

***Central Washington County Water Supply Corporation***  
*Serving the Birthplace of Texas since 1991*

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**CORPORATION TARIFF  
&  
GENERAL MEMBERSHIP RULES AND POLICIES**

Adopted by Board action November 15, 2021  
Supersedes Tariff published on September 16, 2019

GENERAL SYSTEM INFORMATION

Public Water System (PWS) Id#: 2390055  
Certificate of Convenience and Necessity (CCN)#: 12177

GENERAL MANAGER: Patrick King (512) 894-3322  
(512) 858-1414 (Fax)

CHIEF OPERATOR: Matt Monfreda (979) 337-3477

IN CASE OF EMERGENCY CALL: (866) 643-3472 or (512) 894-3322

## FORWARD

The Central Washington County Water Supply Corporation, (CWCWSC), was founded in 1988 to serve customers in the Central and Western parts of Washington County. Phase I of the system was planned to serve 227 initial customers through a system of approximately 36 miles of main lines and one well located adjacent to County Road 29A. Phase I of the system was built using loan funds from Farmers Home Administration. Phase II was completed in July 1995 with an extension added and completed in November 1995. Phase II consists of one well adjacent to Fm 390 west of Gay Hill and a remote well site adjacent to Hoddeville School Road. Phase II added approximately 150 customers. Phase II was built using loan funds from Farmers Home Administration and grant funds in the amount of \$890,000.

The Corporation is managed and operated by a board of seven elected, unpaid directors, consisting of a President, Vice President, Secretary, Treasurer, and three Directors. The Board is elected by the general membership at each annual meeting. Operation and management of the system is by a professional management company with licensed operators.

Since initial operation, memberships (meters) have steadily grown, and in 2021, reached a total of approximately 900. Charter memberships of \$100 for Phase I members were closed at the time of FmHA loan commitment and all subsequent Phase I memberships have been assessed at the rate \$200 each. Phase II charter memberships for \$100 were closed on May 10, 1991 and all subsequent Phase II memberships were assessed at the current \$200 each. In 2018, the Corporation received a loan from Texas Water Development Board for \$2,815,000 to pay for a second well near Lillie Lange Road, a second standpipe and plant at Lillie Lange Road.

## SECTION A: STATEMENTS

1. ORGANIZATION: The Central Washington County Water Supply Corporation (CWCWSC) is a member owned, non-profit corporation incorporated pursuant to the Water Supply Service Corporations Act, Article 1434a, Tex. Rev. Civ. Stat. (West 1980, Vernon Supp. 1993 as amended) and as supplemented by the Texas Non-Profit Corporation Act, Tex. Rev. Civ. Stat. Ann., Article 1396-1.01, et seq. (West 1980, Vernon Supp. 1993 as amended) for the purpose of furnishing potable water utility service in rural Washington County, Texas. The Corporation was certified/approved by the Texas Commission on Environmental Quality (TCEQ) as a regional water provider on December 2, 2004. The Corporation operating policies, rates, Tariffs, and regulations are adopted by the Board of Directors elected by the Members of the Corporation under the guidance and direction of the Texas Commission on Environmental Quality and USDA-Rural Development. The Corporation does not provide fire flow and does not provide or imply that fire protection is available on any of Corporation's distribution system.
2. NON-DISCRIMINATION POLICY: Membership in the Corporation and service of water is provided to all Applicants who comply with the provisions of the Tariff regardless of race, color, creed, sex or marital status.

3. RULES APPLICATION: The rules and regulations specified herein apply to the water services furnished by CWCWSC, also referred to as Corporation. Failure on the part of the Member, Consumer or Applicant to observe these rules and regulations of the Corporation, after due notice of such failure, automatically gives the Corporation the authority to deny or to discontinue the furnishing of service as provided herein and as may be amended from time to time by the Board of Directors of the Corporation.
4. LIMITATIONS: Applicants will be considered for membership upon completion of a service application, necessary easements, and a review of existing service capability compared to service line size. This is in compliance with engineering limitations for the maintenance of acceptable water volume and pressure.
5. CORPORATION BYLAWS: The Corporation has adopted bylaws, which establish the make-up of the Board of Directors, establish the Membership voting rights, provide for annual and regular meetings, provide for reserve accounts, and establish the rights of the Members and other important regulations of the water system. These bylaws are included by reference herein, as amended from time to time, and are on file for inspection in the Corporation's office.
6. DAMAGE LIABILITY: The CWCWSC is not liable for damages caused by service interruptions, events beyond its control, and for normal system failures. The limit of liability of the CWCWSC is the extent of the cost of service provided. By acceptance of Membership, Member consents to waiver of such liability.
7. INFORMATION DISCLOSURE: The records of the Corporation shall be kept in the Corporation office. All information collected, assembled, or maintained by or for the corporation shall be disclosed to the public in accordance with the Texas Open Records Act: Article 6252-17a, Tex. Rev. Civ. Stat. (Vernon Pamp. 1992). An individual customer may request in writing that their name, address, telephone number, or social security number be kept confidential. Such confidentiality does not prohibit the utility from disclosing this information to an official or employee of the state or a political subdivision of the state acting in an official capacity or an employee of a utility 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 on a list to be made available to the Corporation's voting members, or their agents or attorneys, in connection with any meeting of the Corporation's members. The utility shall give its Applicants and customers notice of rights to confidentiality under this policy and all prevailing associated fees for such request.
8. CUSTOMER NOTICE PROVISIONS: The Corporation shall give written notice of monthly water rate changes by mail or hand delivery to all affected Members and/or consumers at least 30 days prior to the effective date of the new rate. The notice shall contain the old rates, new rates, effective date of the new rate, date of Board authorization, and the name and phone number of the Corporation's contact person designated to address inquires about the rate change.
9. PLUMBING STANDARDS: The Corporation adopts the Uniform National Standard Plumbing Code as guidance in the design, installation, and maintenance of plumbing systems and service facilities connecting or connected to the utility's water facilities, to the

extent appropriate under the applicable statutes and regulations governing public water systems. Any Member may be required to retrofit plumbing systems and service facilities as determined to be necessary by the Corporation for purposes of compliance with the Uniform National Standard Plumbing Code.

## **SECTION B: DEFINITIONS**

1. Active Service – The status of any Member receiving authorized service under the provisions of this Tariff.
2. Active Connection – Water connections currently being used to provide retail water service, or wholesale service.
3. Applicant – A person, partnership, cooperative corporation, corporation, agency, public or private organization of any type applying for service with the Central Washington County Water Supply Corporation (CWCWSC). A person must have reached age of majority (18) in Texas to apply for service. Base Rate – The monthly charge assessed each Member/Customer for the opportunity of receiving service. The Base Rate is based upon the meter size.
4. Board of Directors – The governing body elected by the Members of the CWCWSC that is vested with the management of the affairs of the Corporation.
5. Bylaws – The rules pertaining to the governing of the CWCWSC adopted by the Corporation Members.
6. Certificate(s) of Convenience and Necessity (CCN) – The authorization granted under Chapter 13 Subchapter G of the Texas Water Code for Central Washington County Water Supply Corporation to provide water service within a defined territory. Central Washington County Water Supply Corporation has been issued Certificate Number(s) 12177. Territory defined in the CCN shall be the Certificated Service Area.
7. Corporation – The Central Washington County Water Supply Corporation.
8. Developer – Any person, partnership, cooperative corporation, corporation, agency, or public or private organization who subdivides land or requests more than one water connection on a single contiguous tract of land [as defined in Section 13.2502 (e)(1) of the Texas Water Code].
9. Disconnection of Service – The discontinuance of water service by the Corporation to a Member/Customer.
10. 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 sewer lines or other facilities that would restrict the use of any area of the easement. (See Sample

Application Packet, Form-RUS-TX 442-8 (Rev. 6-06) or Form RUS-TX 442-9 (Rev. 6-06)) The easement will be filed in the real property records of Washington County.

11. 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 Water Supply Corporation shall determine if a plat submitted for the purpose of this Tariff shall qualify as a final plat. For purposes of evaluating Subdivision service requests under Section E. the Corporation may accept preliminary plats or plats awaiting final approval pending execution of agreement for service by the Corporation.
12. Hazardous Condition – A condition that jeopardizes the health and welfare of the Members/Consumers of the Corporation as determined by the Corporation or regulatory authority.
13. Inactive Connection – Water connections tapped to the Corporation’s system and that are not currently receiving service.
14. Installation Fee – A fee charged for all costs necessary for installation of the type of service requested.
15. Liquidated Membership – A Membership that has been canceled due to delinquent charges or for other reasons as specified in this Tariff.
16. 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 utility service from the corporation. The member shall be qualified for service and been certified as a member in accordance with the Corporation’s Tariff.
17. Membership – A non-interest-bearing stock or right of participation purchased from the Corporation evidencing a Member’s interest in the Corporation.
18. Membership Fee – A non-refundable 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.
19. Meter Test Fee – A fee assessed by the Corporation upon written request of the Member for testing the accuracy of the meter.
20. Public Utility Commission (PUC) – State regulatory agency having jurisdiction over water utilities and appellate jurisdiction over the rates and fees charged by Non-Profit Water Corporations
21. Proof of Ownership – For the purpose of this Tariff, applicants for service and membership shall provide proof of ownership of the real estate to be served by deed of trust, warranty deed, or other recorded documentation.

22. 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.
23. Renter – A consumer who rents or leases property from a Member or who may otherwise be termed a tenant.
24. 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.
25. 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.
26. Service Investigation Fee – A fee for costs associated with determining if service is available and determining cost of service.
27. 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.
28. 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.
29. Subdivide – To divide the surface area of land into lots or tracts intended primarily for residential use
30. Subdivider – An individual, firm, corporation, or other legal entity that owns any interest in land and that directly or indirectly subdivides land into lots as a part of a common promotional plan in the ordinary course of business
31. Subdivision – An area of land that has been subdivided into lots or tracts.
32. Tap fee – all current labor and materials necessary to provide individual metered water service.
33. 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.
34. Temporary Service – The classification assigned an applicant that is in the process of construction. This could also apply to service for uses other than permanent (agricultural, road construction, drilling, livestock, etc.). The Board will set the length of time associated with this classification.

35. Texas Commission on Environmental Quality (TCEQ) – State regulatory agency having jurisdiction over drinking water, water supply and water quality issues for Non-Profit Water Service Corporations.
36. Transfer Fee – A fee assessed by the Corporation for costs associated with transferring membership.
37. Transferee – An Applicant receiving a CWCWSC Membership by legal means from a Transferor desiring to forfeit and transfer current rights of Membership to another person or entity.
38. 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.
39. Usage – Amount billed for water service based on actual or estimated usage.
  - a. Actual Usage – Amount billed or to be collected based on actual meter reading.
  - b. 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 data is available.

### **SECTION C: RATE AND FEE SCHEDULES**

All rates, fees, and charges of the Corporation are set by the governing Board of Directors and may be changed from time to time as deemed necessary or appropriate. Rates, fees, and charges are based on the costs of services provided and are set forth in Exhibit A. A copy of the Corporation's rate and fee schedule is available upon request at the Corporation office.

### **SECTION D: SERVICE RULES AND REGULATIONS**

1. SERVICE ENTITLEMENT: An Applicant shall be considered fully qualified and entitled to water 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 by this Tariff.
2. STANDARD AND NON-STANDARD SERVICE:
  - a. Standard Service is defined, as service on an existing pipeline where pipeline or service facility extensions are not required and special design and/or engineering considerations are not necessary. Typically, this would include only 5/8” X 3/4” to 3/4” sized water meter services set on existing pipelines.
  - b. Non-Standard Service is defined as any service applied for which is not Standard Service. In addition to the following requirements for service, service requirements as prescribed by Section E of this Tariff shall be required of the Non-Standard Service Applicant prior to extension of such pipelines, and/or facilities.

3. REQUIREMENTS FOR SERVICE: An Applicant must submit to the Corporation:
- a. The Corporation's Service Application and Agreement form completed and signed by the Applicant.
  - b. A completed Right-of-Way Easement Form, Sanitary Control Easement or other such easement forms, approved by the Corporation, for the purpose of allowing future extensions or facility additions to improve or provide service to future Applicants.
  - c. Proof of ownership or title to property for which service has been requested in a manner acceptable to the Corporation.
  - d. All membership and installation fees.
4. 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 Membership Transferees.
5. CORPORATION WATER MAINS ON BRANCH LINES IN PLACE ON USERS PROPERTY: After proper application made by a prospective member and receipt by the Corporation of applicable membership and fees, the Corporation shall effect the installation of a standard meter box and a 5/8" water meter at a mutually agreeable point not more than five feet in distance from the existing water main/branch. In the event the Corporation main/branch does not have sufficient capacity to serve the new Applicant with water service without reducing service to existing users below regulatory standards, the Applicant shall, in addition to paying the regular tap and non-refundable membership fee; pay for such additional facilities as may be required to provide service. Any facilities so provided shall be the sole property of the Corporation.
6. CORPORATION WATER MAINS OR BRANCH LINES NOT IN PLACE ON USERS PROPERTY: In the event an Applicant desires water service on a property which does not currently have Corporation water mains/branch lines in place, the Applicant, in addition to paying appropriate tap and non-refundable membership fees, shall pay for additional facilities as may be required to provide the service, and any facilities so provided shall be the sole property of the Corporation.
7. WATER MAIN/BRANCH LOCATED IN PUBLIC RIGHT-OF-WAY: In those instances where a water main/branch has been located in the public right-of-way, adjacent to the Applicant's property due to the Applicant's previous refusal to grant an easement to the Corporation for the purpose of installing the water main and appurtenances, and the Corporation has documentation of such refusal on file, the Applicant, prior to receiving the requested service shall grant easement to the Corporation and shall pay to the Corporation, in addition to the tap, and non-refundable membership fee, such sums as are necessary for the removal of the water main/branch from the public right-of-way and relocation to the Applicant's property pursuant to such easement.
8. APPLICATION REQUIRING PROFESSIONAL SERVICES OF AN ENGINEER: If the services of a registered professional engineer are required as a result of an application for service received by the Corporation, the engineer will be selected by the Corporation and the Applicant requesting service will bear all expenses incurred for the service.



9. REQUESTS FOR NON-STANDARD SERVICE: Requests for non-standard service shall be considered on a case-by-case basis. If an Applicant requires other than standard service and meter (5/8" x 3/4" meter) provided by the Corporation, such Applicant will be required to pay all expenses incurred by the Corporation in excess of the cost that would be incurred to provide the standard service and meter.
10. RE-SERVICE: On property where service previously existed, the Corporation shall charge the non-refundable membership fee and labor and material costs necessary to restore service. This fee shall be cost-based with a minimum charge as specified in Exhibit A.
11. SERVICE APPLICATIONS: All Service Applications approved and cost of service fees quoted by the Corporation shall be presented to the Applicant in writing and shall stand approved at quoted costs for a period not to exceed thirty (30) days. After thirty (30) days, each Applicant shall re-apply for service under the terms of this Tariff.
12. PAYMENTS OF DUE AMOUNTS: Every Applicant who previously has been a customer of the Corporation and whose service has been discontinued for non-payment of bills, shall be required, before service is reconnected, to pay all amounts due to the Corporation.
13. PERFORMANCE OF WORK: After all applicable fees are paid and approval is granted by proper authorities, all installations specified by the Corporation shall be completed by the Corporation's staff or the Corporation's designated representative.
14. INSPECTION OF CUSTOMER SERVICE FACILITIES: A Customer Service Inspection is required to assess for possible cross-connections and other undesirable plumbing practices. THE MEMBER IS RESPONSIBLE for contacting a certified Customer Service Inspector, such as a plumber or water system operator certified to conduct this inspection, prior to the Corporation initiating water service. The Corporation must receive the completed Customer Service Inspection certificate prior to initiating permanent water service. The Corporation staff or its designated representative shall inspect all customer service facilities periodically after the tap is made 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, applicable plumbing codes, and utility construction standards.
15. CANCELLATION OF MEMBERSHIP: To keep a membership in good standing, the minimum monthly charge must be paid to the Corporation, whether or not water is used. Failure to pay this monthly charge to the Corporation for three consecutive months shall jeopardize the Member's membership standing and give rise to liquidation of the membership fee. The Corporation shall give the Member a minimum of 30 days-notice of its intent to terminate the membership. Subject to a decision of the Board of Directors, a Member may be relieved of this obligation to pay by giving written notice to the Corporation not less than 30 days prior to the requested termination date, such written notice specifying reasons that the membership should not be terminated. However, the Member is not relieved of any obligations incurred prior to the date of the requested termination date. Rights to future service at this tap shall be extended on an as available basis and will be subject to the terms for membership and service in force at the time of the request.

16. CANCELLATION DUE TO POLICY NON-COMPLIANCE: The Corporation may cancel a Membership anytime a Member fails to comply with policies of the Corporation, including but not limited to Member's failure to provide proof of ownership of the property from which the Membership arose.

17. OWNERS AND RENTERS: Any CWCWSC Member renting or leasing property to other parties is responsible for all charges due the Corporation in the event a renter/lessee leaves the Corporation with any unpaid bills. The Corporation will bill the renter/lessee for water service as a third party upon completion by the renter/lessee of a service agreement provided by the Corporation and payment of a renter deposit, but the Member is fully responsible for any and all unpaid bills left by the renter/lessee after the renter deposit is applied to the account.

18. TRANSFER OF MEMBERSHIP: Membership may be transferred by a Member only by written notification to the Corporation. 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 not be binding on the Corporation until such transfer has been approved. Qualifications for water service upon transfer of Membership shall be subject to approval of the Corporation, in accordance with the provisions of the Corporation Bylaws Article V and shall be recorded on the books and records of the Corporation only upon the following terms and conditions:

- a. All indebtedness due the Corporation has been paid;
- b. A Transfer Authorization Form has been completed by the Transferor;
- c. Submission by transferee of the Corporation's Service Application and Agreement form completed and signed by the Applicant/transferee, a completed Right of Way Easement form and any other such forms as approved by the Corporation; and,
- d. The Transferee demonstrates satisfactory evidence of ownership of the property designated to receive service and from which the Membership originally arose.
- e. If the previous Member is unavailable, unable, or unwilling to request a transfer, the Corporation may approve a new membership when all requirements for new membership are met.

19. DENIAL OF SERVICE: The Corporation may deny service for the following reasons:

- a. Failure of the Applicant or Transferee to complete all required forms and pay all required fees and charges;
- b. Failure of the Applicant or Transferee to comply with rules, regulations, policies, and bylaws of the Corporation;
- c. Existence of a hazardous condition at the Applicant's property that 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 water service has been requested when there is reason to believe that a hazardous condition may exist for which access is necessary to verify;
- e. Failure of Applicant or Transferee to comply with all governmental rules and regulations of the Corporation on file with the state regulatory agency governing the service applied for the Applicant;

- f. Failure of Applicant or Transferee to provide proof of ownership, to the satisfaction of the Corporation, of property for which the tap has been requested; and,
- g. Applicant's service facilities are known to be inadequate or of such character that satisfactory service cannot be provided.

20. 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, of the basis of its refusal, and the Applicant may file for an appeal, in writing, with the Board of Directors of the Corporation.

21. INSUFFICIENT GROUNDS FOR REFUSAL OF SERVICE: The following shall not constitute sufficient cause for refusal of service to an Applicant:

- a. Delinquency in payment for service by a previous occupant of the premises to be served unless the previous occupant was a renter and the present customer is and was the landlord;
- b. Failure to pay a bill to correct previous under billing due to misapplication of rates more than six (6) months prior to the date of application;
- c. Violation of the Corporation's rules pertaining to operation of non-standard equipment or unauthorized attachments which interferes with the service of other, 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 customer as guarantor thereof unless the guarantee was made in writing to the Corporation as a condition precedent to service;
- e. Failure to pay the bill of another customer at the same address except where the change of customer identity is made to avoid or evade payment of a utility bill.

22. BILLING: Bills for the Minimum Monthly Charge and water usage are computed by company meter reading, mailed to the member on or about the third day of the month for payment by personal check or money order or credit card or automatic bank draft each month. All bills shall be due upon receipt and are past due after the 20th of the month. A bill is delinquent if not paid by the due date. Payments made by mail will be considered late if postmarked after the due date. Payments shall be mailed by a sufficient date that will reasonably insure receipt of the payment, through normal mail, by the CWCWSC office on or before the due date. Past Due Notices will be mailed to past due accounts and a member's water service may be disconnected if the bill has not been paid by the date indicated on the Past Due Notice.

- a. The Minimum Monthly Charge is applied from the first day of the month to the last day of the month. All meters shall be subject to the Minimum Monthly Charge whether or not the meter is in use by the Member.
- b. Gallonage Charge, defined as water usage in excess of any allotment, if included, in the Minimum Monthly Charge, shall be billed at the rate specified in Exhibit A, and shall be billed in one hundred (100) gallon increments. Water charges for usage exceeding the monthly allotment 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. All payments shall be posted against previous balances prior to posting against current billings.

- d. 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 payment due date (20th). The request may specify extension of the late payment periods for current and subsequent billings.

23. DISPUTED BILLS: In the event of a dispute between the Member and the Corporation regarding any bill, the Corporation shall forthwith make and conduct an investigation as shall be required by the particular case, and report the results in writing to the Member. All disputes must be submitted to the Corporation, in writing, prior to the due date posted on said bill.

24. LEAK ADJUSTMENT POLICY:

If a consumer's monthly bill is higher than normal due to a leak on the Member's side of the meter, the consumer may submit a written request to the Corporation for a leak adjustment.

The Corporation may grant an adjustment if each of the following apply:

- a. The written request is received by the Corporation within 30 days of the due date of the bill in question,
- b. The amount of excess water usage reflected in the contested bill is at least 3 times the consumer's average monthly usage,
- c. The leak has been verified by the Corporation's manager or other representative,
- d. The consumer submits documentary evidence that the leak has been repaired, including a statement from a plumber and/or receipts for parts purchased to repair the leak, and
- e. The consumer has not requested a leak adjustment during the previous 24 months regardless of the number of meters serving the Member's property or properties.
- f. The consumer must show proof of a cutoff valve on the Member's side of the meter.

The adjustment will be calculated as follows:

- a. The average monthly bill for the previous 12 months will be considered the base amount.
- b. The remaining dollar amount above the base amount will be equally shared by the consumer and the Corporation.
- c. The adjusted amount will be the base amount plus 50% of overage.

For example:

- a. Consumer A received a bill for \$800, and the leak was on the Member's side of the meter (and more than 3 times the average monthly bill).
- b. Consumer A's average monthly bill over the past 12 months was \$100.
- c. Consumer A is responsible for a base amount (\$100) plus one half of the excess (1/2 of \$700 or \$350)
- d. Consumer A's leak adjusted bill will be \$450.

25. RULES FOR DISCONNECTION OF SERVICE: The following describes the rules and conditions for disconnection of water service.

- a. Water utility service may be disconnected for any of the following reasons after proper notification has been given:

- (1) Returned Checks: In the event a check, draft, or any other similar instrument is given by a person, firm, corporation, or partnership to the Corporation for payment of services provided for in this Tariff, and the instrument is returned by the bank or other similar institution as insufficient or non-negotiable for any reason, the 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.

(NOTE: Any such instruments returned as insufficient or non-negotiable for any reason for any two billing periods within a 12-month period shall be considered evidence of a 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.)

- (2) Failure to pay a delinquent account for utility service, failure to comply with the terms of a deferred payment agreement, or failure to pay damage charges;
  - (3) Violation of the Corporation’s rules pertaining to the use of service in a manner, which interferes with the service of others or the operation of non-standard equipment if a reasonable attempt, has been made to notify the Member and the Member is provided with a reasonable opportunity to remedy the situation;
  - (4) Failure of the Member to comply with the terms of the Corporation’s Service Agreement, Tariff, Bylaws, or Special Contract provided that the Corporation has given notice of said failure to comply, and Member has failed to comply within a specified amount of time after notification;
  - (5) Failure to provide access to the meter under the terms of this Tariff or to property at which water service is received when there is reason to believe that a hazardous condition or policy violation exists for which access is necessary to verify; and,
  - (6) Misrepresentation by any Applicant or Transferee of any fact on any form, document, or other agreement required to be executed by the Corporation.
- b. 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 violation of the Texas Sanitation and Health Protection Law 4477-1, or there is reason to believe a dangerous or hazardous condition exists and the Member refuses to allow access for the purpose of confirming the existence of such condition and/or removing the dangerous or hazardous condition;
  - (2) Service is connected without authority by a person who has not made application for service or who has reconnected service without authority following termination of service for nonpayment; and
  - (3) In instances of tampering with the Corporation’s meter or equipment, bypassing the meter or equipment, or other diversion of service.

- c. Water utility service may not be disconnected for any of the following reasons:
- (1) Delinquency in payment for service by a previous occupant of the premises to be served unless the previous occupant was a renter and the present customer is and was the landlord;
  - (2) Failure of the Member to pay charges arising from and under billing occurring due to misapplication of rates more than six (6) months prior to the current billing;
  - (3) Failure of the Member to pay the account of another Member as guarantor, unless the Corporation has in writing the guarantee as a condition precedent to service; and,
  - (4) Failure of the Member to pay estimated bill other than a bill rendered pursuant to an approved meter reading plan, unless the Corporation is unable to read the meter due to circumstances beyond its control.
- d. 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 TCEQ.

26. METER TEST ON REQUEST OF MEMBER/CUSTOMER: 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, the Corporation will charge the Member a fee which reflects all charges incurred to have the meter tested, including freight. In the event the test results indicate that the meter is faulty or inaccurate, the test charges shall be waived, the meter shall be calibrated or replaced, and a billing adjustment will be made. The limit of adjustment for an erroneous meter will be three months immediately preceding the removal of the contested meter or from the date of Applicant installation, whichever is less.

27. MALICIOUS ALTERATION OF SERVICE LINES AND/OR TAMPERING WITH SERVICE METERS AND DIVERSION: For purposes of these Sections, meter-tampering, by-passing, or diversion shall all be defined as tampering with the Corporation's meter or equipment, by-passing the same, or other instances of diversion, such as removing a locking or shut-off device used by the Corporation to discontinue service, physically disorienting the meter, attaching objects to the meter to divert service or to by-pass, inserting objects into the meter, and other electrical and mechanical means of tampering with, by-passing, or diverting service. Unauthorized users of services of the Corporation shall be prosecuted to the extent allowed by law under the Texas Penal Code.

28. METER RELOCATION: Relocation of meters shall be allowed by the Corporation provided that:

- a. No transfer of Membership is involved;
- b. An easement for the proposed location has been granted to the Corporation;
- c. The property of the new location requested is owned by the current Member of the meter to be moved;
- d. The Member pays the actual cost of relocation plus administrative fees; and,
- e. Service capacity is available at the proposed location.

29. PROHIBITION OF MULTIPLE CONNECTIONS TO A SINGLE TAP: In order that the Corporation may maintain adequate records of the actual number of users on its system to

assure compliance the TCEQ Rules and Regulations on minimum service standards, to ensure that charges are received for each user on the system, and to ensure that the Corporation's metering device is adequately sized for proper flow and accurate measurement of water used, all connections of any dwelling, household, business, and/or water-consuming establishment currently receiving or planning to receive water service, either directly or indirectly from the Corporation's water system, shall individually apply for service under the rules of this Tariff, including but not limited the following:

- a. One residence with outbuildings is permitted for one meter:
  - (1) The outbuildings can be a garage, barn or any nonresidential structure, and/or water for livestock excluding stock ponds.
  - (2) One mobile home is a residence; a second or more mobile homes are each one residence and must be metered individually.
  - (3) A mobile home attached or adjacent to a structured house on the same property is considered an individual residence separate from the structured home and therefore each must be metered individually.
  - (4) A garage apartment attached to the primary residence (an integral part of the master residence) is acceptable as the primary residence serviced by one meter and will be the landlord's responsibility to supply water service. If the landlord elects to separate the plumbing, a second membership and meter installation must be purchased.
  
- b. Any unauthorized submetering or diversion of service shall be considered a Multiple Connection and subject to disconnection of service. If the Corporation has sufficient reason to believe a Multiple Connection exists, the Corporation shall discontinue service under the DISCONNECTION WITH NOTICE provisions of this Tariff.)

30. INDIVIDUALLY OWNED RURAL WATER WELLS: The customer is encouraged to use such rural wells for his/her yard and/or farm use, but under no circumstances can the rural water system be directly or indirectly plumbed (connected on-line) to the private rural well. There must be a plumbing void (no interconnecting pipe, with or without a shut off valve) between the residential/outbuilding system and the farm use of the private well.

## **SECTION E: SERVICE EXTENSION POLICY**

1. CORPORATION'S LIMITATIONS: All Applicants shall recognize that the Corporation must comply with local, state, and federal rules and regulations as promulgated from time to time, and by covenants of current indebtedness.
  
2. PURPOSE: The purpose of this Section is to govern agreements and service procedures for subdivision, additions to subdivisions, or developments where service to more than one tract is necessary and/or additional piping, service facilities, etc. are required to accommodate individual, multiple, commercial, or industrial Applicants. For the purposes of this Tariff, Applications subject to this Section shall be defined as Non-Standard.
  
3. POLICY: It is the policy of the Corporation that all extensions or improvements to facilities required as a result of an application or applications for service except those that are a part of a program to be financed by FmHA as a general extension project, shall be paid for in full

by the Applicant(s) for such service, and will include the cost of engineering under Section D.

4. SERVICE EXTENSION CONDITIONS AND FUNDING (OTHER THAN DEVELOPER AND SUBDIVISION REQUIREMENTS-SEE # 5 BELOW): Pursuant to Section E, the following conditions will apply:

- a. All reasonable efforts will be made by the Corporation to compile a reasonable cost estimate to provide extensions or improvements to facilities as requested by Applicant, but is not limited to this estimate.
- b. If a single Applicant requests extensions or improvements, that Applicant will bear the total initial cost as outlined in Section D, 1-9.
- c. If more than one Applicant requests extensions or improvements, with the same physical location, each Applicant will bear a proportionate and equal portion of the cost.
- d. If additional Applicants appear within five (5) years of completion of the new extensions or improvements, the initial distribution of cost will be recomputed and assessed anew. Any resulting credit balances created will be retired by the Corporation in the form of a check from the Corporation to affected members.
- e. Under no circumstances will credits due an Applicant or member under Section E be applied against or utilized to reduce normal monthly billings for routine usage.

5. DEVELOPER, SUBDIVISION AND NON-STANDARD SERVICE REQUIREMENTS:

- a. Purpose. It is the purpose of this Section to define the process by which the specific terms and conditions for service to subdivisions and other kinds of Non-Standard Service are determined, including the Non-Standard Service Applicant's and the Corporation's respective costs.

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

- b. Application of Rules. This Section is applicable to subdivisions, additions to subdivisions, developments, or whenever additional service facilities are required for a single tract of property. Examples of Non-Standard Services for a single tract of land can include, but are not limited to, road bores, extensions to the distribution system, service lines exceeding ¾" diameter and service lines exceeding six (6) feet. Non-residential or residential service applications requiring a larger sized meter typically will be considered non-standard.
- c. Non-Standard Service Application. The Applicant shall meet the following requirements prior to the initiation of a Non-Standard Service Agreement by the Corporation:



1. The Applicant shall submit to the Corporation a completed Non-Standard Service Application. The application will define the terms of service prior to construction of required service facilities.
  2. A final plat must accompany the Application showing the Applicant's requested service area. The plat must be approved by all governmental authorities exercising jurisdiction over lot sizes, sewage control, drainage, right-of-way, and other service facilities and recorded in the county clerk's office. Plans, specifications, and special requirement of such governmental authorities shall be submitted with the plat. Applicants for single taps involving extension or upsizing of facilities shall be required to submit maps or plans detailing the location of the requested extension and details of demand requirements.
  3. A Non-Standard Service Investigation Fee shall be paid to the Corporation for purposes of paying initial administrative, legal, and engineering fees. The Corporation shall refund any balance that remains after it has completed its service investigation, and has completed all legal and engineering services associated with processing a request. In the event such a fee is not sufficient to pay all expenses incurred by the Corporation, the Applicant shall pay to the Corporation all additional expenses that have been, or will be incurred by the Corporation and Corporation shall have no obligation to complete processing of the Application until all remaining expenses have been paid.
- d. Design. The Corporation shall approve the design requirements of the Applicant's required facilities prior to initiation of a Non-Standard Service Agreement in accordance with the following schedule:
1. The Corporation's engineer shall review and approve the Applicant's plans for, all on-site and off-site service facilities for the Applicant's requested service within the Corporation's specifications, incorporating any applicable municipal or other governmental codes and specifications.
  2. The Applicant's plans shall be prepared by a registered Professional Engineer licensed to practice in Texas.
- e. Dedication of Water System Extension/Improvements to the Corporation.
1. Upon proper completion of construction of all on-site and off-site service facilities (the "Facilities") to meet the level and manner of service requested by the Applicant, the Facilities shall become the property of the Corporation. The Facilities shall thereafter be owned and maintained by the Corporation subject to the warranties required of Applicant under the following subsection 2. Any connection of individual customers to the Facilities shall be made by the Corporation.
  2. Upon transfer of ownership of the Facilities, Applicant shall warrant materials and performance of the Facilities constructed by Applicant for twelve (12) months following the date of transfer.
- f. Property and Right-of-Way Acquisition. With regard to construction of facilities, the Corporation shall require the Applicant, at Applicant's sole expense, to dedicate to the Corporation and/or purchase private right-of-way easements for the installation of planned facilities.

- g. Bids for Construction. The Corporation shall advertise for bids for the construction of the Applicant's proposed facilities in accordance with generally accepted practices to prospective bidders.

#### **SECTION F: MEMBER'S RESPONSIBILITY**

1. The Member shall provide access to the meter at all reasonable times for the purpose of reading, installing, checking, repairing, or replacing the meter.
2. The Member shall be responsible for compliance with all utility, local, and state codes, requirements, and regulations concerning on-site service and plumbing facilities.
  - a. All connections shall be designed to ensure against 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.
  - b. The use of pipe and pipe fittings that contain more than 8.0% lead or Solder and flux that contain more than 0.2% lead is prohibited for any plumbing installation or repair of any residential or non-residential facility providing water for human consumption and connected to the Corporation's facilities. Customer service pipelines shall be installed by the Applicant and shall be a minimum SDR-26 PVC pipe.

**(NOTE: Service shall be discontinued without further notice when installations of new facilities or repair of existing facilities are found to be in violation of this regulation until such time as the violation is corrected.)**

- c. A Member owning more than one (1) Membership shall keep all payments current on all accounts. Failure to maintain current status on all accounts shall be enforceable as per Service Application and Agreement executed by the Member which states: 'By execution of this Service Application and Agreement, Applicant shall guarantee payment of all other rates, fees and charges due on any account for which said Applicant owns a Membership Certificate. Said guarantee shall pledge any and all Membership Fees against any balance due the Corporation. Liquidation of said Membership Fees shall give rise to discontinuance of water utility service under the terms and conditions of the Corporation's Tariff.
- d. The Corporation's ownership and maintenance responsibility of water supply and metering equipment shall end at the meter. 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 on the Member's side of the meter and within three (3) feet 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.

- f. It is the responsibility of the Member to notify the Corporation of pending projects which would affect the Corporation's Easement Right of Way and/or service lines and equipment, including but not limited to, fences, ditches etc. The Member must contact the Corporation not less than three (3) business days prior to the beginning of the project for the purpose of having the location of lines and equipment marked. Should the Member fail to notify the Corporation, any damages caused by the Member or his/her employee or representative shall be charged to the Member. Failure to pay damage charges will result in disconnection of service per Section D.
  
- g. If the Customer desires water at a lower pressure than that which is delivered at the meter and such delivery pressure does not exceed any TCEQ rule or other pressure standard, the Customer will install, at the Customer's expense, the equipment necessary for such reduction in pressure. It shall be the Customer's responsibility to maintain such equipment in good repair and working order.

**SECTION G: FIRE FILL PROVISIONS**

**AGREEMENT TO PROVIDE FILL FOR CERTAIN FIRE APPARATUS  
IN DESIGNATED AREAS**

STATE OF TEXAS

WASHINGTON COUNTY

This Agreement (“Agreement”) is executed by and between \_\_\_\_\_ Volunteer Fire Department (“Department”), an emergency service organization, and Central Washington County Water Supply Corporation (“Corporation”), a nonprofit water supply corporation organized and operating under the provisions of Texas Water Code Chapter 67, and the Texas Business Organizations Code for the purposes and consideration set forth herein.

RECITALS

WHEREAS Department is a volunteer fire department organized and operating within the meaning of Texas Civil Practice & Remedies Code Section 78.101(2); and

WHEREAS Corporation is a nonprofit water supply corporation, organized and operating under the provisions of Chapter 67, Texas Water Code and the Non-Profit Corporation Act, and furnishes a water supply in Washington County and specifically in the area described in Public Utility Commission (“PUC”) Certificate of Convenience and Necessity No. 12177; and

WHEREAS Corporation acknowledges the benefits of fire suppression services provided by Department and is willing to provide water supply for use in fire suppression by Department through facilities in the area and under conditions more particularly described herein; and

WHEREAS Corporation’s tariff expressly provides that Corporation does not provide fire flow and does not provide or imply that fire protection is available on any of Corporation’s distribution system; and

WHEREAS Corporation is willing to assist Department by making water available for the purpose of filling Department’s pump trucks (“pump and fill” purposes) without making any guarantee to Department or to any third party that water or pressure adequate for pump and fill purposes will be available at any time or under any circumstance; and

WHEREAS Department desires to utilize Corporation’s water supply for pump and fill purposes within the area described herein and under the conditions set forth herein;

NOW, THEREFORE, Department and Corporation enter into this Agreement for the purposes and consideration set forth herein, acknowledging that these purposes and consideration are sufficient for purposes of this Agreement and are mutually beneficial to one another as contemplated by Section 67.0105(c), Texas Water Code:

## PARTIES

1.1 This Agreement is entered into by and between \_\_\_\_\_ Volunteer Fire Department, domiciled and conducting business in Washington County, Texas, and Central Washington County\_ Water Supply Corporation, domiciled and conducting business in Washington County, Texas.

1.2 Corporation and Department are authorized to enter into this Agreement pursuant to Texas Water Code Section 67.0105.

## PROVISION OF FILL WATER

2.1 Corporation will make available to Department the use of certain flush hydrant facilities located on water transmission lines operated by Corporation.

2.2 Department will use only those facilities installed and maintained by Corporation.

2.3 Corporation will install or maintain pump and fill facilities solely within Corporation's discretion, and the Department has no responsibility for installation or maintenance of such facilities.

2.4 In accordance with the laws of the State of Texas, the Corporation will maintain a minimum static residual pressure of 35 pounds per square inch ("psi") during normal flow, and will maintain a minimum static residual pressure of no less than 20 psi during fire flow conditions.

2.5 Department will notify Corporation prior to use of any designated pump and fill facility to the extent Department reasonably is able to do so by calling the Corporation's management. The Corporation acknowledges that in the event of emergencies, it may not be feasible for the Department to provide prior notice, in which case notification shall be provided as soon as practicable.

2.6 No obligation other than the duties set forth in this Agreement are recognized nor are any obligations or duties to be implied under this Agreement. No duty or obligation on the part of Corporation to provide fire flow or a supply of water under any minimum pressure or for any length of time may be implied under the provisions of this Agreement.

2.7 The duties set forth under this Agreement are duties of the parties to this Agreement to one another only, solely for their mutual benefit, and it is the express intention of the parties that these duties are not enforceable by any third party or alleged third party beneficiary.

2.8 The Department will supply a monthly water usage to the Corporation for the sole purpose of assisting Corporation in accounting for Corporation's Water Supply.

2.9 The Department will not utilize water provided under this agreement for any purpose other than for suppressing fires. Prohibited uses of "free" water include, but are not

limited to, filling swimming pools, car wash fundraisers, and potable use in a structure used to house fire trucks and personnel.

#### COMPENSATION

3.1 Department will not be charged for use of Corporation's water supply for pump and fill for fire suppression purposes. Department will be charged for water used for any other purpose.

#### TERMINATION OF AGREEMENT

4.1 Either party to this Agreement may terminate this Agreement at any time, with or without cause.

4.2 Termination shall be by written notice a minimum of thirty (30) days in advance of the date of termination.

4.3 Termination is the sole remedy for breach of any and all obligations under this Agreement, whether any such obligation is express or implied.

#### MISCELLANEOUS

5.1 This Agreement is the sole agreement between the parties. No modifications of this Agreement will be of any force or effect whatsoever unless such modification shall be in writing signed by both parties.

5.2 Any notice required or permitted to be given under this Agreement by one party to the other shall be in writing and shall be deemed to have been served and delivered if (a) delivered in person to the address set forth below, or (b) placed in the United States mail, first class postage paid, addressed to the address set forth below.

The address for the Department for all purposes under this Agreement shall be:

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The address for the Corporation for all purposes under this Agreement shall be: c/o PGMS  
26550 Ranch Road 12  
Suite 1  
Dripping Springs, TX 78620

5.3 This Agreement may not be assigned without the express written consent of the non-assigning party.

5.4 This Agreement shall be effective upon the later of the two dates of execution below and shall continue in full force and effect until amended or terminated by the parties.

5.5 The signatories hereto represent and affirm that each has full authority to execute this Agreement on behalf of the respective party.

EXECUTED AND AGREED TO in duplicate originals by the parties hereto.

Central Washington County Water Supply Corporation and \_\_\_\_\_ Volunteer Fire Department

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Attest: \_\_\_\_\_

Attest: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_