .....	33
24. Service Trip Fee.....	33
25. Transfer Fee.....	33

**Section G. Drought Contingency And Emergency Water Demand Management Plan.....34**

1. Introduction .....	34
2. Coordination with Regional Water Planning Group.....	34
3. Trigger Conditions.....	34
4. Stage Levels of Water Allocations .....	35
5. Initiation and Termination Procedures .....	36
6. Penalties for Violations .....	37

**Section H: Sample Application Packet .....39**

**Corporation Use Only .....40**

Service Application and Agreement.....	40
Right-Of-Way Easement (Location Of Easement Required).....	45
Right-Of-Way Easement (General Type Easement).....	47

**Section I. Miscellaneous Transaction Forms .....49**

Disclosure of Personal Information Contained in Utility Records .....	50
Customer Notice of Water Use Restrictions .....	51
Customer Notice of First Violation and Penalty .....	52
Customer Notice of Second Violation and Penalty .....	53
Customer Notice of Subsequent Violation and Penalty .....	54
Notice of Disconnection.....	55
Deferred Payment Agreement.....	56
Installment Agreement.....	57
Line Extension Reimbursement Agreement.....	58
Agreement to Provide Fill For Certain Fire Apparatus in Designated Areas .....	59
Agreement to Provide Fireflow in Designated Areas.....	64
Meter Test Authorization and Test Report.....	68
Notice of Returned Check .....	69
Request for Service Discontinuance & Membership Cancellation .....	70
Easement Denial Letter and Affidavit.....	71
Release of Easement.....	73
Notice of Disconnection.....	74
Membership Termination and Liquidation Notice .....	75
Customer Service Inspection Certification (TCEQ).....	76

**Section J. Miscellaneous..... 79**

Tariff Filing Requirements & Instructions ..... 79

Sample Letter to PUC ..... 80

Notice of Rate Increase ..... 81

Calculation of the Average Net Equity Buy In Fee of a Sample Utility ..... 82

TRWA Recommended 5/8" X 3/4" Meter Equivalents Based on AWWA Specifications and  
Design Criteria ..... 83

Sample Notice to Customers for Voluntary Contributions on Behalf of Emergency Services ..... 84

Sample Language for Billing Card for Notice to Customers for Voluntary Contributions on  
Behalf of Emergency Services ..... 85



**SECTION A. RESOLUTIONS**

THE BOARD OF DIRECTORS OF LOST SPRINGS RANCH WATER SUPPLY CORPORATION ESTABLISHES THAT:

1. This Tariff of the Lost Springs Ranch Water Supply Corporation, serving in Hays County consisting of Sections A. through J. and forms inclusive, is adopted and enacted as the current regulations and policies effective as of October 1, 2024.
2. Only those preexisting written contracts or agreements executed by the present or previous Board of Directors shall remain in effect, unless the contract or agreement requires compliance with changes of the tariff from time to time.
3. The adoption of this Tariff does not prohibit or limit the Corporation from enforcing previous penalties or assessments from before the current effective date.
4. An official copy of this and all policies or records shall be available from the Corporation and a copy may be viewed on the Corporation's website. The Secretary of the Corporation shall maintain the original copy as approved and all previous copies for exhibit.
5. Rules and regulations of state or federal agencies having jurisdiction shall supersede any terms of this policy. If any section, paragraph, sentence, clause, phrase, word, or words of this policy are declared unconstitutional or invalid for any purpose, the remainder of this policy shall not be affected.
6. This tariff has been adopted (or revised) in compliance with the Open Meetings Act, Chapter 551 of the Texas Government Code.

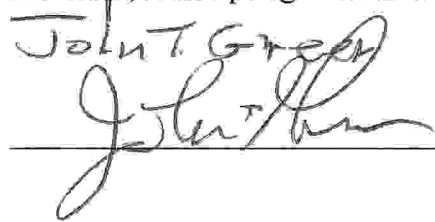
PASSED and APPROVED this 1<sup>st</sup> day of October 2024.

TERRY MOORE, VP



President, Lost Springs Ranch Water Supply Corporation

JOHN T. GREEN



Secretary, Lost Springs Ranch Water Supply Corporation

## SECTION B. STATEMENTS

1. **Organization.** The Lost Springs Ranch Water Supply Corporation (“Corporation” or “WSC”) is a member-owned, nonprofit corporation incorporated pursuant to the [Texas Water Code Chapter 67](#), and the provisions of the Texas Business Organizations Code applicable to member owned member controlled nonprofit corporations for the purpose of furnishing potable water service. Corporation operating policies, rates, and regulations are adopted by the Board of Directors elected by the Members of the Corporation.
2. **Non-Discrimination Policy.** Membership in the Corporation and service is provided to all Applicants who comply with the provisions of this Tariff regardless of race, creed, color, national origin, sex, disability, or marital status.
3. **Policy and Rule Application.** These policies, rules, and regulations apply to the water services provided by the Corporation. Failure on the part of the Member, Customer, or Applicant to observe these policies, rules and regulations gives the Corporation the authority to deny or discontinue service according to the terms of this Tariff as amended from time to time by the Board of Directors of the Corporation.
4. **Corporation Bylaws.** The Corporation Members have adopted bylaws which establish the make-up of the Board of Directors and other important regulations of the Corporation. The bylaws are on file and available for viewing on the subdivision website.
5. **Fire Protection Responsibility.** The Corporation does not provide nor imply that fire protection is available throughout the distribution system. All flush valves are for the operation and maintenance of the system and may be used by authorized fire departments in accordance with a contract with the Corporation to supply water for use in fire suppression. The Corporation reserves the right to remove any hydrant or assign specific refill hydrants/valves due to improper use or detriment to the system as determined by the Corporation, at any time without notice, refund, or compensation.
6. **Damage Liability.** The Corporation is not liable for damages caused by service interruptions, events beyond its control, and for normal system failures. The limits of liability of the Corporation is the extent of the cost of service provided. By acceptance of Membership, the Member consents to waiver of such liability.
7. **Information Disclosure.** The records of the Corporation shall be kept on file with the Corporation. All information collected, assembled, or maintained by or for the Corporation shall be disclosed to the public in accordance with the Texas Public Information Act and other applicable law. **In no event and under no circumstances shall the Corporation disclose the Social Security Number of any member or customer to any person other than an employee of the Corporation.** [Chapter 182, Subchapter B of the Texas Utilities Code](#) makes confidential a water utility customer’s address, telephone number, account records, and information relating to the volume or units of utility usage, or the amounts billed to or collected from the individual for utility usage. However, an individual customer may request in writing that this information be released upon request. The Corporation shall give its applicants and customers notice of their right to request disclosure of this information under this policy. The confidentiality provision in Chapter 182, Subchapter B of the Texas Utilities Code does not prohibit the utility from disclosing this information to an official or employee of the state or



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

8. ***Customer Notice of Rate Change.*** The Corporation will give written notice of rate changes by mail or hand delivery and by email and the Corporation's website, if applicable, to all customers at least 30 days prior to the effective date of the new rate. The notice will contain the old rates, new rates, effective date of the new rate, meaning the first date of the applicable billing cycle where the new rate will take effect, date of Board authorization, and the name and phone number of the Corporation's contact person designated to address inquiries about the rate change.
9. ***Grievance Procedures.*** Any Member of the Corporation or individual demonstrating an interest under the policies of this Tariff in becoming a Member of the Corporation shall have an opportunity to voice concerns or grievances to the Corporation by the following means and procedures:
  - a. By presentation of concerns to the Corporation's manager or authorized staff member. If not resolved to the satisfaction of the aggrieved party then,
  - b. By presenting a letter to the Board of Directors stating the individual's grievance or concern and the desired result.
  - c. The Board of Directors shall respond to the complaint by communicating the Board's decision in writing.
  - d. Any charges or fees contested as a part of the complaint in review by the Corporation under this policy shall be suspended until a satisfactory review and final decision has been made by the Board of Directors.
10. ***Customer Service Inspections.*** The Corporation requires that a customer service inspection certification be completed prior to providing continuous water service to new construction and for all new members as part of the activation of standard and some nonstandard service. Customer service inspections are also required on any existing service when the Corporation has reason to believe that cross-connections or other potential contaminant hazards exist, or after any material improvement, correction or addition to the members' water distribution facilities. This inspection is limited to the identification and prevention of cross connections, potential contaminant hazards and illegal lead materials. ([30 TAC 290.46\(j\)](#)) (See Tariff Section F. 4.)
11. ***Voluntary Contributions Policy.*** The Corporation's board has approved and set up guidelines for accepting Voluntary Contributions on Behalf of Emergency Service Providers in our service area. The policy adopted sets up the guidelines for collection, accounting, and distribution of funds to the respective local Emergency Service Response entities. ([Texas Water Code Sections 13.143 & Section 67.017](#))
12. ***Prohibition Against the Resale of Water.*** The meter connection is for the sole use of the Member or customer and is to provide service to only one (1) dwelling or one (1) business. Extension of pipe(s) to share or resell water to any other persons, dwellings, businesses, or property, etc., is prohibited.

## **SECTION C. DEFINITIONS**

**Applicant** – A person, partnership, cooperative corporation, corporation, agency, public or private organization of any type applying for service with the Corporation. A person must have reached age of majority (18) in Texas to apply for service. (Section 129.001, Civil Practice & Remedies Code)

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

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

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

**Certificate(s) of Convenience and Necessity (CCN)** – The authorization granted under Chapter 13 Subchapter G of the Texas Water Code for the Corporation to provide water and/or sewer utility service within a defined territory. The Corporation has been issued Certificate Number #1050135. Territory defined in the CCN shall be the Certificated Service Area. (See Section D. Certificated Service Area Map(s))

**Corporation** – The Lost Springs Ranch Water Supply Corporation.

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

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

**Easement** – A private perpetual dedicated right-of-way for the installation of water pipelines and necessary facilities which allows access to property for future operation, maintenance, facility replacement, facility upgrades, and/or installation of additional pipelines (if applicable) for both service to an Applicant and system-wide service. This may also include restrictions on the adjacent area to limit the installation of other facilities that would restrict the use of any area of the easement. The easement will be filed in the real property records of the appropriate county or counties.

**Equity Buy-In Fee** – Each Applicant for new service where a new service tap is necessary shall be required to achieve parity with the contributions to the construction or acquisition of the Corporations assets related to capacity that have been made previously by existing Members. This fee shall be calculated annually after receipt of the system audit and assessed prior to providing (or reserving service for nonstandard service applicants) on a per service unit basis for each property and shall be assigned and restricted to that property for which the service was originally requested. (See Section F. 7., also See Section J, Calculation of Average Net Equity Buy in Fee)



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

**Final Plat** – A complete plan for the subdivision of a tract of land showing or referencing Local Tax Appraisal Maps, access to public road(s), number and size of lots, location of dedicated water easements, and location(s) of lakes, streams, or rivers through the property. The Corporation shall determine if a plat submitted for the purpose of this Tariff shall qualify as a final plat.

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

**Indication of Interest Fee** – A fee paid by a potential Member of the Corporation for the purpose of determining the feasibility of a construction and /or expansion project. The Indication of Interest Fee may be converted to a Membership Fee upon determination that service to the Applicant is feasible and available.

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

**Liquidated Membership** – A Membership that has been canceled due to delinquent charges or for other reasons as specified in this Tariff. (See Section E.)

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

**Membership** – A non-interest-bearing stock or right of participation purchased from the Corporation evidencing a Member’s interest in the Corporation. (See Tariff Section E and [Texas Business Organizations Code Sections 22.151\(c\)](#)).

**Membership Fee** – A fee qualified as such under the terms of the tariff and the bylaws of the Corporation assigned to the real estate designated to receive service. The membership fee shall be refundable upon termination of service and surrendering the Membership. The membership fee cannot be more than 12 times the minimum monthly base rate.

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

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

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

**Rural Utilities Service (RUS)** – An agency of the United States Department of Agriculture Rural Development Mission Area that provides loan and grant funds for development of rural water and sewer systems serving communities with a population of less than ten thousand (10,000) people.

**Renter** – A customer who rents or leases property from a Member or who may otherwise be termed a tenant.

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

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

**Service Application and Agreement** – A written agreement between the Member/Applicant and the Corporation defining the specific type of service requirements requested on the current service application and agreement form, and the responsibilities of each party required before service is furnished. (See [Sample Application Packet RUS-TX Bulletin 1780-9 \(Rev. 05/17\)](#))

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

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

**Service Unit** – The base unit of service used in facilities design and rate making. For the purpose of this Tariff, a service unit is a 5/8" X 3/4" water meter. Sewer facilities are designed, and rates are based on the basis of population served or demand. (See Tariff Section G. 7 and G. 14.)

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

**Tariff** – The operating policies, service rules, service extension policy, service rates, water use restriction policies, sample application packet, and miscellaneous transaction forms adopted by the Board of Directors. A copy of this Board approved tariff is on file at the Corporation office and as required by law at the State Office of the PUC.

**Temporary Service** – The classification assigned to an applicant that is in the process of construction. This could also apply to service for uses other than permanent (agricultural, road construction, drilling, livestock, etc.). The Board will set the length of time associated with this classification. This classification



will change to permanent service after requirements are met. Applicant must have paid an Indication of Interest Fee.

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

**Transfer Fee** - A fee assessed by the Corporation for costs associated with transferring membership. (See Tariff Section E. and [Texas Water Code Section 67.016](#))

**Transferee** – An Applicant receiving a Membership by legal means from a Transferor desiring to forfeit and transfer current rights of Membership to another person or entity. (See Tariff Section E. 19. c., and [Texas Water Code Section 67.016](#))

**Transferor** – A Member who transfers Membership by legal means to another person or entity desiring to qualify for service at a property for which the Membership is currently issued or to the Corporation. ([Texas Water Code, Section 67.016](#))

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

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

**Water Conservation Penalty** – A penalty that may be assessed under Section H of this Tariff to enforce customer/member water conservation practices during drought contingency or emergency water demand circumstances. (See [Texas Water Code Section 67.011 \(b\)](#) and Section G. 6.)

## SECTION D. GEOGRAPHIC AREA SERVED

### CERTIFICATE OF CONVENIENCE AND NECESSITY

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

**Certificate No. 12973**

I. Certificate Holder:

Name: Lost Springs Ranch Water Supply Corporation

Address: P. O. Box 1404  
Wimberley, Texas 78676

II. General Description and Location of Service Area:

The area covered by this certificate is located approximately 7 miles west of Wimberley, Texas accessible by Hays County Road known as Days End Road, with the entrance adjacent to the intersection of Days End Road and Valley View Road. The service area is generally bounded on the north by the main course of the Blanco River, east by a setback from Days End Road of approximately ¼ mile, and southern and western borders as defined in the plats of Hays County, Texas.

III. Certificate Maps:

The certificate holder is authorized to provide water service in the area(s) identified on the Commission's official service area map, [*insert map identifier such as WRS-255*], maintained in the offices of the Public Utility Commission, 701 N. Congress Avenue, P.O. Box 13326, Austin, TX 78711-3326 with all attendant privileges and obligations.

This certificate is issued under Application No. 12973 and subject to the rules and orders of the Commission, the laws of the State of Texas, conditions contained herein and may be revoked for violations thereof. The certificate is valid until amended or revoked by the Commission.

Issued Dated: June 1, 2001

ATTEST: \_\_\_\_\_

\_\_\_\_\_  
For the Commission



**MAP OF CCN AREA**

**Attachment of pdf document, 8 pages of Lost Springs Ranch subdivision as recorded with the Hays County Central Appraisal District. Subdivision boundaries serve as the WSC boundaries for the Certificate of Convenience and Necessity.**



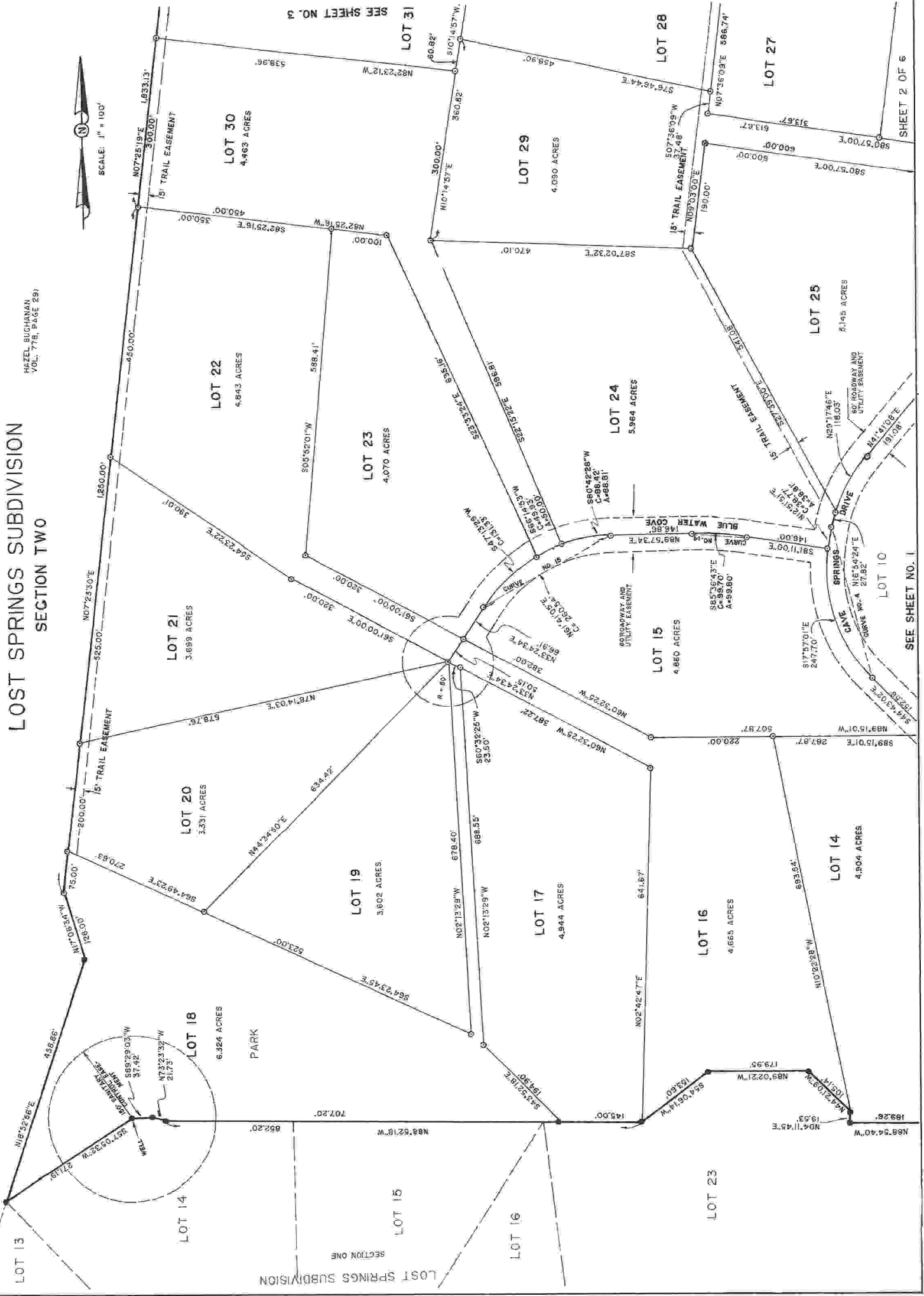
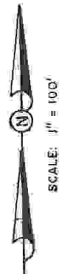




1/28/87

# LOST SPRINGS SUBDIVISION SECTION TWO

HAZEL BUCHANAN  
VOL. 1781, PAGE 291



SEE SHEET NO. 3

SEE SHEET NO. 1

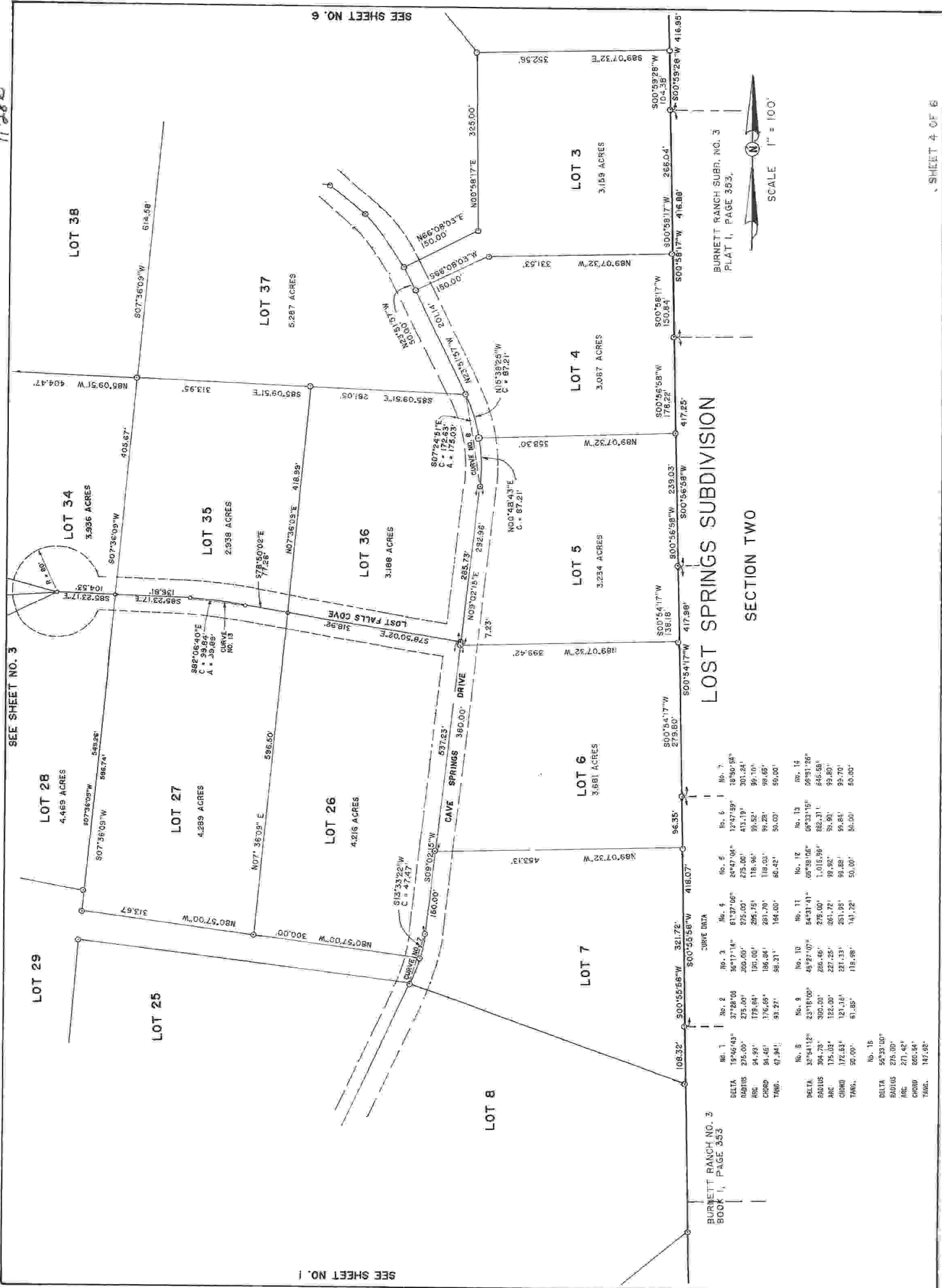
PHOTOGRAPHIC BLANK

SHEET 2 OF 6



7/286

SEE SHEET NO. 1



BURNETT RANCH NO. 3  
BOOK 1, PAGE 353

CURVE DATA

NO.	1	2	3	4	5	6	7	8	9	10	11	12	13	14
DELTA	37°54'12"	23°18'00"	37°28'08"	36°17'14"	61°37'06"	24°47'04"	12°47'59"	18°50'54"	29°44'04"	13°47'59"	18°50'54"	05°38'06"	06°32'15"	09°51'26"
RADIUS	275.00'	300.00'	275.00'	300.00'	275.00'	275.00'	275.00'	201.24'	413.19'	275.00'	275.00'	1,015.95'	662.31'	845.58'
ARC	94.92'	178.68'	178.68'	190.00'	296.75'	118.96'	95.52'	95.10'	95.52'	118.96'	95.52'	95.88'	95.88'	99.80'
CHORD	94.46'	176.58'	186.84'	201.70'	186.84'	201.70'	118.03'	95.29'	95.29'	118.03'	95.29'	95.85'	95.85'	99.70'
TANG.	47.24'	89.27'	89.27'	95.31'	144.00'	60.42'	50.00'	50.00'	50.00'	60.42'	50.00'	50.00'	50.00'	50.00'

SECTION TWO

LOST SPRINGS SUBDIVISION

BURNETT RANCH SUBR. NO. 3  
PLAT 1, PAGE 353

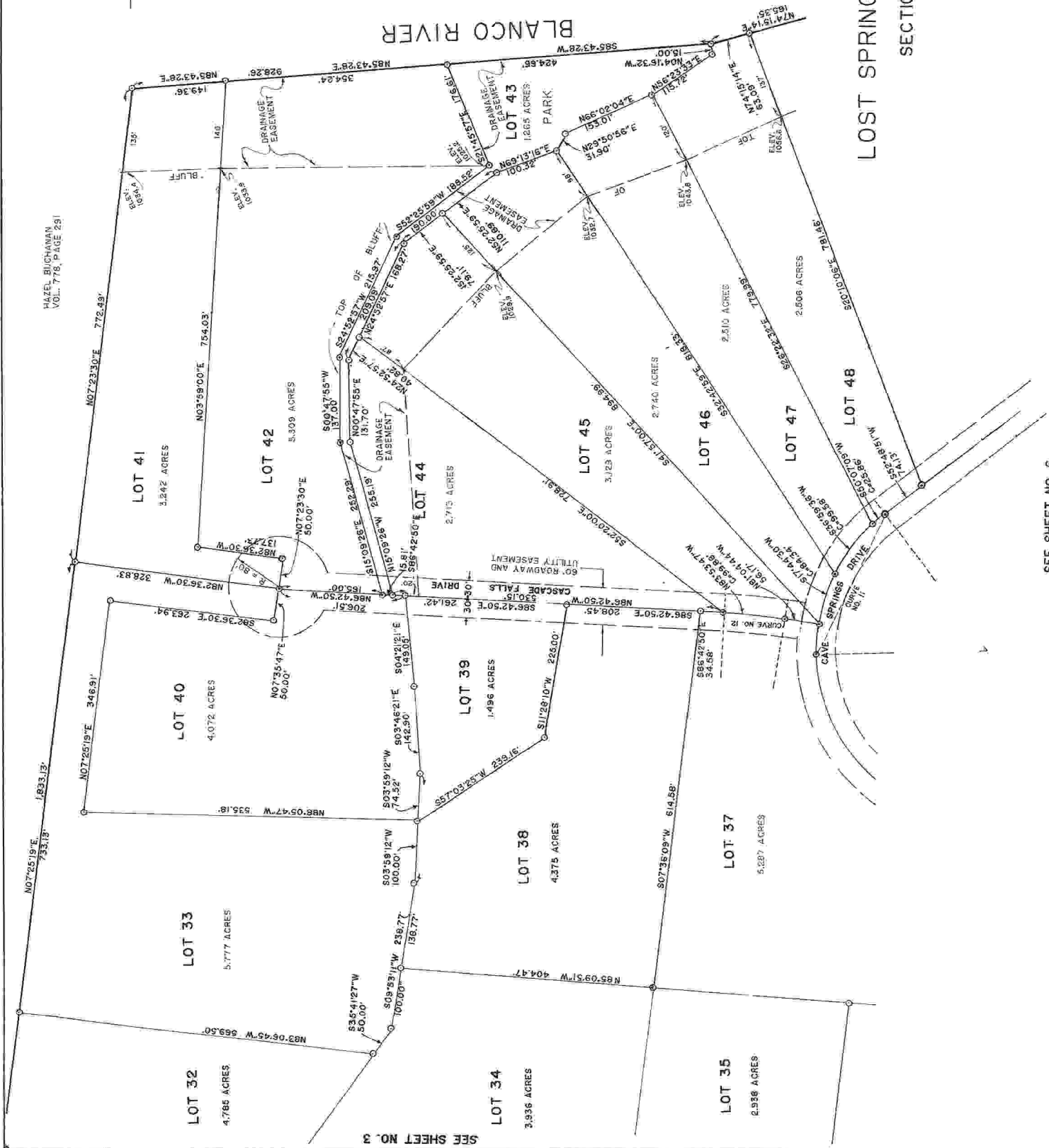


HAZEL BUCHANAN  
VOL. 778, PAGE 291



HAZEL BUCHANAN  
VOL. 778, PAGE 291

SEE SHEET NO. 3



LOST SPRINGS SUBDIVISION  
SECTION TWO

SEE SHEET NO. 6



1/288

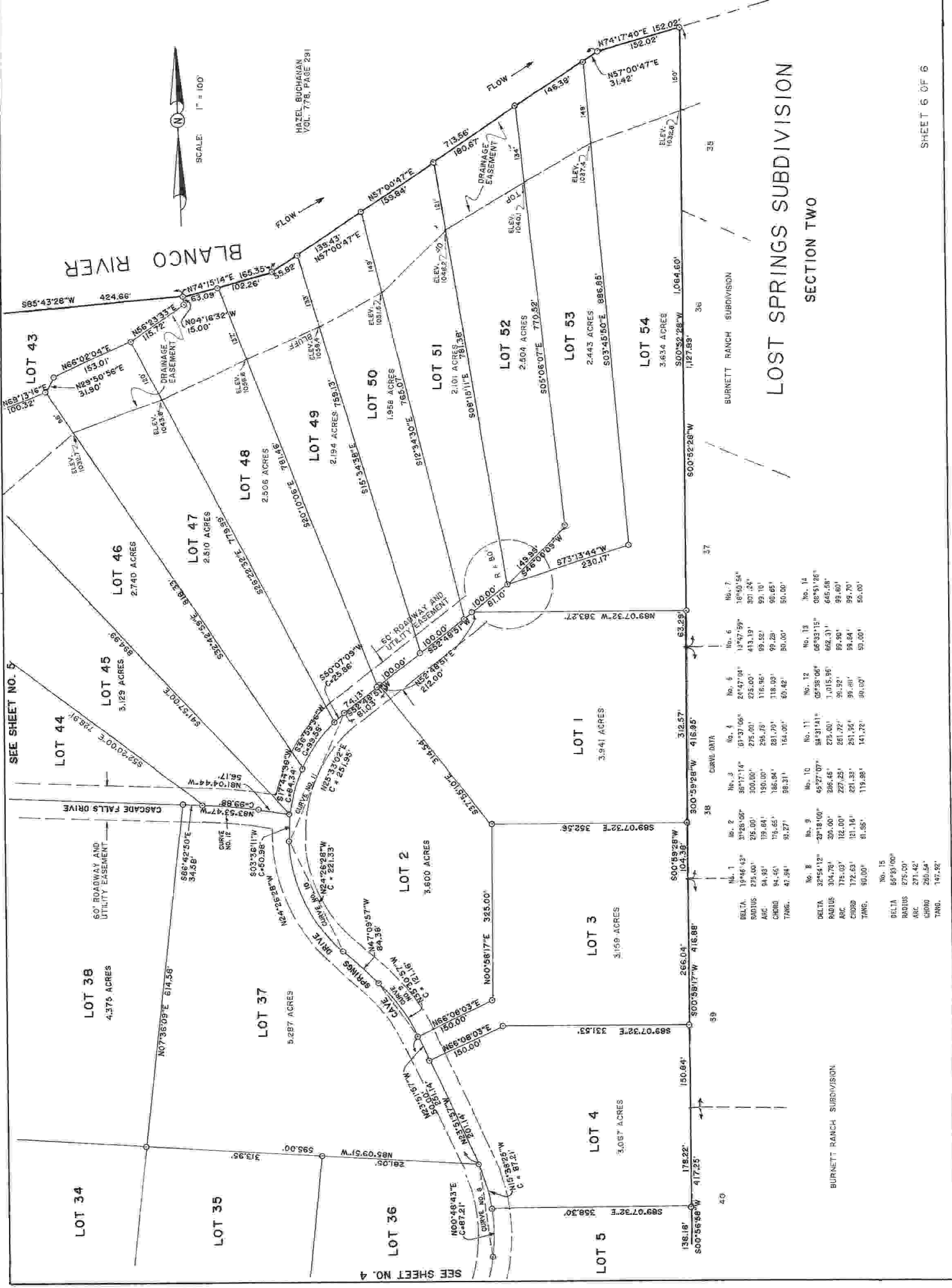
BLANCO RIVER



HAZEL BUCHANAN  
VOL. 778, PAGE 291

# LOST SPRINGS SUBDIVISION

## SECTION TWO



SEE SHEET NO. 5

SEE SHEET NO. 4

CURVE DATA	
No. 1	No. 2
DELTA 18°46'13"	DELTA 18°46'13"
RADIUS 275.00'	RADIUS 275.00'
ARC 54.33'	ARC 54.33'
CHORD 94.46'	CHORD 94.46'
TANG. 47.94'	TANG. 47.94'
No. 3	No. 4
DELTA 21°47'04"	DELTA 21°47'04"
RADIUS 300.00'	RADIUS 300.00'
ARC 75.00'	ARC 75.00'
CHORD 130.00'	CHORD 130.00'
TANG. 65.00'	TANG. 65.00'
No. 5	No. 6
DELTA 22°48'13"	DELTA 22°48'13"
RADIUS 300.00'	RADIUS 300.00'
ARC 75.00'	ARC 75.00'
CHORD 130.00'	CHORD 130.00'
TANG. 65.00'	TANG. 65.00'
No. 7	No. 8
DELTA 23°49'22"	DELTA 23°49'22"
RADIUS 300.00'	RADIUS 300.00'
ARC 75.00'	ARC 75.00'
CHORD 130.00'	CHORD 130.00'
TANG. 65.00'	TANG. 65.00'
No. 9	No. 10
DELTA 24°50'31"	DELTA 24°50'31"
RADIUS 300.00'	RADIUS 300.00'
ARC 75.00'	ARC 75.00'
CHORD 130.00'	CHORD 130.00'
TANG. 65.00'	TANG. 65.00'
No. 11	No. 12
DELTA 25°51'40"	DELTA 25°51'40"
RADIUS 300.00'	RADIUS 300.00'
ARC 75.00'	ARC 75.00'
CHORD 130.00'	CHORD 130.00'
TANG. 65.00'	TANG. 65.00'
No. 13	No. 14
DELTA 26°52'49"	DELTA 26°52'49"
RADIUS 300.00'	RADIUS 300.00'
ARC 75.00'	ARC 75.00'
CHORD 130.00'	CHORD 130.00'
TANG. 65.00'	TANG. 65.00'
No. 15	No. 16
DELTA 27°53'58"	DELTA 27°53'58"
RADIUS 300.00'	RADIUS 300.00'
ARC 75.00'	ARC 75.00'
CHORD 130.00'	CHORD 130.00'
TANG. 65.00'	TANG. 65.00'

BURNETT RANCH SUBDIVISION

BURNETT RANCH SUBDIVISION

GRANT OF EASEMENT

STATE OF TEXAS §  
  §  
COUNTY OF HAYS §

FOR AND IN CONSIDERATION of the sum of Ten Dollars (\$10.00) in hand paid, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, HNS Interests, Ltd., a Texas limited partnership, hereinafter referred to as "Grantor" does hereby GRANT, BARGAIN, SELL AND CONVEY unto LSR Water Supply Corporation, a Texas corporation, its successors and assigns, hereinafter referred to as "Grantee", the right, privilege and easement, at any time and from time to time, to construct, maintain, inspect, repair (i) a water well with associated equipment and buildings and (ii) a roadway providing access to said water well within the confines of that certain 0.414 acre road and well easement area as shown and described on Exhibit "A" and Exhibit "B" attached hereto and made a part hereof for all purposes (the "Easement"). Said wells, buildings and roadway are to be constructed over, under, through and across the property of Grantor situated in the County of Hays, State of Texas and described as follows:

Lot 11 and Lot 12, Lost Springs Subdivision, Section 2, a subdivision in Hays County, Texas according to the map or plat thereof recorded in Volume 7, page 283, Plat Records of Hays County, Texas ("Grantor's Property").

Grantor expressly retains the right, for itself and its successors and assigns, to use the Easement and any roadway constructed thereon for the purpose of ingress and egress to Grantor's Property. Grantor agrees not to build, construct or create, nor permit others to build, construct or create any buildings or other structures on or near the herein granted

Grant of Easement.doc

Easement that will interfere with the normal operation and maintenance of the wells or roadway.

Exhibits A and B are attached hereto and made a part hereof, and if there is any conflict between the provisions of this instrument and the provisions contained in Exhibit A or Exhibit B, then, and in that event, the provisions of Exhibit A and/or Exhibit B, as the case may be, shall control.

TO HAVE AND TO HOLD said Easement unto said Grantee, its successors and assigns forever.

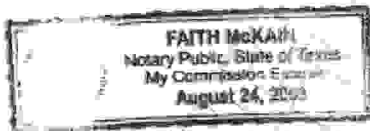
SIGNED this 8th day of November, 2002.

HNS Interests, Ltd., a Texas limited partnership

By: Don H. Still  
Don H. Still, General Partner

State of Texas       §  
                              §  
County of Hays      §

This instrument was acknowledged before me on the 8th day of November, 2002, by Don H. Still, General Partner of HNS Interests, Ltd., a Texas limited partnership, on behalf of said partnership.



Faith McKain  
Notary Public in and for  
The State of Texas

**GRANTEE:**  
LSR Water Supply Corporation  
230 201 Blue Water Cove  
Wimberley, Texas 78676

LOT 12



**EAGLE  
LAND  
SURVEYING**

P O Box 2284 Wimberley, Texas 78676 (512) 847-1078 Fax: (512) 847-8522

**FILED AND RECORDED  
OFFICIAL PUBLIC RECORDS  
On: Nov 13, 2002 at 09:56A**

Document Number: 02031129

Amount 15.00

By  
Patricia Lackey  
Lee Carlisle, County Clerk  
Hays County

June 28, 2002

FIELD NOTES DESCRIBING 0.050 ACRES OF LAND, MORE OR LESS, BEING OUT OF LOT 12, LOST SPRINGS SUBDIVISION, SECTION 2, A SUBDIVISION IN HAYS COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME 7, PAGE 283, PLAT RECORDS OF HAYS COUNTY, TEXAS, SAID 0.050 ACRES BEING PART OF A 0.414 ACRE PROPOSED ROAD AND WELL EASEMENT LOCATED ON LOT 11 AND LOT 12, MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at a 1/2" iron pin found at the Southeast corner of Lot 11, being the Northeast corner of Lot 12;

THENCE N 88°-56'-13" W, a distance of 55.97 feet, to a point on the East line of the 0.414 acre proposed road and well easement, said point being the POINT OF BEGINNING for this description;

THENCE S 00°-31'-41" E, leaving the common line of Lot 11 and Lot 12, a distance of 15.83 feet to a 60D nail set for the Southeast corner of the 0.414 acre proposed road and well easement;

THENCE N 88°-29'-28" W, a distance of 143.57 feet to a 60D nail set a corner of the 0.414 acre proposed road and well easement;

THENCE N 00°-31'-15" W, a distance of 14.72 feet to a 60D nail set on the common line of Lot 11 and Lot 12;

THENCE S 89°-56'-13" E, a distance of 143.53 feet to the POINT OF BEGINNING containing 0.050 acres of land, more or less. These field notes were prepared from a survey performed on the ground June 3, 2002. These field notes accompany a survey plat, job number 20253 of the same date.

page one of one  
2002/20253/field notes1.doc  
pp/ch





EAGLE LAND SURVEYING

P.O. Box 2204 Wimerley, Texas 75676 (512) 647-1070 Fax (512) 641-8522

July 25, 2002

FIELD NOTES DESCRIBING 0.364 ACRES OF LAND, MORE OR LESS, BEING OUT OF LOT 11, LOST SPRINGS SUBDIVISION, SECTION 2, A SUBDIVISION IN HAYS COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME 7, PAGE 283, PLAT RECORDS OF HAYS COUNTY, TEXAS, SAID 0.364 ACRES BEING PART OF A 0.414 ACRE PROPOSED ROAD AND WELL EASEMENT LOCATED ON LOT 11 AND LOT 12, MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS;

COMMENCING at a 1/2" iron pin found at the Southeast corner of Lot 11, being the Northeast corner of Lot 12;

THENCE N 88°-56'-13" W, a distance of 55.97 feet, to a point on the East line of the 0.414 acre proposed road and well easement, said point being the POINT OF BEGINNING for this description;

THENCE N 88°-56'-13" W, with the common line of Lot 11 and Lot 12, a distance of 143.53 feet to a 60D nail set;

THENCE N 88°-56'-13" W, with the common line of Lot 11 and Lot 12, a distance of 336.86 feet to a 60D nail set;

THENCE N 76°-48'-53" W, leaving the common line of Lot 11 and Lot 12, a distance of 110.68 feet to a 60D nail set along the curving centerline of Cave Springs Drive;

THENCE with said curve to the left, having a central angle of 06°-11'-34", a radius of 300.00 feet, an arc length of 32.43 feet, and a chord length of 32.41 feet, bearing N 34°-04'-07" W to a 60D nail set along said curve in the centerline of Cave Springs Drive;

THENCE, the following 4 courses numbered 1 through 5;

- 1) S 76°-48'-53" E, a distance of 132.13 feet to a 60D nail set;
- 2) S 88°-54'-34" E, a distance of 333.92 feet to a 60D nail set;
- 3) N 00°-31'-41" W, a distance of 19.44 feet to a 60D nail set;
- 4) S 88°-29'-28" E, a distance of 143.57 feet to a 60D nail set;
- 5) S 00°-31'-41" E, a distance of 40.17 feet to the POINT OF BEGINNING.

containing 0.364 acres of land, more or less. These field notes were prepared from a survey performed on the ground June 3, 2002. These field notes accompany a survey plat, job number 20253 of the same date.

page one of one  
200220253(field notes).doc  
pp/cb

*thh Bond*



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

1. **Activation of Standard Service.** Before receiving service, applicants must comply with all the following requirements, as applicable:
  - a. **New Tap** – The corporation shall charge a nonrefundable service installation fee as required under Section G. of this tariff. The service installation fee shall be quoted in writing to the applicant. Any debt owed to the Corporation and all fees shall be paid, or a deferred payment contract signed in advance of installation. (16 TAC 24.163(a)(1)(A))
  - b. **Re-Service** – On property where service previously existed, the corporation shall charge the Membership Fee (where the Membership Fee has been liquidated or refunded), reconnection costs, any debt owed to the Corporation if the applicant is the person that previously incurred those charges, seasonal reconnect fee as appropriate, and other applicable costs necessary to restore service.
  - c. **Performance of Work** – All tap and equipment installations specified by the corporation shall be completed by the corporation staff or designated representative after all requirements for service have been met. The tap for a standard service request shall be completed within five (5) working days after requirements for service have been met. See Section F.)
  - d. **Inspection of Customer Service Facilities** – The property of the Applicant/Member shall be inspected to ensure compliance with state required Minimum Acceptable Operating Practices For Public Drinking Water Systems as promulgated by the Texas Commission on Environmental Quality or successor agency. The customer must, at his or her expense, properly install, inspect, test, maintain and provide all required documentation of any approved backflow prevention device required by the Corporation. (30 TAC 290.46(i); Section H. Service Application and Agreement)
2. **Activation of Nonstandard Service.** Activation of Nonstandard Service shall be conducted as prescribed by terms of Section F. of this Tariff.
3. **Applicant's or Transferee's Recourse.** In the event the Corporation refuses to serve an Applicant under the provisions of these rules, the corporation must notify the applicant, in writing, on the basis of its refusal. The Applicant may file for an appeal, in writing, with the Board of Directors of the Corporation.
4. **Back-billing.** If a Member is undercharged the corporation may back-bill the Member. Back-billing may not exceed 12 months unless such undercharge is a result of meter tampering, bypass, or diversion by the customer as defined in this tariff (See 16 TAC Section 24.165(h)). If the underbilling is \$25 or more, the utility shall offer to such member/customer a deferred payment plan option for the same length of time as that of the underbilling.

## 5. *Bill Adjustment.*

- a. Due to Meter Error - The Corporation shall test any Member's meter upon written request of the member. In the event the meter tests within the accuracy standards of The American Water Works Association, a test fee as prescribed in Section F. of this Tariff shall be imposed. In the event the test results indicate that the meter is faulty or inaccurate, the test fee shall be waived, the meter shall be calibrated or replaced, and a billing adjustment may be made as far back as six (6) months. The billing adjustment shall be made to the degree of the meter's inaccuracy as determined by the test. The Member shall complete a Meter Test Request Form prior to the test. (See Section I. Miscellaneous Transaction Forms.)
- b. Due to Estimated Billing - If the Corporation has estimated usage because the Corporation is unable to access the meter due to circumstances beyond the Corporation's control, such as a natural disaster; or because access is hindered or denied by a Member, the Corporation shall adjust the bill once access has been regained and actual usage is determined. (See Section E. 20. a.)
- c. Due to Leak - If a Member's monthly bill is higher than normal due to a leak on the Member's side of the meter, the Member may submit a written leak adjustment request to the Corporation. Upon approval of a leak adjustment by the Corporation, the Member shall be charged the amount of one month's average bill for the previous twelve (12) months. Any additional consumption above the Member's average bill shall be charged at the Corporation's current lowest-tier rate that fully covers the cost of service associated with the additional consumption. The Corporation may grant an adjustment if each of the following apply:
  - (1) the amount of excess water usage reflected in the contested bill is at least three (3) times the Member's average monthly usage;
  - (2) the leak has been verified by the Corporation's manager or other representative;
  - (3) the Member submits documentary evidence that the leak has been repaired within ninety (90) days of repair, including a statement from a plumber and/or receipt(s) for parts purchased to repair the leak; and
  - (4) the Member has not requested a leak adjustment during the previous twenty-four (24) months regardless of the number of meters serving the Member's property or properties.

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

7. ***Changes in Service Classification.*** If at any time the Corporation determines that the customer service needs changed from those originally applied for to a different service classification and the Corporation determines that additional or different facilities are necessary to provide adequate service, the Corporation shall require the Applicant/Member to re-apply for service under the terms and conditions of this Tariff. Applicant/Members failing to comply with this provision shall be subject to the Disconnection with Notice Provisions of this Tariff (See Section E. 11. a.)



**8. Charge Distribution and Payment Application.**

- a. The Base Rate is for the billing period from the 1st day of the month through the last day of the same month. Charges shall be prorated for meter installations and service termination's falling during the billing period. Billings for this amount shall be mailed on or about the 10th of the month following the month for which this charge is due. All services shall be subject to this charge whether or not the service is in use by the Member.
- b. Gallonage Charge shall be billed at the rate specified in Section F, and billing shall be calculated in one hundred (100) gallon increments. Water charges are based on monthly meter readings and are calculated from reading date to reading date. Readings used in all billing calculations shall be taken by the Corporation's employees or designated representative.
- c. Posting of Payments: All payments shall be posted against previous balances and late fees prior to posting against current billings.
- d. Forms of Payment: The Corporation will accept the following forms of payment: cash, personal check, cashier's check, money order, credit card, automatic debit on customer's bank account, or draft on bank. The Corporation will not accept two-party checks, pay checks, or any other instrument of payment that is not made out to the Corporation. The Corporation reserves the right to require exact change and may refuse to accept payments made using more than \$1.00 in coins. The Corporation will not assess the credit card processing fee associated with credit card payments to those customers that make payment by credit card in accordance with consumer laws.

9. **Deferred Payment Agreement.** The Corporation may offer a written deferred payment schedule to a Member or rental tenant who cannot pay an outstanding balance in full and is willing to pay the balance in reasonable installments as determined by the Corporation, including any late penalty fees or interest on the monthly balance to be determined as per agreement. (See Section I. Miscellaneous Transaction Forms). The Corporation must offer a deferred payment schedule for bills due during an Extreme Weather Emergency for at least 30 days from the date an Extreme Weather Emergency ends. The Member or rental tenant must accept the deferred payment schedule within seven (7) days from receipt of the written deferred payment schedule from the Corporation. The failure to make required and timely payments as provided in any deferred payment schedule will void that agreement and service will be discontinued. The Corporation may consider another deferred payment schedule provided payments will be made by automatic bank draft or credit/debit card. Nonpayment of any amount under an additional deferred payment schedule will cause service to be disconnected immediately and service will not be restored until the account is paid in full and all other charges resulting from the disconnection of service are fully paid. In the event the requestor is a tenant of rental property the Corporation shall notify the owner/member of the deferred payment schedule.



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

- a. Failure of the Applicant to complete all application requirements, including granting an easement, completing all forms, and paying all required fees and charges;
- b. Failure of the Applicant to adhere to rules, regulations, policies, and bylaws of the Corporation;
- c. Existence of a hazardous condition at the Applicant's property which would jeopardize the welfare of the Members/Users of the Corporation upon connection;
- d. Failure of Applicant or Transferee to provide representatives or employees of the Corporation reasonable access to property, for which service has been requested;
- e. Failure of Applicant or Transferee to comply with all governmental rules and regulations of the Corporation's tariff on file with the state regulatory agency governing the service applied for by the Applicant;
- f. Failure of Applicant or Transferee to provide proof of ownership, to the satisfaction of the Corporation, of property for which the tap has been requested;
- g. Applicant's service facilities are known to be inadequate or of such character that satisfactory service cannot be provided;
- h. Failure of the Applicant or Transferee to pay any previous outstanding delinquent account(s) in full. This could be delinquencies resulting from the same account location or other service location(s) within the system where the Applicant or Transferee received service.

**11. Disconnection of Service Rules.** The following describes the rules and conditions for disconnection of service. Notwithstanding any language to the contrary in the Service Application and Agreement Form, the Corporation may only discontinue service for the reasons set forth in this Section.

- a. **Disconnection with Notice** – Water utility service may be disconnected for any of the following reasons after proper notification has been given.
  - 1) **Returned Checks** – The Corporation shall mail, via the U.S. Postal Service, a notice requiring redemption of the returned instrument within ten (10) days of the date of the notice to be made in the Corporation office. Redemption of the returned instrument shall be made by cash, money order, or certified check. Failure to meet these terms shall initiate disconnection of service. (see Miscellaneous Transaction Forms) Any such instruments returned as insufficient or nonnegotiable for any reason for any two billing periods within a 12-month period shall be considered evidence of bad credit risk by the Corporation. The Member/Customer in violation shall be placed on a "cash-only" basis for a period of 12 months. **NOTE: "cash only," means certified check, money order, or cash.**

- 2) Failure to pay a delinquent account for utility service, failure to timely provide a deposit or other security under Section E.10. i., or failure to comply with the terms of a deferred payment agreement (See Section I. Miscellaneous Transaction Forms);
- 3) Violation of the Corporation's rules pertaining to the use of service in a manner which interferes with the service of others or the operation of nonstandard equipment if a reasonable attempt has been made to notify the Member and the Member is provided with a reasonable opportunity to remedy the situation;
- 4) Failure of the Member to comply with the terms of the Corporation's Service Agreement, Tariff (including, where appropriate, Section G), Bylaws, or Special Contract provided that the Corporation has given notice of said failure to comply, and Member has failed to comply within a specified amount of time after notification.
- 5) Failure to provide access or hindering access to the meter under the terms of this Tariff or to property at which water service is received when there is reason to believe that a hazardous condition or policy violation exists for which access is necessary to verify. Conditions that may hinder access include, but are not limited to, fences with locked gates, vehicles or objects placed on top of meters or meter boxes, and unrestrained animals.
- 6) Misrepresentation by any Applicant or Transferee of any fact on any form, document, or other agreement required to be executed by the Corporation.
- 7) Failure of Member to re-apply for service upon notification by the Corporation that Member no longer meets the terms of the service classification originally applied for under the original service application.
- 8) Cancellation of membership by Member on an account that the Member holds for water service to the Member's renter/lessee, even if the renter/lessee has kept the account balance current under an Alternate Billing Agreement. **The cancellation of membership must be in writing and signed by the Member. CORPORATION ASSUMES NO LIABILITY TO RENTER/LESSEE; MEMBER IS SOLELY RESPONSIBLE FOR COMPLIANCE WITH, AND LIABILITY UNDER ANY FEDERAL, STATE OR LOCAL LAW CREATING OR PROTECTING RIGHTS OF RENTERS/LEESSEES.**
- 9) Failure to pay charges arising from service trip fee as defined in Section F. 24., meter re-read fee, or meter read fee when customer on self-read plan failed to submit their meter reading.
- 10) Failure by a Member to pay for all repair or replacement costs resulting from the Member damaging system facilities including, but not limited to water lines, service taps, meter boxes, valves, or meters by engaging in activities such as property excavations, installment of a driveway or roadway requiring encasements, lowering or re-routing of lines or system components, or by any other action. The Corporation will provide the /Member with notice detailing the extent of the damage, the location of the damage, the cost of repair, and whether the damage occurred on private property or on

a public right-of-way. Failure to pay the cost of repair or replacement will result in the Member's service being disconnected in accordance with the Disconnection with Notice Provisions in this Section. Service will remain disconnected until payment is received, or an acceptable payment plan is approved.

- 11) Failure to disconnect or secure additional service tap(s) for an RV or other service connection (See E of this Section) after notification by the Corporation of violation of the Prohibition of Multiple Connections.

b. **Disconnection Without Notice** – Water utility service may be disconnected without notice for any of the following conditions:

- 1) A known dangerous or hazardous condition exists for which service may remain disconnected for as long as the condition exists, including but not limited to a public health nuisance as defined in [Texas Health and Safety Code Sections 341.011](#) or [343.011](#). If there is reason to believe a dangerous or hazardous condition exists, the Corporation may conduct a customer service inspection (CSI) to verify the hazardous condition and may notify the local county health office. The Corporation will disconnect without notice if the Member refuses to allow access for the purpose of confirming the existence of such condition and/or removing the dangerous or hazardous condition ([30 TAC 290.46\(i\)](#) and [290.46\(j\)](#)). Service will be restored when a CSI confirms no health hazard exists, the health hazard has been removed or repaired, or the health hazard has been isolated from the Corporation's water system by the installation of a backflow prevention device.
- 2) A line leak on the member's side of the meter is considered a potentially hazardous condition under paragraph b. 1, as stated above. If the Corporation conducts a CSI and discovers that the line leak has created a hazardous condition, the Corporation will provide the member up to five (5) business days, or another time period determined reasonable under the circumstances, to repair the line prior to disconnection of service.
- 3) Service is connected without authority by a person/entity who has not made application for service or who has reconnected service without authority following termination of service for nonpayment; and
- 4) In instances of tampering with the Corporation's meter tap or equipment, by-passing the meter or equipment, or other diversion of water service. **NOTE: Where reasonable, given the nature of the reason for disconnection, a written statement providing notice of disconnection and the reason therefore shall be posted at the place of common entry or upon the front door of each affected residential unit as soon as possible after service has been disconnected.**

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

- 1) Failure of the Member to pay for merchandise or charges for nonutility service provided by the Corporation, unless an agreement exists between the Applicant and the

Corporation whereby the Member guarantees payment of nonutility service as a condition of service;

- 2) Failure of the Member to pay for a different type or class of utility service unless a fee for such service is included in the same bill;
  - 3) Failure of the Member to pay charges arising from an underbilling occurring due to any misapplication of rates more than six (6) months prior to the current billing;
  - 4) Failure of the Member to pay the account of another Member as guarantor thereof, unless the Corporation has in writing the guarantee as a condition precedent to service;
  - 5) Failure of the Member to pay charges arising from an underbilling due to any faulty metering, unless the meter has been tampered with or unless such underbilling charges are due under the Inoperative Meters Section E. 14 of this Tariff.
  - 6) Failure of the Member to pay estimated bill other than a bill rendered pursuant to an approved meter reading plan, unless the Corporation is unable to read the meter due to circumstances beyond its control.
  - 7) Failure of the Member to pay a bill due during an Extreme Weather Emergency if the Member has requested, accepted, and is in compliance with the terms of a deferred payment schedule under Section F of this Tariff. (16 TAC 24.173)
- d. **Disconnection on Holidays and Weekends** – Unless a dangerous condition exists or the Member requests disconnection, service shall not be disconnected on a day, or on a day preceding a day, when personnel of the Corporation are not available to the public for the purpose of making collections and reconnecting service.
- e. **Disconnection Due to Utility Abandonment** – The Corporation may not abandon a Member or a Certificated Service Area without written notice to its Members and all similar neighboring utilities and approval from the PUC.
- f. **Disconnection for Ill Customers** – The Corporation may not discontinue service to a delinquent residential Member or tenant under an alternative billing agreement permanently residing in an individually metered dwelling unit when that Member or tenant establishes that discontinuance of service will result in some person at that residence becoming seriously ill or more seriously ill if service is discontinued. To avoid disconnection under these circumstances, the Member or tenant must provide a written statement from a physician to the Corporation prior to the stated date of disconnection. Service may be disconnected in accordance with Subsection (a) of this Section if the next month's bill and the past due bill are not paid by the due date of the next month's bill, unless the Member or tenant enters into a Deferred Payment Agreement (see Miscellaneous Transaction Forms). The Corporation shall provide notice to owner in the event a request for service not be discontinued due to illness as per this subsection.
- g. **Disconnection of Master-Metered Accounts** – When a bill for water utility services is delinquent for a master-metered service complex (defined as a complex in which a single



meter serves two (2) or more residential dwelling units), the following shall apply:

- 1) The Corporation shall send a notice to the Member as required. This notice shall also inform the Member that notice of possible disconnection will be provided to the tenants of the service complex in five (5) days if payment is not rendered before that time.
  - 2) At least five (5) days after providing notice to the Member and at least five (5) days prior to disconnection, the Corporation shall post at notices, stating "Termination Notice" in public areas of the service complex notifying the residents of the scheduled date for disconnection of service.
  - 3) The tenants may pay the Corporation for any delinquent bill on behalf of the owner to avert disconnection or to reconnect service to the complex.
- h. **Disconnection of Temporary Service** – When an applicant with temporary service fails to comply with the conditions stated in the Service Application and Agreement Form or other rules of this Tariff, service may be terminated with notice.
- i. **Seasonal Disconnection** – A member may, in a written request, voluntarily suspend service for a period not exceeding nine months within a twelve-month period. If service is re-established before the end of the ninth month, the member will be assessed a Seasonal Reconnect Fee. If service is not reestablished after the ninth month, then service may be reestablished in accordance with the reservice requirements set forth in of Section F. 22 of this Tariff.

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

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

- a. The Corporation shall mail all bills on or about the 10th of the month. All bills are considered the responsibility of each person signing the Service Application and Agreement Form. All bills shall be due and payable upon receipt and are past due beyond the date indicated on the bill (allowing approximately fifteen (15) days to pay), after which time a penalty shall be applied as described in Section G. The time for payment by a political subdivision may be different than your regular due date. (See Texas Government Code 2251.021) A bill is delinquent if not paid on or before the past due date. Payments made by mail will be considered late if postmarked after the past due date. A ten (10) day grace period may then be allowed for delayed payments prior to mailing of final notices. Final notices shall be mailed allowing ten (10) additional days for payment prior to disconnection. The ten (10) additional days shall begin on the day the final notice is deposited with the U.S. Postal Service with sufficient postage. If the past due date for the regular or final billing is on a weekend or holiday, the past due date for payment purposes shall be the next day the Corporation office is open for business after said weekend or holiday. For all disputed payment deadlines, the date postmarked on each bill will determine the beginning of each billing cycle or final notice mailings.

- b. The board of directors or general manager may elect to not charge a late fee or disconnect fee in accordance with this Tariff during or after the occurrence of a natural disaster or other incident that impacts the property of members or interrupts the management and operation of the system.
  - c. Upon written request, any residential customer 60 years of age or older who occupies the entire premises of a dwelling receiving water utility service from the Corporation shall receive extension of the past due date, without penalty. The extension shall not exceed 10 days beyond the usual 15-day payment period for a total of no more than 25 days from the date the bill is issued. The request may specify extension of the late payment periods for current and subsequent billings. (Texas Utilities Code Sections 182.001 - 182.005) If this request originates from a tenant at a rental property the owner / member will be notified in writing of any extension request.
  - d. All insufficient fund checks, accounts closed or money orders that have had a “stop payment order” issued for payment of a water bill will be deemed delinquent as if no payment was received; the meter is subject to disconnection with notice on the regular disconnection day.
- 14. *Inoperative Meters.*** Water meters found inoperative will be repaired or replaced within a reasonable time. If a meter is found not to register for any period, unless by-passed or tampered with, the Corporation shall make a charge for units used, but not metered, for a period not to exceed six (6) months, based on amounts used under similar conditions during the period preceding or subsequent thereto, or during corresponding periods in previous years.
- 15. *Insufficient Grounds for Refusal of Service.*** The following shall not constitute sufficient cause for the refusal of service to an Applicant:
- a. Delinquency in payment for service by a previous member of the premises to be served;
  - b. Failure to pay a bill to correct previous underbilling due to misapplication of rates more than six (6) months prior to the date of application;
  - c. Violation of the Corporation’s rules pertaining to operation of nonstandard equipment or unauthorized attachments which interferes with the service of others, unless the customer has first been notified and been afforded reasonable opportunity to comply with said requirements;
  - d. Failure to pay a bill of another member or customer as guarantor thereof unless the guarantee was made in writing to the Corporation as a condition precedent to service; and
  - e. Failure to pay the bill of another member or customer at the same address except where the change of customer identity is made to avoid or evade payment of a utility bill.
- 16. *Line Extension Reimbursement.*** An approved Applicant may have to pay on a prorated basis a line reimbursement fee to the Corporation for the purpose of reimbursing a member or other party that made the capital outlay to extend service to that area. (See Miscellaneous Transaction Forms)

## 17. *Membership.*

- a. **Eligibility** - Eligibility for Membership shall not guarantee service to the Applicant or Transferee; however, qualification for service is a prerequisite to Membership eligibility for new Applicants or continued Membership for Transferees.
- b. **Membership** - Upon qualification for service, qualification for Membership, payment of the required fees, and any debt owed to the Corporation, the Corporation shall certify the Applicant as a Member. The Membership shall entitle the Member to one (1) connection to the Corporation's water utility service and one (1) share of Corporation Stock. The Membership entitles the Member to one (1) vote in the election of directors and in such other matters requiring the approval of the Corporation's Members at any Annual or Special Membership Meeting of the Corporation as prescribed by the Corporation Bylaws. Ownership of more than one (1) Membership shall not authorize the Member to cast more than one (1) vote at any annual or special meeting. Each Membership and Stock thereby represented may be assigned to the specified parcel of land originally designated to receive service at the time of application. ([Texas Water Code Section 67.016](#))
- c. **Transfers of Membership.** – ([Texas Water Code Section 67.016](#))
  - 1) A Member or executor of estate (court order or other legal instrument) is entitled to transfer Membership in the Corporation only under the following circumstances:
    - (a) The Membership is transferred by will to a person related to the Transferor within the second degree by consanguinity; or
    - (b) The Membership is transferred without compensation to a person related to the Transferor within the second degree by consanguinity; or
    - (c) The Membership is transferred without compensation or by sale to the Corporation; or
    - (d) The Membership is transferred as a part of the conveyance of real estate from which the Membership arose.
  - 2) In the event that Membership is transferred pursuant to the provisions of Subsection 19.c.(1) of this Section, such transfer shall not be completed or recorded on the books and records of the Corporation until such time as the transferor has provided satisfactory evidence to the Corporation of such transfer. A transfer of Membership shall be considered a new application for service and is not binding on the Corporation until such transfer has been approved as provided by Subsection 19.c. (3) of this Section.
  - 3) Qualifications for service upon transfer of Membership set forth in this Section shall be subject to approval of the Corporation and shall be recorded on the books and records of the Corporation only upon the following terms and conditions:
    - (a) The Transferee has completed the required Application Packet including granting the Corporation with a private utility easement on the form provided by the Corporation;
    - (b) The membership has not been fully or partially liquidated; and
    - (c) The Transferee demonstrates satisfactory evidence of ownership of the property



designated to receive service and from which the Membership originally arose.

- 4). If the application packet and other information is not completed on the day transfer of membership is requested the corporation will give the transferee written notice of 10 additional days to produce completed documentation to the corporation office. Service will be disconnected on the day following the 10<sup>th</sup> day according to disconnection with notice requirements. Additional time may be allowed at the direction of the manager or board.
- d. **Cancellation of Membership** – To keep a Membership in good standing, a Base Rate must be paid monthly to the Corporation, whether or not water is used. Failure to pay this monthly charge to the Corporation shall jeopardize the Member's Membership standing and give rise to liquidation of the Membership Fee and forfeiture of the Membership. A Member may be relieved of this obligation to pay by surrendering the Membership, properly documented, to the Corporation. The Member shall also complete a Service Discontinuance Request Form prior to termination of service. (See Misc. Transaction Forms.) However, a Member is not relieved of any obligations incurred prior to the date of surrender of a properly endorsed Membership prior to termination of service. Rights to future service at this tap shall be extended on an as-available basis and subject to the terms of the Activation of Service Section E of this Tariff. ([Texas Water Code Section 67.016](#))
  - e. **Liquidation Due to Delinquency** –When the amount of the delinquent charges owed by the Member equals the Membership Fee, the Membership Fee shall be liquidated and the Membership canceled and transferred back to the Corporation. In the event the Member leaves a balance due on an account guaranteed under the terms of a Service Application and Agreement, and the delinquent Member owns more than one Membership, the Corporation may liquidate as many of the Member Guarantor's Membership Fees as necessary to satisfy the balance due the Corporation, provided proper notice has been given. The Corporation shall collect any remaining account balances by initiation of legal action. Re-instatement of service shall be subject to the terms of the Activation of Service Subsection E. 1. b. of this Tariff.
  - f. **Cancellation Due to Policy Noncompliance** – The Corporation may cancel a Membership anytime a Member fails to comply with policies of the Corporation, including but not limited to Member's failure to provide proof of ownership of the property from which the Membership arose. ([Texas Water Code Section 67.016](#))
  - g. **Re-assignment of Canceled Membership.**
    - 1) The Corporation, upon cancellation of Membership under the provisions of this Tariff, may re-assign the canceled Membership to a person or entity that has legal title to the real estate from which the canceled membership arose and for which water or sewer service is requested ([Texas Water Code Section 67.016](#)). Membership will not be re-assigned unless the person or entity that has legal title to the real estate has complied with the corporation's current rates, charges, and conditions of service, including current membership fee, set forth in the tariff and service application package.
    - 2) The Corporation shall reassign a canceled Membership to a person or entity that acquires the real estate from which the Membership arose through judicial or nonjudicial



foreclosure. The Corporation will require proof of ownership resulting from the foreclosure and compliance with the corporation's current rates, charges, and conditions of service, including current membership fee, set forth in the tariff and service application package. In the event of foreclosure by a mortgage institution, the Corporation may allow a property management company to acquire the Membership if the management company provides written documentation showing that the management company is legally responsible for the management of the property and it is not feasible for the mortgage institution to be the Member.

- h. **Mortgaging of Memberships** – Nothing herein shall preclude a Member from mortgaging his/her Membership. However, notification to the holder of any security interest (mortgagee/lien-holder) of account status of Member/mortgagor will be provided only upon satisfactory completion of requirements for such conditions under the Membership Mortgage Agreement (See Miscellaneous Transaction Forms). Prior to the cancellation of any Membership as provided under Subsection E.. (Cancellation of Membership), the Corporation will notify the holder of any security interest in the Membership. The holder of the security interest also must hold a security interest in the real property at which water service is provided under the Membership. The Corporation may transfer the Membership to the holder of such security interest in lieu of cancellation, provided the holder of the security interest pays in full all delinquent and unpaid obligations and provided further that the holder of the security interest has secured title to the real property from which the Membership arose. The Corporation may withhold cancellation of a Membership pending the resolution of any foreclosure proceedings or similar legal proceedings by the holder of the security interest.
- i. **Cancellation and Re-Assignment of Membership as a Result of Bankruptcy Proceedings** – Upon notice of the filing of a petition in bankruptcy, the Corporation may require the posting of a deposit or other form of security, acceptable to the Corporation, as a condition for continuing utility service. Unless special circumstances require otherwise, the amount of security shall equal the amount of charges for the month of greatest use during the preceding 12 months. The Corporation shall not require the payment of any security prior to the expiration of 20 days following the date on which the petition is filed. Failure to provide this security by the date specified by the Corporation may result in termination of service according to the Disconnection with Notice Provisions of Section E. 11. of this Tariff, with a copy of the notice to the bankruptcy Trustee.
- j. **Cancellation and Re-Assignment of Membership as a Result of Divorce or Death (or Dissolution of Joint Tenancy)** – The Corporation shall transfer the membership to a spouse (or joint tenant) or heir who has been awarded the property designated to receive service. The Corporation must be provided adequate documentation of the ownership rights of the spouse (or joint tenant) or heir requesting transfer, such as final divorce decree, temporary court order, probate decree, affidavit of heirship, or agreement. In no event shall any membership(s) be transferred if the transferee does not otherwise meet the qualifications for membership and for service.

**18. Member's Responsibility.**

- a. The Member shall provide access to the meter tap location as per the easement and service agreement. If access to the meter is hindered or denied, preventing the reading of the meter, an estimated bill shall be rendered to the Member for the month; and a notice shall be sent to the effect that access could not be gained. If access is denied for three (3) consecutive months after proper notification to the Member, then service shall be discontinued and the meter removed with no further notice. Conditions that may hinder access include, but are not limited to, fences with locked gates, vehicles or objects placed on top of meters or meter boxes, and unrestrained animals.
- b. The Member shall be responsible for compliance with all utility, local, and state codes, requirements, and regulations concerning on-site service and plumbing facilities.
  - 1) All water connections shall be designed to ensure against on-site sewage contamination, back-flow or siphonage into the Corporation's water supply. In particular, livestock water troughs shall be plumbed above the top of the trough with air space between the discharge and the water level in the trough. ([30 TAC 290.46](#), [Texas Health & Safety Code Chapter 366](#))
  - 2) The use of pipe and pipe fittings that contain more than 0.25% lead or solder and flux that contain more than 0.2% lead is prohibited for any plumbing installation or repair of any residential or nonresidential facility providing water for human consumption and connected to the Corporation's facilities. Customer service pipelines shall be installed by the applicant. The service pipeline must be installed from the meter to the place of consumption and the Member is required to keep the service pipeline in good repair. The Member's responsibility shall begin at the discharge side of the meter. ([30 TAC 290.46](#); [16 TAC 24.163\(a\)](#); [RUS-TX Bulletin 1780-9](#) (Rev. 05/17))
  - 3) All pipe and fittings used by the customer to convey sewage from its source to the sewer line must be a minimum of D-3034, SDR-35 or equivalent, 4-inch diameter pipe. No DWV (drain waste and vent) pipe or fittings will be allowed. All joints must be water tight and pipe must be installed to recommended grade. All non-household sewer customers who have potential for dirt, grit, sand, grease, oil, or similar substances must install and maintain a trap ahead of their entrance to the Corporation's sewer collection piping. A double cleanout is required at the property line and recommended at the house. The Corporation may impose other site-specific requirements. All sewer and potable water service pipeline installations must be a minimum of nine feet apart and meet all applicable plumbing standards for crossings, etc.
- c. A Member owning more than one (1) Membership shall keep all payments current on all accounts. Failure to maintain current status on all accounts shall be enforceable as per Service Application and Agreement executed by the Member.
- d. The Corporation's ownership and maintenance responsibility of water supply and metering equipment shall end at the meter or other service equipment as installed. Therefore, all water usage registering upon and/or damages occurring to the metering equipment owned and maintained by the Corporation shall be subject to charges as determined by the Corporation's Tariff as amended from time to time by the Board of Directors.

- e. The Corporation shall require each Member to have a cut-off valve located outside of the meter box and within two feet of the meter on the Member's side of the meter for purposes of isolating the Member's service pipeline and plumbing facilities from the Corporation's water pressure. The valve shall meet AWWA standards (a ball valve is preferred). The Member's use of the Corporation's curb stop or other similar valve for such purposes is prohibited. Any damage to the Corporation's equipment shall be subject to service charges. (This cut-off valve may be installed as a part of the original meter installation by the Corporation.)
- f. The member is required to notify the system 48 hours prior to digging or excavation activities along or near water/sewer lines and appurtenances.

**19. Meter Relocation.** Relocation of services shall be allowed by the Corporation provided that:

- a. The relocation is limited to the existing property designated to receive service;
- b. A current easement for the proposed location has been granted to the Corporation; and
- c. The Member pays the actual cost of removing and relocation of the meter tap plus administrative fees.

**20. Meter Tampering and Damage to Property.**

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

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

- b. If the Corporation determines under subsection (a) that Tampering has occurred, the Corporation shall disconnect service without notice as set forth in Subsection E. and charge the person who committed the Tampering the total actual loss to the Corporation, including the cost of repairs, replacement of damaged facilities, and lost water revenues.



- c. A person who otherwise destroys, defaces, damages or interferes with Corporation property will be charged the total actual loss to the Corporation including but not limited to the cost of repairs, replacement of damaged facilities, and lost water revenues. The Corporation also will prosecute the offending party to the extent allowed under law pursuant to [Texas Water Code Section 49.228](#) and other applicable laws.
- d. In addition to actual damages charged under subsection (b), the Corporation may assess a penalty against the offender. The penalty shall not exceed six (6) times the Base Rate.

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

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

**22. Prohibition of Multiple Connections to A Single Tap.**

- a. No more than one (1) residential, commercial, or industrial service connection is allowed per each meter. If the Corporation has sufficient reason to believe a Multiple Connection exists, the Corporation shall discontinue service under the Disconnection with Notice provisions of this Tariff for a first violation and for subsequent violations, service will be disconnected without notice in accordance with Paragraph E (30 TAC 290.44; See Sample Application Packet [RUS-TX Bulletin 1780-9](#) (Rev. 05/17)).
- b. For purposes of this section, the following definitions shall apply:
  - 1) A “multiple connection” is the connection to any portion of a member’s water system that is connected to a primary delivery point already servicing one residence, one commercial or industrial facility of a water line serving another residence or commercial or industrial facility. Water lines to outbuildings, barns or other accessory structures shall not be consider a multiple connection if: (i) those structures are located on the same tract as the primary delivery point and (ii) such structures are not used as a residence or as a commercial or industrial facility.
  - 2) A “primary delivery point” shall mean the physical location of a meter that is installed in accordance with this Tariff and applicable law and which provides water service to the residence or commercial or industrial facility of a member.
  - 3) “Residential” or “residence” shall mean any structure which is being used for human habitation, which may include kitchen and bathroom facilities, or other evidence of habitation as defined by the Corporation.

**23. Service Entitlement.** The Applicant(s) shall be considered qualified and entitled to water utility service when proper application has been made, terms and conditions of Service and Membership have been met and continue to be met, and all fees have been paid as prescribed. ([16 TAC 24.161\(a\)](#)). Service requested by the Applicant(s) shall be for real estate designated to receive the service at each service connection provided by the Corporation. Service shall be through a meter located on that designated real estate unless otherwise approved by the board. Service is defined as service on a specific property designated to receive service on an existing pipeline where pipeline or service facility extensions are not required, and special design and/or engineering considerations are not necessary. Typically, this would include 5/8” X 3/4” or 3/4” sized water meter services set on existing pipelines.

- 24. Service Requirements.** The Corporation's Service Application and Agreement Form shall be completed in full and signed by the Applicant(s). Where applicable, in addition to the applicant, any other person sharing an ownership interest in and receiving service at that property shall sign the Service Application and Agreement Form; however, even if the spouse or other person sharing an ownership interest does not sign the Service Application and Agreement Form, they are still responsible for all terms set forth therein, and for any debt obligation related to this or any other account the applicant(s) may have used in the past or currently. (See Sample Application [RUS-TX Bulletin 1780-9](#) (Rev. 05/17))
- a. A Right-of-Way Easement Form or other such easement form, required by the Corporation, must be completed by the Applicant for the purpose of allowing future facility additions. (See Sample Application - [RUS-TX Bulletin 1780-9](#) (Rev. 05/17), [30 TAC 290.47 Appendix B.](#))
  - b. The Applicant shall provide proof of ownership to property for which service has been requested in a manner acceptable to the Corporation. Proof of ownership shall consist of warranty deed, deed of trust or other recordable documentation of title to the real estate designated to receive service. ([Texas Water Code Sections 67.016 \(d\), and 13.002 \(11\)](#) See also [Uniform Partition of Heirs Property Act, Property Code Chapter 23A](#)).
  - c. Notice of application approval and costs of service determined by the Corporation shall be presented to the Applicant in writing and shall remain in effect for a period not to exceed thirty (30) days. After that time the Applicant must re-apply for service. ([16 TAC 24.153 \(a\)\(1\)](#)).
  - d. If the water main has been located in the public right-of-way and is adjacent to Applicant's property due to the current or previous landowner's refusal to grant easement to the Corporation for the purpose of installing the water main and appurtenances, and the Corporation has documentation of such refusal, the Applicant, prior to receiving the requested service, shall grant the easement(s) required under this Tariff and in addition to the normally required fees for new customer service, shall pay such sums as are reasonably necessary to cap the existing line in the ROW and construct the appropriate line or lines within that easement or easements for the Corporation's system-wide service. (See Miscellaneous Transaction Forms.)
  - f. The Corporation shall post on its website or provide to each service applicant or transferee a copy of the Disclosure of Personal Information Request Form. See *Section I*, Miscellaneous Transaction Forms. See also, [Texas Utilities Code Section 182.052\(c\)](#).



## **SECTION F. RATES AND SERVICE FEES**

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

1. ***Additional Assessments.*** In the event any federal, state or local government imposes on the Corporation a “per meter” fee or an assessment based on a percent of water charges, this fee or assessment will be billed and collected as a “pass through” charge to the customer.
2. ***Assessments.*** If at the end of the fiscal year, or in the event of emergency repairs, the Board of Directors determines the total amount derived from the collection of water charges to be insufficient for the payment of all costs incident to the operation of the Corporation’s system during the year in which such charges are collected, the Board shall make and levy an assessment against each Member of the Corporation as the Board may determine or as may be required by Rural Development, so that the sum of such assessments and the amount collected from water and other charges is sufficient to fully pay all costs of the operation, maintenance, replacement and repayment on indebtedness for the year’s operations. (See [Article XVIII of USDA Model Bylaws, Section 1 Rev. 12-2011](#) or your Corporations bylaws or other governing documents)
3. ***Customer History Report Fee.*** A fee of \$10.00 shall be charged to provide a copy of the Member’s record of past account information in response to a Member’s request for such a record.
4. ***Customer Service Inspection Fee.*** A fee of \$50.00 will be assessed each Applicant before permanent continuous service is provided to new construction.
5. ***Easement Fee.*** When the Corporation determines that private right-of-way easements and/or facilities sites are necessary to provide service to the Applicant, the Applicant shall be required to make good faith efforts to secure easements in behalf of the Corporation and/or pay all costs incurred by the Corporation in validating, clearing, and retaining such right-of-way in addition to tap fees otherwise required pursuant to the provisions of this Tariff. The costs may include all legal fees and expenses necessary to attempt to secure such right-of-way and/or facilities sites on behalf of the Applicant. (See Section E)
6. ***Equipment Damage Fee.***
  - a. If the Corporation’s facilities or equipment have been damaged by tampering, by-passing, installing unauthorized taps, reconnecting service without authority, or other service diversion, a fee shall be charged equal to the actual costs for all labor, material, and equipment necessary for repair, replacement, and other Corporation actions. This fee shall be charged and paid before service is re-established. If the Corporation’s equipment has not been damaged, a fee equal to the actual costs for all labor, material, equipment, and other actions necessary to correct service diversions, unauthorized taps, or reconnection of service without authority shall be charged. All components of this fee will be itemized, and a statement shall be provided to the Member and tenant if an Alternate Billing Agreement is in place. If the Corporation’s facilities or equipment have been damaged due to negligence or unauthorized use of the Corporation’s equipment, right-of-way, or meter shut-off valve, or due to other acts for which the Corporation incurs losses or damages, the Member shall be liable for all labor and material charges incurred as a result of said acts or negligence.

- b. If the Corporation's facilities or equipment have been damaged in any respect due to excavation, digging, or any other activity that damages Corporation water lines and facilities, a fee shall be charged equal to the actual costs for all labor, water loss, materials and equipment necessary for repair or replacement of the Corporation's water lines and facilities. In addition to the fee for the costs of all labor, materials, and equipment, an automatic penalty of six (6) times the then-applicable base rate shall also be assessed and shall apply upon each occurrence of a violation of this section. A penalty under this section is in addition to any other penalty or remedy provided by the laws of the State of Texas or this Tariff. A penalty under this section is concurrent with and in addition to a penalty or fee incurred under any other provision in this Tariff.
7. **Equity Buy-In Fee.** This fee was discontinued as a requirement for service after 2005 with the physical plant and layout of the water supply completed. In the initial years of the Subdivision, property owners who requested water service from the WSC were asked for a buy-in fee to offset the costs of initial capital expenses to initiate service to the community. Through 2001, this "buy-in" fee was \$1,700 per applicant, and was increased in several steps (\$2,100 in 2002, \$2,500 in 2003, \$2,900 in 2004, and finally \$3,300 in 2005). The fee assisted in having members achieve parity with the contributions to the construction or acquisition of the Corporation's assets related to capacity that have been made previously by existing Members.
8. **Groundwater District Production Fee.** A fee of \$0.45 per month per customer is collected to pay a portion of the annual fee charged to the Corporation by the Texas Commission on Environmental Quality.
9. **Information Copy Fee.** A fee for the copying of any public information will be charged to the person requesting that information in compliance with the cost rules of the Texas Government Code Section 552.261 et. seq.
10. **Installation Fee.** The Corporation shall charge an installation fee for service as follows:
- 1) Tap fee – all current labor and materials necessary to provide individual metered water or wastewater service.
  - 2) Engineering fee.
  - 3) Legal fee.
  - 4) Customer service inspection fee.
  - 5) Administrative costs.
  - 6) Any additional site-specific equipment or appurtenances necessary to provide water or wastewater service.
- Standard service fees shall be charged on a per tap basis as computed immediately prior to such time as metered service is requested and installed.
11. **Late Payment Fee.** Once per billing period, a penalty of \$10.00 or 10% of the current water bill, whichever is larger, shall be applied to delinquent bills. This late payment penalty shall not be applied to any balance to which the penalty was applied in a previous billing period but shall be applied to any unpaid balance during the current billing period.
12. **Line Extension Reimbursement Fee.** – An approved Applicant may have to pay, on a prorated



basis, a line reimbursement fee to the Corporation for the purpose of reimbursing a member or other entity that made the initial capital outlay to extend service to that area.

- 13. Membership Fee.** The Membership Fee for water service was originally set at \$200.00 for each service unit. Upon completion of the physical plant and service layout in calendar 2005, this fee was discontinued, and a “transfer fee” (see Item 25, this Section) was set at \$100.00. Prior to 2005 a refundable Membership Fee was paid for each service requested before service was provided or reserved for the Applicant by the Corporation.
- 14. Meter Tampering and Damage to Property Penalty.** In addition to the Equipment Damage Fee, the Corporation may charge a penalty for “Tampering” as defined in Section E. The penalty may only be assessed against the person who committed the Tampering. The penalty cannot be assessed against the Member for the Tampering committed by their tenant. The penalty shall not exceed six (6) times the Base Rate and is assessed in addition to the actual cost of the damages and repairs. A penalty under this section is concurrent and in addition to a penalty or fee incurred under any other provision in this Tariff.
- 15. Monthly Charges.**
- a. **Base Rate** - The charge for metered water service is \$80.00 per month as of July 1, 2024.
  - b. **Gallage Charge** - In addition to the Base Rate, a gallage charge shall be added at the following rates for usage during any one (1) billing period.
    - \$5.00 per 1,000 gallons for 0 to 10,000 gallons
    - \$6.00 per 1,000 gallons for 10,001 gallons to 20,000 gallons
    - \$7.00 per 1,000 gallons for 20,001 gallons and over
  - c. The Corporation shall, as required by [Texas Water Code Section 5.701](#), collect from each of its retail customers a regulatory assessment equal to one-half of one percent of the charge for retail water or wastewater service. This charge shall be collected in addition to other charges for utility service. This fee is collected on all charges pertaining to Section F. Monthly Charges of this Tariff. [30 TAC 291.76\(d\)](#)
- 16. Meter Test Fee.** The Corporation shall test a Member’s meter upon written request of the Member. (See Meter Test Authorization and Test Report Form in Section J) Under the terms of Section E. of this Tariff, a charge of \$25.00 shall be imposed on the affected account.
- 17. Other Fees.** All services outside the normal scope of utility operations that the Corporation may be compelled to provide at the request of a Member, or the general public shall be charged to the recipient based on the cost of providing such service.
- 18. Owner Notification Fee.** The Corporation shall assess a fee of \$50.00 per notification to a Member of a renter/lessee delinquent account status prior to disconnection of service. (See Miscellaneous Transaction Forms.)
- 19. Reconnect Fee.** The Corporation shall charge a fee of \$50.00 for reconnecting service after the Corporation has previously disconnected the service for any reason provided for in this Tariff except



for activation of service under Section E.

20. **Regulatory Assessment.** A fee of 0.5% of the amount billed for water/sewer service will be assessed each customer; this assessment is required under Texas law and TCEQ regulations.
21. **Returned Check Fee.** In the event a check, draft, or any other similar instrument is given by a person, firm, corporation, or partnership to the Corporation for payment of services provided for in this Tariff, and the instrument is returned by the bank or other similar institution as insufficient or nonnegotiable for any reason, the account for which the instrument was issued shall be assessed a return check charge of \$25.00. (See Miscellaneous Transaction Forms)
22. **Seasonal Reconnect Fee.** The Corporation shall charge a fee calculated based on the Base Rate multiplied by the number of months during which service is suspended/locked, not to exceed nine (9) months during any twelve (12) consecutive months.
23. **Service Investigation Fee.** The Corporation shall conduct a service investigation for each service application submitted to the Corporation. All 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.
24. **Service Trip Fee.** The Corporation shall charge a trip fee for any service call or trip to the Member's tap as a result of a request by the Member or tenant for response to damage of the Corporation's or another Member's facilities; for customer service inspections due to suspicion of meter tampering, bypass or diversion of service; or for the purpose of disconnecting or collecting payment for services. For service trips that extend beyond one hour, such as when an extended line location is required, the Corporation shall charge an amount commensurate with the cost of investigation and repair.
25. **Transfer Fee.** A Fee of \$100.00 shall be assessed for the transfer of any membership. **This fee supplants the previous requirement of a "membership fee" and has been in-force since 2005.**

**SECTION G.**  
**DROUGHT CONTINGENCY AND EMERGENCY**  
**WATER DEMAND MANAGEMENT PLAN**

***1. Introduction***

The goal of this plan is to cause a reduction in water use in response to drought or emergency conditions so that the water availability can be preserved. Since emergency conditions can occur rapidly, responses must also be enacted quickly. This plan has been prepared in advance considering conditions that will initiate and terminate the water use restriction program.

A Drought/Emergency Management Committee consisting of two Board Members and the System Manager will monitor usage patterns and public education efforts and will make recommendations to the Board on future conservation efforts, demand management procedures or any changes to this plan. The Committee will develop public awareness notices, bill stuffers, and other methods that will begin and continue as a constant type of reminder that water should be conserved at all times, not just during a drought or emergency. This Committee will also review and evaluate any needed amendments or major changes due to changes in the WSC service area population, distribution system or supply. This review and evaluation will be done on a regular basis of every five years unless conditions necessitate more frequent amendments.

The plan will be implemented according to the three stages of water use restrictions as imposed by the Board. Paragraph 3 describes the conditions that will trigger these stages.

***2. Coordination with Regional Water Planning Group***

Being located within the Hays-Trinity Groundwater Conservation District, a copy of this Plan has been provided to that Regional Water Planning Group.

***3. Trigger Conditions***

The Drought Emergency Management Committee is responsible for monitoring water supply and demand conditions on a monthly basis (or more frequently if conditions warrant) and shall determine when conditions warrant initiation or termination of each stage of the plan, that is, when the specified triggers are reached. The Committee will monitor monthly operating reports, water supply or storage tank levels and/or rainfall as needed to determine when trigger conditions are reached. The triggering conditions described below take into consideration: the vulnerability of the water source under drought of record conditions, the production, treatment and distribution capacities of the system, and member usage based upon historical patterns.

- a. Stage I - Mild Condition:** Stage I water allocation measures may be implemented when one or more of the following conditions exist:

- 1) Water consumption has reached 80 percent of daily maximum supply for three (3) consecutive days.
- 2) Water supply is reduced to a level that is only 20 percent greater than the average consumption for the previous month.
- 3) There is an extended period (at least eight (8) weeks) of low rainfall and daily use has risen 20 percent above the use for the same period during the previous year.

**b. Stage II - Moderate Conditions:** Stage II water allocation measures may be implemented when one of the following conditions exist:

- 1) Water consumption has reached 90 percent of the amount available for three consecutive days.
- 2) The water level in any of the water storage tanks cannot be replenished for three (3) consecutive days.

**c. Stage III - Severe Conditions:** Stage III water allocation measures may be implemented when one of the following five conditions exist:

- 1) Failure of a major component of the system or an event which reduces the minimum residual pressure in the system below 20 psi for a period of 24 hours or longer.
- 2) Water consumption of 95 percent or more of the maximum available for three (3) consecutive days.
- 3) Water consumption of 100 percent of the maximum available and the water storage levels in the system drop during one 24-hour period.
- 4) Natural or man-made contamination of the water supply source(s).
- 5) The declaration of a state of disaster due to drought conditions in a county or counties served by the Corporation.
- 6) Reduction of wholesale water supply due to drought conditions.
- 7) Other unforeseen events which could cause imminent health or safety risks to the public.

#### ***4. Stage Levels of Water Allocations***

The stage levels of water allocations are to be placed in effect by the triggers in Paragraph 4. The System shall institute monitoring and enforce penalties for violations of the Drought Plan for each of the Stages listed below. The water allocation measures are summarized below.

**a. Stage I - Mild Conditions**

- 1) Alternate day, time of day, or duration restrictions for outside water usage allowed. (System will notify Customers which restriction is in effect)
- 2) The system will reduce flushing operations.
- 3) Reduction of customers' water use will be encouraged through notices on bills or other method.

**b. Stage II - Moderate Conditions**

- 1) All outside water use is prohibited (except for a livestock or other exemption or variance granted under this section).
- 2) Make public service announcements as conditions change via local outlets (e-mail, phone calls, postings)

**c. Stage III - Severe Conditions**

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

**5. *Initiation and Termination Procedures***

Once a trigger condition occurs, the Corporation, or its designated responsible representative, shall, based on recommendation from the Chairperson of the Drought/Emergency Management Committee, decide if the appropriate stage of water use restrictions shall be initiated. The initiation may be delayed if there is a reasonable possibility the water system performance will not be compromised by the condition. If water allocation is to be instituted, written notice to the customers shall be given.

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

- a. The date water restriction shall begin;
- b. the expected duration;
- c. the stage (level) of water allocations to be employed;

- d. penalty for violations of the water allocation program; and
- e. affected area or areas.

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

If the water allocation program extends 30 days, then the Chairperson of the Drought/Emergency Management Committee or manager shall present the reasons for the allocations at the next scheduled Board Meeting and shall request the concurrence of the Board to extend the allocation period.

When the trigger condition no longer exists then the responsible official may terminate the water allocations provided that such an action is based on sound judgment. Written notice of the end of allocations shall be given to customers. A water allocation period may not exceed 60 days without extension by action of the Board.

## 6. *Penalties for Violations*

- a. **First Violation** – The Corporation will assess a penalty as recommended by the Drought/Emergency Management Committee and approved by the Board. The customer/member will be notified by a written notice of their specific violation and their need to comply with the tariff rules. The notice will show the amount of penalty to be assessed and inform the customer that failure to pay the penalty will result in termination of service. Reconnection will require payment of the penalty and a charge for the service call to restore service. The notice will also inform the customer that additional violations will trigger more severe penalties and may result in termination of service regardless of whether the customer pays the penalties. *The penalty may not exceed three times the current base-rate established in this Tariff.*
- b. **Second Violation** - The Corporation will assess a penalty equivalent to two times the amount as established for a first violation. The notice of second violation will show the amount of penalty to be assessed and will inform the customer that failure to pay the penalty will result in termination of service to be restored only upon payment of penalty and service call to restore service. The notice will also inform the customer that additional violations will trigger more severe penalties and may result in termination of service regardless of whether the customer pays the penalties. *The penalty may not exceed six times the current base-rate established in the Tariff.*
- c. **Subsequent Violations** - The Corporation will assess an additional penalty as recommended by the Committee and approved by the Board for violations continuing after the Second Violation. The notice of subsequent violation will show the amount of the penalty to be assessed and will inform the violator that failure to pay the penalty will result in termination of service to be restored only upon payment of penalty and service call to restore service. The notice will also inform the customer that the Corporation may also install a flow restricting device in the customer's meter service to limit the amount of water that will pass through the meter in a 24-hour period. The costs of this procedure will be for the actual work and equipment and shall be paid by the customer. Removal of this device will be considered Meter Tampering and will result in disconnection of service without further notice. The notice of subsequent violation

will also inform the customer that additional penalties will be assessed for additional violations; and in addition to penalties, that water service will be terminated for a period of three (3) days regardless of whether the customer pays the penalties for the additional violations.

- d. **Termination** – For each continuing violation, the Corporation will assess an additional penalty for Termination of Service for a period of three (3) days. The notice of termination will show the date on which water service will be terminated and the date on which service will be restored, unless the customer has failed to pay delinquent penalties, assessments or charges. Service will remain off until any delinquent penalty or other assessment is fully paid including a charge for the service call to restore service
- e. The WSC will deposit all penalties accrued from violation of posted water restrictions in a separate account to be used for enhancement of the water supply to the benefit of all customers.