

SECTION A. RESOLUTIONS

THE BOARD OF DIRECTORS OF G & W WATER SUPPLY CORPORATION ESTABLISHES THAT:

1. This Tariff of the G & W Water Supply Corporation, serving in Waller and Grimes counties consisting of Sections A through K, which includes forms, is adopted and enacted as the current regulations and policies effective as of _____, 20__. This Tariff supersedes the Tariff effective April 1, 2011, as amended.
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 during regular office hours of 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 will continue to maintain earlier versions of the Corporation's approved Tariff.
5. Rules and regulations of state or federal agencies having jurisdiction shall supersede any terms of this Tariff. If any section, paragraph, sentence, clause, phrase, word, or words of this Tariff are declared unconstitutional or invalid for any purpose, the remainder of this Tariff shall not be affected.
6. This Tariff has been adopted in compliance with the [Open Meetings Act, Chapter 551](#) of the Texas Government Code.

PASSED and APPROVED this ____ day of _____, 20__.

President, G & W Water Supply Corporation

SEAL (if applicable)

Secretary, G & W Water Supply Corporation

SECTION B. STATEMENTS

1. **Organization.** The G & W 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 and or sewer utility 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, after due notice, according to the terms of this Tariff as amended from time to time by the Board of Directors of the Corporation and to impose such fees and penalties as approved by the Board of Directors.
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 at the Corporation’s office.
5. **Fire Protection Responsibility.** The Corporation does not provide nor imply that fire protection is available.
6. **Damage Liability.** The Corporation is not liable for damages caused by Service interruptions, events beyond its control, and for normal system failures. The limit 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.**
 - a. The records of the Corporation shall be kept in the Corporation office in Waller, Texas. 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 this provision.
 - b. **In no event and under no circumstances shall the Corporation disclose the Social Security Number of any Applicant or Customer to any person other than an employee of the Corporation.**
 - c. An individual Customer may request in writing that their address, telephone number, and account records 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 the Corporation acting in connection with the employee's duties. See Miscellaneous Forms: Confidentiality of Personal Information Contained in Utility Records.

d. 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.

e. The Corporation shall give its Applicants and Customers notice of rights to confidentiality under this policy and any prevailing associated fees for such request.

8. *Customer Rate Change Notice.* The Corporation shall give written notice of monthly rate changes by email, mail, or hand delivery to all Customers 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 inquiries about the rate change. See Tariff Section K Miscellaneous Information: Customer Rate Change Notice.

9. *Grievance Procedure.* 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. The charges or fees applicable to the complaining individual that are the subject 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 Inspection Certificate.* As required by TCEQ regulations, the Corporation requires a Customer Service Inspection Certificate as follows:

- a. Prior to activation of Service to new construction and for all new Members as part of the activation of Standard and Nonstandard Service.

- b. 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.
- c. The certification is performed by the G&W CSI inspector. In the case of new construction, the Corporation will accept a Customer Service Inspection Certificate from the homebuilder's licensed plumber.
- d. Once the certification is completed, Form TCEQ-20699 must be submitted to the Corporation. See Tariff Section J: Miscellaneous Forms – Customer Service Inspection Certificate; see also TCEQ website.
- e. The purpose of this certification is to identify and prevent cross-connections, potential contaminant hazards, and illegal lead materials. (See 30 Texas Administrative Code 290.46(j)).
- f. G&W charges a fee for the certification. For certifications under 10.a, a Service Activation Inspection Fee is charged. For certifications under 10.b, a Service Trip Fee is charged if a problem is confirmed. See Tariff Section G: Rates and Fees – G.4 Service Activation Inspection Fee and G.12 Service Trip Fee.
- g. The completed Certificate is kept in the Corporation's records.

11. ***Master-Metered Accounts.*** Submetering and Non-Submetering by Master-Metered Accounts may be allowed in the Corporation's water distribution system and is considered Nonstandard Service. The Corporation has no jurisdiction or responsibility to the tenants and tenants receiving water under a Master-Metered Account are not considered to be Customers of the Corporation. Any interruption or impairment of water service to the tenants of a Master-Metered Account is the responsibility of the Master-Metered Account Member. Any complaints regarding submetering should be directed to the Public Utility Commission and not to the Corporation.

12. ***Prohibition Against Resale of Water.*** The water meter is for the sole use of the Member or Customer and, other than a Master-Metered Account, 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

Activation Fee for Standard Service (Member) - An Applicant for water service requiring a 1-inch meter or smaller (Standard Service) shall pay the following one-time fees when they submit their service application: Administrative Fee, Membership Fee, Maintenance/Operation or Impact Fee, Service Activation Inspection Fee, and parts and labor, as necessary. See Tariff Section G: Rates and Fees.

Applicant – A person, partnership, cooperative corporation, corporation, agency, public or private organization of any type applying for service from the G & W Water Supply Corporation. A person must have reached age of majority (18) in Texas to apply for service. (See [Section 129.001, Civil Practice & Remedies Code.](#))

Base Rate – The monthly charge assessed each Customer for the opportunity of receiving water service. The Base Rate is a fixed rate based upon the meter size as set forth in the equivalency chart in [Section G](#). It is also referred to as the Service Availability Charge.

Board of Directors (Board) – The governing body elected by the Members of the G & W Water Supply Corporation that is vested with the management of the affairs of the Corporation. (See [Section 22.001\(1\), Texas Business Organizations Code.](#))

Bulk Water Sales - Selling water to someone on a one-time basis, no Membership required, which is charged by the gallonage rates in G.1.b, above. This is not considered to be a retail Customer and payment of a Base Rate is not required. An example is when a paving contractor needs water for his project and pulls the water out of a hydrant.

Bylaws – The rules pertaining to the governing of the G & W Water Supply Corporation adopted by the Corporation Members. (See [Section 22.001\(2\), Texas Business Organizations Code.](#))

Canceled Membership – A Membership that has been liquidated due to delinquent charges or for other reasons as specified in this Tariff.

Certificate(s) of Convenience and Necessity (CCN) – The authorization granted under [Chapter 13 Subchapter G of the Texas Water Code](#) for G & W Water Supply Corporation to provide retail water utility service within a defined territory. G & W Water Supply Corporation has been issued Certificate Number 12391. Territory defined in the CCN is the Certificated Service Area. (See Tariff [Section D](#): Certificated Service Area Map)

Corporation – The G & W Water Supply Corporation. (See Tariff [Section B.1.](#))

Customer – Anyone receiving water service from the Corporation.

Customer Service Inspection Certification – The inspection or investigation performed by a G&W CSI inspector, or in some instances by a homebuilder’s licensed plumber, that follows Form TCEQ-20699, Customer Service Inspection Certificate.

Delinquent Bill – A bill not paid on or before the past due date indicated on the water service bill.

Developer – Any person, partnership, cooperative corporation, corporation, agency, or public or private organization who subdivides land or requests more than two water service connections on a single contiguous tract of land [as defined in [Section 13.2502 \(e\)\(1\) of the Texas Water Code](#)].

Disconnection of Service or Discontinuance of Service – The ending of water or sewer service by the Corporation to a Customer.

Easement – A private perpetual dedicated right-of-way for the installation of water and or sewer pipelines and necessary facilities that allows access to property for future operation, maintenance, facility replacement, facility upgrades, and/or installation of additional pipelines (if applicable) for both service to 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 Corporation will file the Easement in the real property records of the appropriate county or counties.

Final Plat – A complete plan for the Subdivision of a tract of land showing or referencing local tax appraisal maps, access to public roads, number and size of lots, location of dedicated water/sewer Easements, and locations of lakes, streams, or rivers on the property. The G & W 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 F the Corporation may accept preliminary plats or plats awaiting final approval pending execution of agreement for service by the Corporation.

Hazardous Condition (Dangerous Condition) – A condition that jeopardizes the health and welfare of the Customers of the Corporation as determined by the Corporation or regulatory authority.

Impact Fee - A charge or assessment against the property for which service is requested to generate revenue for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to new Development within the Corporation’s service area. (See Tariff Section G:Rates and Fees; see also Texas Local Government Code Chapter 395.)

Master-Metered Account/Service –Water service that has one water service meter used to measure, for billing purposes, all water usage of an apartment house, condominium, multiple use facility, or manufactured home rental community, including common areas, common facilities, and dwelling units. Under state regulations this service is also referred to as allocated utility service or submetered utility service. (See 16 Texas Administrative Code section 24.275(c)(1) & (14).)

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 served or to be served, who has qualified for service and been certified as a Member in accordance with the Corporation's Tariff.(See [Texas Water Code Section 13.002\(11\)](#), [Texas Water Code Section 67.016\(d\)](#).)

Membership – A right of participation purchased from the Corporation evidencing a Member's interest in the Corporation. (See Tariff Section [E.8](#) and [Texas Business Organizations Code Sections 22.053 & 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.

Nonstandard Service – Water service provided to a Member as described in Section E.1.b and subject to Section F of this Tariff.

Proof of Ownership – For the purpose of this Tariff, Applicants for Membership shall provide proof of ownership of the real estate to be served by deed of trust, warranty deed, or other recorded documentation. (See [Texas Property Code, Title 3, Chapter 12, Section 12.001 and 12.0011](#).)

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 such as G & W Water Supply Corporation.

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. (See Tariff Section I: Application Packet - [Form-RUS-TX 442-8](#) (Rev. 6-06) and [Form RUS-TX 442-9](#) (Rev. 6-06))

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 Tariff Section I: Application Packet - [RUS-TX Bulletin 1780-9](#) (Rev. 05/17) or Nonstandard Service Agreement.)

Service Availability Charge - The monthly charge assessed each Customer for the opportunity of receiving water service. The Service Availability Charge is a fixed rate based upon the meter size as set forth in the equivalency chart in Section G. It is also referred to as the Base Rate.

Service Activation Inspection Fee - The Corporation requires that a Customer Service Inspection Certification be completed prior to activation of water service to new construction and for all new Members as part of the activation of Standard and Nonstandard Service.

Service Trip Fee - A fee charged for a service trip to a Customer's property for the purpose of Disconnecting Service or collecting payment for Service; or when a problem is confirmed during a

service trip to a Customer's property in response to damage to the Corporation's or another Customer's facilities and for Customer Service Inspection Certification due to suspicion of meter tampering, bypass, or diversion of service. A Service Trip Fee may be charged for any service requiring a Corporation representative to visit the property.

Standard Service - Water service provided to a Member as described in Section E.1.a of this Tariff.

Subdivide – To divide the surface area of land into lots or tracts intended primarily for residential use. (See [Texas Local Government Code Section 232.021\(11\)](#).)

Subdivider or Person who Subdivides Land– 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. (See [Texas Local Government Code Section 212.012\(i\)\(2\)](#) & [232.021\(12\) Definitions](#) and Tariff [Section F, Part II](#).)

Subdivision – An area of land that has been subdivided into lots or tracts. (See [Local Government Code Section 232.021\(13\) Definitions](#).)

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

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

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 data are available. (See Tariff [Section E.15.b](#); see also PUC Rule [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 water conservation practices during drought contingency or emergency water demand circumstances. (See [Texas Water Code Section 67.011\(b\)](#) and Tariff [Section H.7](#).)

SECTION D. GEOGRAPHIC AREA SERVED

SECTION E. SERVICE RULES AND REGULATIONS

1. **Standard and Nonstandard Service Defined.** For the purposes of this Tariff, water service requested by an Applicant shall be for real estate designated to receive the service. Service shall be through a meter or tap located on that designated real estate unless otherwise approved by the Board. Service shall be divided into the following two classes:
 - a. **Standard Service** is defined as service on a specific property designated to receive service on an existing pipeline through a 1-inch meter or smaller, 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," 3/4," and 1-inch sized water meter services set on existing pipelines.
 - b. **Nonstandard Service** is defined as any service request which requires a meter larger than Standard Service, service to a Master-Metered Account (see Tariff Section [E.11 and E.19](#)), or an addition to the supply, storage, and/or distribution system including line extensions that require engineering. Providing wholesale water to a subdivision is also considered Nonstandard Service. The service requirements as prescribed by [Section F](#) of this Tariff shall be required of the Nonstandard Service Applicant prior to activation of service.
2. **Activation of Standard Service.** Before receiving service, Applicants must comply with all the following requirements, as applicable:
 - a. **Application and Agreement.** Applicant(s) shall complete and sign a Standard Service Application and Agreement. Documents that must be completed before Membership is granted and water service is provided include Standard Service Application and Agreement Form ([USDA RUS-TX Bulletin 1780-9](#) (Rev. 5/2017)); and Right-of-Way Easement (Location Required) ([Form RD-TX 442-8](#) (Rev. 6-06)), included in Tariff Section I. In addition, any other person having an ownership interest in and receiving service at the property to be served must sign the Standard Service Application and Agreement; however, even if the spouse or other person sharing an ownership interest does not sign the Service Application and Agreement, they are still responsible for all terms set forth therein, and for any debt obligation related to the account.
 - b. **Confidentiality of Personal Information.** The Corporation shall provide to each service Applicant a copy of the Confidentiality of Personal Information Request Form. See [Section J](#): Miscellaneous Forms - Confidentiality of Personal Information Contained in Utility Records. See also, [Texas Utilities Code Section 182.052\(c\)](#).
 - c. **Notice Regarding Plumbing.** The Customer and the plumber must execute a copy of the Notice Regarding Plumbing Requirements. See Tariff Section J: Miscellaneous

Forms.

d. **Proof of Property Ownership.** 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. (See [Texas Water Code Sections 67.016 \(d\)](#), and [13.002 \(11\)](#). See also [Uniform Partition of Heirs Property Act, Property Code Chapter 23A](#)).

e. **Activation Fee.** Applicant shall pay the Activation Fee for Standard Service, which shall be itemized and provided in writing to the Applicant. All of the Fee is non-refundable except for the Membership Fee. Service will not be activated until all fees and any debt owed to the Corporation is paid, or a Deferred Payment Agreement has been executed. (See Tariff Section G: Rates and Fees; Section J: Miscellaneous Forms – Deferred Payment Agreement; see also [16 Texas Administrative Code 24.163\(a\)\(1\)\(A\)](#).)

f. **Failure of Previous Owner to Grant Easement.** If the water main has been located in the public right-of-way and is adjacent to Applicant's property and the Corporation has documentation that the previous owner refused to grant the Easement, the Applicant becomes responsible. Prior to receiving service, the Applicant shall grant the Easement and shall pay such sums as are reasonably necessary to cap the existing line in the right-of-way and construct the appropriate line within the Easement for the Corporation's system-wide service. See Tariff Section J: Miscellaneous Forms – Notice Regarding Failure to Provide Easement.

g. **Connecting Service.** 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 whenever practicable, but not later than ten (10) working days, after requirements for service have been met. This time may be extended for installation of equipment. (See [16 Texas Administrative Code 24.161\(a\)\(4\)](#).)

3. **Activation of Nonstandard Service.** Activation of Nonstandard Service shall be conducted as prescribed by terms of [Section F](#) of this Tariff.

4. **Service Entitlement.** An Applicant 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. (See [16 Texas Administrative Code 24.161\(a\)](#).) On the request by the property owner or owner's authorized agent, the Corporation shall install individual meters owned by the Corporation in an apartment house, manufactured home rental community, multiple use facility, or condominium on which construction begins after January 1, 2003. It shall be the responsibility of the property owner to obtain the Memberships required for each individual meter. If the Corporation determines that installing individual meters is not

feasible, the service will be considered Nonstandard Service and a Master-Metered Account will be established. See Tariff Section E.19 and Section F.

5. *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 comply with 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 Corporation's Customers once the property is connected for water service;
- d. Failure of Applicant to provide representatives or employees of the Corporation reasonable access to property, for which service has been requested;
- e. Failure of Applicant 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 to provide proof of ownership, to the satisfaction of the Corporation, of property for which the service has been requested;
- g. Applicant's service facilities are inadequate or of such character that satisfactory service cannot be provided;
- h. Failure of Applicant to comply with applicable regulations for on-site sewage disposal systems if the Corporation has been requested to deny service by the TCEQ or the TCEQ's designated representative under [Chapter 366 of the Texas Health and Safety Code](#); or
- i. Failure of the Applicant to pay any previous outstanding delinquent account(s) in full. This could be delinquencies resulting from the same account location or other service location(s) within the system where the Applicant received service. (Also [see E.18.b.](#))

6. *Insufficient Grounds for Denial of Service.* The following shall not constitute sufficient cause for the denial of service to an Applicant:

- a. Delinquency in payment for service provided to a previous Customer who occupied the premises.
- 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 interfere with the service of others, unless the Customer has first been notified and been afforded reasonable opportunity to comply with said requirements.
 - d. Failure to pay a bill of another Customer as guarantor, 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 unless the change of Customer identity is made to avoid or evade payment of a utility bill.
 - f. The service Applicant or Customer chooses to use a type of backflow prevention assembly approved under 30 TAC §290.44(h) (relating to Water Distribution) even if the assembly is not the one preferred by the Corporation.
 - g. Failure to comply with regulations or rules for anything other than the type of utility service specifically requested.
 - h. Failure to pay for the restoration of a tap removed by the Corporation at its option or removed as the result of tampering or delinquency in payment by a previous Customer.
7. ***Appeal of Denial of Service.*** The Corporation must give written notice to an Applicant if service is denied. The notice must provide the reason for denial. The Applicant may appeal in writing the denial by submitting it to the Corporation. The Corporation will consider the appeal and denial at the next regularly scheduled Board meeting.

8. ***Membership.***

- a. **Eligibility** - Eligibility for Membership shall not guarantee service to the Applicant; however, qualification for service is a prerequisite to Membership eligibility for new Applicants. A Member must be a property owner of property located inside the Corporation's CCN boundaries and comply with the following requirements.
- b. **Membership** - Upon qualification for service, qualification for Membership, and 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. 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, which take place at any Corporation annual or special Membership meeting 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. Each Membership is assigned to the specified parcel of land designated to receive service at the time of Application. (See [Texas Water Code Section 67.016.](#))

c. **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 Membership and may result in Cancellation of Membership and the Membership Fee will be used to offset any debt owed to the Corporation. 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 Tariff Section J: Miscellaneous Forms: Request for Service Disconnection and Membership Cancellation Form.) However, a Member is not relieved of any obligations incurred prior to the date of surrender of 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 [Sections E.2 and E.3](#) of this Tariff. (See [Texas Water Code Section 67.016](#).)

d. **Cancellation Due to Delinquency** –When the amount of the delinquent charges owed by the Member equals the Membership Fee, the Membership Fee shall be used to offset the delinquent charges and the Membership canceled. In the event the Member leaves a balance due on an account and the delinquent Member owns more than one Membership, the Corporation may use the Membership Fees as necessary to satisfy the balance due the Corporation and those Memberships shall also be cancelled, provided proper notice has been given under Tariff [Section E.17.a](#)). The Corporation may collect any remaining account balances by initiation of legal action. Re-instatement of service will be treated as new service and all requirements of activation of service must be fulfilled. See Tariff Sections E.2 and 3.

e. **Cancellation Due to Tariff Noncompliance** – The Corporation may cancel a Membership anytime a Member fails to comply with the Corporation’s Tariff. (See [Texas Water Code Section 67.016](#).)

f. **Re-Assignment of Membership Number** - The Corporation, upon cancellation of Membership under the provisions of this Tariff, may re-assign the canceled Membership number. The Membership number remains assigned to the real estate of the original Member who owned the real estate. The number will be re-assigned to a person or entity having legal title to the real estate when they apply for service for that real estate and meet all current activation of service requirements. (See [Texas Water Code Section 67.016](#).)

g. A person or entity that acquires, through judicial or nonjudicial foreclosure, the real estate from which a Membership arose may apply for Membership and activation of service under the Membership number assigned to the real estate. The Corporation will require proof of ownership resulting from the foreclosure. The number will be re-assigned to a person or entity having legal title to the real estate when they apply for service for that real estate and meet all current activation of service requirements. 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. Continuation of Service While Member is in Bankruptcy – Upon notice that a Member has filed a petition in bankruptcy, the Corporation may require the Member to post a deposit or other form of security, acceptable to the Corporation, as a condition for continuing utility service. Unless exceptional 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.17.a](#) of this Tariff, and the Corporation will send a copy of the notice to the bankruptcy Trustee.

i. Action on 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.

9. Member's Responsibility.

a. The Member shall provide access to the water meter or tap location as per the Easement and the Service Application and 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 Disconnected 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.

c. 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. (See [30 TAC 290.46; Texas Health & Safety Code Chapter 366.](#))

d. 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. (See [30 TAC 290.46](#); [RUS-TX Bulletin 1780-9](#) (Rev. 05/17))

e. All potable water service pipeline installations must be a minimum of nine feet apart and meet all applicable plumbing standards for crossings, etc.

f. 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.

g. A Member owning more than one (1) Membership shall keep all payments current on all accounts. Failure to maintain the current status on all accounts shall be enforceable as per the Service Application and Agreement executed by the Member.

h. The Corporation's ownership and maintenance responsibility of water supply and metering 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 in effect at the time of the event.

i. The Corporation shall require each Member to have a cut-off valve 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.)

j. The Member is required to notify Texas 811 at least 48 hours prior to digging or excavation activities along or near water lines and appurtenances, whether the activities are initiated by the Member or the tenant.

10. Backflow Prevention – 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. Such required testing includes the annual RPZ test required by TCEQ. (See [30 TAC 290.46\(j\)](#).)

11. Billing Cycle and Application of Payments. Bills containing monthly water service charges are prepared and mailed to Customers shortly after the 1st of each month and payment is due by the 15th of the month. The Corporation reserves the right to change its billing cycles if

the workload requires such practice.

- a. **The Service Availability Charge (Base Rate)** is for the billing period from the 1st day of the month to the last day of the month. Charges shall be prorated for a meter installation or and service termination during the billing period. All services shall be subject to this charge whether or not the service is in use by the Member.
- b. **Gallonge Charge** shall be billed at the rate specified in [Section G of this Tariff](#). 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 representatives.
- 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.

12. Disputed Bills.

- a. When a dispute arises between a Customer and the Corporation regarding a Customer's bill, the Corporation shall investigate as necessary for the particular case and report the results in writing to the Customer. All disputes under this Subsection must be submitted to the Corporation, in writing, prior to the due date posted on the disputed bill.
- b. If a Customer calls and questions their bill, G&W will create a datalog on the meter to determine its accuracy. The Customer can be present during this procedure. The results will be sent via mail or email to the Customer. A Meter Testing Fee will be charged on the next bill. See also Tariff Section E.15.a.

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

- a. The Corporation shall mail all bills on or about the 1st of the month. All bills are considered the responsibility of each person signing the Service Application and Agreement Form. All bills are 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 the bill is delinquent and a Late Fee shall be applied as described in Section G. Payments made by mail will be considered late if postmarked after the past due date. A 15-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. 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 in accordance with this Tariff during or after the occurrence of a natural disaster or other incident that impacts the property of Customers 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 an extension of the past due date, without assessment of a Late Fee. The extension shall not exceed 10 days beyond the usual 15-day payment period for a total of no more than 25 days from the date the bill is issued. The request may specify extension of the late payment periods for current and subsequent billings. (See [Texas Utilities Code 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 the extension request.

d. Payment of a water bill with insufficient fund checks, closed accounts, or money orders that have had a “stop payment order” will be deemed delinquent as if no payment was received and the meter is subject to Disconnection with notice on the regular Disconnection day. See Tariff Section E.18.a.

e. Any meter locked for nonpayment will be subject to be unlocked the following business day payment is received.

14. Over-billing and under-billing. If billings for water service are found to differ from the G & W WSC’s lawful rates for the services being provided to the Customer, or if the Corporation fails to bill the Customer for such services, the Corporation shall calculate a billing adjustment. If the Customer is due a refund, an adjustment must be made for the entire period of the overcharges. If the Customer was undercharged, the utility may back-bill the Customer for the amount that was underbilled. The back-billing may not exceed 12 months unless such undercharge is a result of meter tampering, bypass, or diversion by the Customer. If the under-billing is \$25 or more, the Corporation shall offer a Deferred Payment Plan option for the same length of time as that of the under-billing. In cases of meter tampering, bypass, or diversion, the Corporation may, but is not required to, offer a Customer a deferred payment plan. ([See 16 TAC Section 24.165\(h\).](#))

15. Bill Adjustment.

a. **Due to Meter Error** - The Corporation shall test any Customer’s meter upon request of the Member. See Tariff Section E.12.b. If the test results indicate that the meter is faulty or inaccurate, the meter shall be calibrated or replaced, and the

Customer's account shall be adjusted 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.

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 Tariff [Section E.14](#).

16. Deferred Payment Agreement. The Corporation may offer a deferred payment plan 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 Fees or interest on the monthly balance to be determined as per agreement. (See Tariff [Section J: Miscellaneous Forms – Deferred Payment Agreement](#).) Failure to make required and timely payments as provided in any deferred payment agreement will void that agreement and service will be Discontinued. The Corporation may consider another deferred payment agreement provided payments will be made by automatic bank draft or credit/debit card. Nonpayment of any amount under an additional deferred payment agreement 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 agreement.

17. 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. Proper notification shall be given in writing by mail, e-mail, or hand delivery. The notice will state that it is a “termination notice and will explain what the Customer needs to do to avoid disconnection of Service. The notice will be provided at least ten (10) prior to Disconnection. See 16 Texas Administrative Code 24.167(a)(1).

1) **Returned Checks** - Redemption of the returned check shall be made by cash, money order, credit card, or certified check within ten days of the termination notice. Failure to meet these terms shall initiate Disconnection of Service. (See Tariff Section J: Miscellaneous Forms - Returned Check Notice.) The Corporation shall consider any such instruments returned as insufficient or non-negotiable for any reason for any two billing periods within a 12-month period as evidence of bad credit risk. The Customer in violation shall be placed on a “cash-only” basis for a period of 12 months. **NOTE: “cash only,” means certified check, money order, credit card, or cash.**

- 2) Failure to pay a delinquent account for utility service or failure to comply with the terms of a deferred payment agreement. An account is deemed delinquent if payment is not received by the due date shown on the Customer's bill or the Deferred Payment Agreement. Service will be disconnected if full payment of the account and any related fees is not received within 10 days of the date the termination notice. (See Tariff [Section J: Miscellaneous Forms - Deferred Payment Agreement](#)).
- 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 Customer and the Customer is provided with a reasonable opportunity to remedy the situation;
- 4) Unless disconnection is prohibited by PUC regulation as reflected in Section E.11.c below, failure to comply with the terms of the Corporation's Service Agreement, Tariff (including, where appropriate, Section H – Drought Contingency and Drought Contingency And Emergency Water Demand Management Plan), Bylaws, or Special Contract provided that the Corporation has given notice of said failure to comply, and Customer has failed to comply within a specified amount of time after notification. See, for example, Section J: Miscellaneous Forms - Notice of Prohibition of Multiple Connections to a Single Tap.
- 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 of any fact on any form, document, or other agreement that the Corporation requires.
- 7) If requested by a Member when cancelling a Membership, even if the Membership property is occupied by the Member's renter or lessee and even if the renter or lessee has kept the account balance current under an Alternate Billing Agreement. Ten day written notice will be provided to the Tenant. **(Note: 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/LESSEES.)**
- 8) Violation of any applicable regulation pertaining to on-site sewage disposal systems if the Corporation has been requested in writing to Disconnect Service

by the TCEQ or the TCEQ's designated representative under Chapter 366 of the Texas Health and Safety Code.

- 9) Failure to pay for all repair or replacement costs resulting from the Customer 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 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 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.

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. 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 Service without notice if the Customer refuses to allow access for the purpose of confirming the existence of such condition and/or removing the Dangerous or Hazardous Condition. (See 30 TAC 290.46(i) and (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 Customer's side of the meter is considered a Hazardous Condition under paragraph b.1. If the Corporation conducts a CSI and discovers that the line leak has created a Hazardous Condition, the Corporation will provide the Customer up to two (2) 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 applied 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 water 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 of Service, 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 – Water Utility service may not be Disconnected for any of the following reasons:

- 1) Failure of the Customer to pay for merchandise or charges for nonutility service provided by the Corporation, unless an agreement exists between the Customer and the Corporation whereby the Customer guarantees payment of nonutility service as a condition of service;
- 2) Failure of the Customer to pay for a different type or class of utility service unless a fee for such service is included in the same bill;
- 3) Failure of the Customer to pay charges arising from an underbilling occurring due to any misapplication of rates more than six (6) months prior to the current billing;
- 4) Failure of the Customer to pay the account of another Member or Customer as guarantor thereof, unless the Corporation has in writing the guarantee as a condition precedent to service;
- 5) Failure of the Customer to pay charges arising from an underbilling due to any faulty metering unless the meter has been tampered with or unless such underbilling charges are due under the Inoperative Meters Section E. 14. of this Tariff.
- 6) Failure of the Customer 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. Disconnection on Holidays and Weekends – Unless a Dangerous Condition exists or the Customer requests Disconnection, Service shall not be Disconnected on a day, or on a day preceding a day when personnel of the 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 Customer or a CCN area without written notice to its Customers and all similar neighboring utilities and approval from the PUC.

f. Illness as a Reason to Delay Disconnection for Non-Payment – The Corporation may not Discontinue service to a delinquent residential Customer when that Customer establishes that discontinuance of service will result in some person at that residence becoming seriously ill or more seriously ill if service is Discontinued. To avoid Disconnection under these circumstances, the Customer must provide a written

statement from a physician to the 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 Customer executes a deferred payment agreement (see Tariff Section J: [Miscellaneous Forms - Deferred Payment Agreement](#)). The Corporation shall provide notice to an owner of rental property if a tenant requests 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 Master-Metered Service, the following shall apply:

- 1) The Corporation shall send a notice to the Member as required in Section E.17.a. 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 as set out in E.17.g(2), just below.
- 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 a “Termination Notice” in public areas of the service complex notifying the residents of the scheduled date for Disconnection of Service. See Section J: Miscellaneous Forms – Notice of Disconnection (Posted).

18. Inoperative Meters. The Corporation shall repair or replace inoperative water meters within a reasonable time after becoming aware of the problem. Unless a meter is by-passed or tampered with, if it does not register for any period, the Corporation shall bill for units used, but not metered, for a period not to exceed six (6) months. This estimate shall be based on amounts used under similar conditions during the period preceding or subsequent to the period, or during corresponding periods in previous years.

19. Master-Metered Account Regulations. Water service that has one water service meter used to measure, for billing purposes, all water usage of an apartment house, condominium, multiple use facility, or manufactured home rental community, including common areas, common facilities, and dwelling units.

- a. The Corporation may allow Master-Metering of these facilities at an Applicant's request as Nonstandard Service.
- b. The Corporation has no responsibility for water service beyond the Master-Meter and any complaints about service or rates must be directed to the PUC. (See 16 Texas Administrative Code 24.275 regarding submetering and allocation.)

20. Members and Renters. Any Member having complied with the requirements of this Tariff, rents or leases to a tenant property designated to receive service according to the terms of this Tariff, is responsible for all charges due the Corporation for such water service except for the Tenant Account Set-Up Fee, which the tenant must pay before Standard Service will

be activated.

- a. The Membership for rental or leased properties shall be in the name of the Member as required by this Tariff. The Corporation may bill the renter or lessee for utility service (at Member Request) as a third party, but the Member is fully responsible for all unpaid bills left by the renter/lessee. The Member shall execute an Alternate Billing Agreement if the Member requests that the tenant be billed for utility service. If the tenant's account becomes delinquent, the Corporation will notify the Member of the renter's past due payment status and that Member will be responsible for paying any bills that remain unpaid after the tenant's deposit is credited. See Section J: Miscellaneous Forms - Alternate Billing Agreement; and Notice to Member Of Rental Property-Past Due Account.
- b. If at any time the Member requests that Membership be canceled thereby Disconnecting service to an occupied rental property, the Corporation shall provide written notice to the tenant(s) a minimum of ten (10) days prior to the scheduled Disconnection date. See Section J: Miscellaneous Forms - Request for Service Disconnection & Membership Cancellation.

21. 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 Disconnect service;
 - 2) physically disorienting the meter;
 - 3) attaching objects to the meter or tap to divert service;
 - 4) inserting objects into the meter or tap;
 - 5) other electrical and mechanical means of tampering with or diverting service;
 - 6) connection or reconnection of service without Corporation authorization;
 - 7) connection into the service line of an adjacent Customer of the Corporation; and
 - 8) preventing the water supply from being correctly registered by a metering device or tap by adjusting the valve so that flow is reduced below metering capability.
- b. The burden of proof of Tampering is on the Corporation. 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.
- c. If the Corporation determines under Section E.21.a. and b. that Tampering has

occurred, the Corporation shall Disconnect Service without notice as set forth in Section E.17.b(4) 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 per subsection, the Equipment Damage or Tampering Fee.

- d. 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.
- e. In addition to the Equipment Damage or Tampering Fee, the Corporation may charge a penalty for tampering. The penalty shall only be assessed only against the person who committed the tampering. A Member cannot be assessed a penalty for tampering committed by their tenant. The penalty shall not exceed six (6) times the Base Rate.

Note: For purposes of this Section E.21, “offending party” means the person who committed the Tampering or damaged the property. So, for example, in an owner/tenant situation where the tenant committed the Tampering, the Corporation shall not charge actual damages or penalty to the owner.

22. Ownership of equipment. All water meters and equipment and materials required to provide water service to the point of Customer connection are the property of the Corporation upon installation and shall be maintained by only the Corporation.

23. Prohibition of Multiple Connections to A Single Tap.

- a. No more than one (1) residential, commercial, or industrial service connection is allowed per meter or tap. See Texas Administrative Code 24.169(a)(4). The Corporation may consider allowing an apartment building or mobile home/RV park to apply as a Master-Metered Account and have a single meter (see Section E.19).
- b. If the Corporation has evidence that multiple connections to a single tap exist and no Master-Metered Account has been established, the Corporation shall Disconnect service under the Disconnection with Notice provisions of this Tariff for a first violation (see Section E.17.a(4)). See Tariff Section J: Miscellaneous Forms - Notice of Prohibition of Multiple Connections to a Single Tap. A subsequent violation will be considered to be meter tampering and service will be Disconnected without notice in accordance with Paragraph E.17.b.
- c. 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 one industrial facility of a water line serving another residence, commercial, or industrial facility. Water lines to outbuildings, barns, or other accessory structures shall not be considered multiple connections 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, a commercial, or industrial facility.
 - 2) A “primary delivery point” shall mean the physical location of a meter or tap that is installed in accordance with this Tariff and applicable law and that provides water service to the residence, commercial, or industrial facility of a Member.
 - 3) A “residence” shall mean any structure that is being used for human habitation, which may include kitchen and bathroom facilities, or other evidence of habitation as defined by the Corporation.
 - 4) “Commercial” facility shall mean any structure or combination of structures at which any business, trade, occupation, profession, or other commercial activity is conducted. A business conducted within a Member’s residence or property that does not require water in addition to that provided to the Member’s residence shall not be considered a separate commercial facility.
- d. 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. (See 16 TAC 24.153 (a)(1).)
- e. If the water main has been located in the public right-of-way and is adjacent to Applicant’s property due to the current or previous landowner’s refusal to grant an Easement to the 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 right-of-way and construct the appropriate line(s) within the Easement(s) for the Corporation’s system-wide service. See Tariff Section J: Miscellaneous Forms – Notice of Failure to Provide Easement.
- f. The Corporation shall provide to each service Applicant a copy of the Confidentiality of Personal Information Request Form. See Tariff Section J: Miscellaneous Forms – Confidentiality of Personal Information Contained in Utility Records. See also, Texas Utilities Code Section 182.052(c).

- 24. Changes in Service Classification.** If at any time the Corporation determines that the water service needs to be changed from that 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.
- 25. Bulk Water Sales.** The Corporation may sell potable water to someone on a one-time basis. This is considered a Bulk Water Sale. No Membership is required. The water will be charged by the gallonage rates in Tariff G.1.b. This is not considered to be a retail Customer and payment of a Base Rate is not required. An example is when a paving contractor needs water for his project and pulls the water out of a hydrant.
- 26. Wholesale Water Sales.** The Corporation may sell potable water to an entity, which in turn serves as the retail water service provider to its customers. Such sales are considered to be Nonstandard Service and are subject to the requirements for activating Nonstandard Service. The Corporation has no responsibility for rates or service beyond the meter that provides the Wholesale Water to the entity. An example would be when a developer needs water to serve his subdivision but plans to provide the water to each lot through a municipal utility district.

SECTION F. DEVELOPER, SUBDIVISION AND NONSTANDARD SERVICE REQUIREMENTS

Part I. General Requirements. This section details the requirements for all types of nonstandard service requests.

1. **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 Nonstandard Service are determined, including the Nonstandard 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 Nonstandard Service from the Corporation. The Applicant must be the same person or entity that is authorized to enter into a contract with the Corporation setting forth the terms and conditions pursuant to which Nonstandard Service will be furnished to the property. In most cases, the Applicant shall be the owner of real property for which Nonstandard 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 Nonstandard Service on behalf of such owner, or that it otherwise has authority to request Nonstandard Service for the real property.

2. **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 nonstandard services for a single tract of land can include, but are not limited to, road bores, extensions to the distribution system, service lines exceeding 3/4" diameter and service lines exceeding ____ feet. Nonresidential or residential service applications requiring a larger sized meter typically will be considered nonstandard. For the purposes of this Tariff, Applications subject to this Section shall be defined as Nonstandard. This Section may be altered or suspended for planned facility expansions when the Corporation extends its indebtedness. The Board of Directors of the Corporation or their designee shall interpret on an individual basis whether or not the Applicant's service request shall be subject to all or part of the conditions of this Section.

This Section sets forth the general terms and conditions pursuant to which the Corporation will process Nonstandard Service Requests. The specific terms and conditions pursuant to which the Corporation will provide nonstandard service in response to any request will depend upon the nature of such request and may be set forth in a legally enforceable, contractual agreement to be entered into by the Corporation and the service Applicant. The agreement may not contain any terms or conditions that conflict with this Section.

3. **Nonstandard Service Application.** The Applicant shall meet the following requirements prior to the initiation of a Nonstandard Service Contract by the Corporation:
 - a. The Applicant shall provide the Corporation a completed Nonstandard Service Application (See [Section I](#) of this Tariff). The Applicant shall specify any Special Service Needs, such as large meter size, size of subdivision or multi-use facility.

- b. A final plat (See [Section C.](#)) approved by the Corporation must accompany the Application showing the Applicant's requested service area. The plat must be approved by all governmental authorities exercising jurisdiction over lot sizes, sewage control, drainage, right-of-way, and other service facilities. Plans, specifications, and special requirements of such governmental authorities shall be submitted with the plat. Applicants for single taps involving extension or upsizing of facilities shall be required to submit maps or plans detailing the location of the requested extension and details of demand requirements.

NOTE: It is the responsibility of the Applicant to secure all necessary approvals of the subdivision once an Agreement is in place between the Corporation and the Applicant.

- c. A Nonstandard Service Investigation Fee shall be paid to the Corporation in accordance with the requirements of [Section G.](#) 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 upon the Corporation's request 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. If after the service investigation has been completed, the Corporation determines that the Applicant's service request is for property located, in whole or in part, outside the area described in the Corporation's Certificate of Convenience and Necessity (CCN), service may be extended provided that:
 - 1) The service location is not in an area receiving similar service from another retail Corporation;
 - 2) The service location is not within another retail Corporation's CCN; and
 - 3) The Corporation's CCN shall be amended to include the entirety of Applicant's property for which service is requested. Applicant shall pay all costs incurred by Corporation in amending its CCN, including but not limited to engineering and professional fees. If the service location is contiguous to or within one-fourth (1/4) mile of Corporation's CCN, Corporation may extend service prior to completing the amendment to its CCN, but will do so only upon Applicant's legally enforceable agreement to fully support such amendment (including but not limited to payment of all professional fees, including administrative, legal, surveying and engineering fees incurred by Corporation in securing the amendment).
4. **Design.** The Corporation shall approve the design requirements of the Applicant's required facilities prior to initiation of a Nonstandard Service Contract in accordance with the following schedule:

- (a) The Corporation's engineer shall design, or review and approve 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.
- (b) The engineer's fees shall be paid out of the Nonstandard Service Investigation Fee under [Section F. 3.](#)
- (c) The engineer shall submit to the Corporation a set of detailed plans, specifications, and cost estimates for the project.
- (d) The Corporation's engineer shall ensure that all facilities for any Applicant meet the demand for service as platted and/or requested in the plans or plat submitted in the application for service. The Corporation reserves the right to upgrade design of service facilities to meet future demands provided however, that the Corporation shall pay the expense of such upgrading in excess of that which is reasonably allocable to the level and manner of service requested by the Applicant.
- (e) The Corporation's engineer will determine the fire flow design for any nonstandard service request, including new subdivisions, based on density, type of structure, and other factors.

5. ***Nonstandard Service Contract.*** Applicants requesting Nonstandard Service **may** be required to execute a written contract, drawn up by the Corporation's Attorney (see example [Section I. Sample Forms](#)), in addition to submitting the Corporation's Nonstandard Service Application. Said contract shall define the terms of service prior to construction of required service facilities. The service contract may include, but is not limited to:

- a. All costs associated with required administration, design, construction, and inspection of facilities for water/sewer service to the Applicant's service area and terms by which these costs are to be paid.
- b. Procedures by which the Applicant shall accept or deny a contractor's bid, thereby committing to continue or discontinue the project.
- c. Terms by which service capacity shall be reserved for the Applicant and duration of reserved service with respect to the demand which the level and manner of the service will have upon the Corporation's system facilities.
- d. Terms by which the Applicant shall be reimbursed or compensated for fees duplicated in assessments for monthly rates and Equity Buy-In Fees.
- e. Terms by which the Corporation shall administer the Applicant's project with respect to:
 - (1) Design of the Applicant's service facilities;
 - (2) Securing and qualifying bids;
 - (3) Execution of the Service Contract;
 - (4) Selection of a qualified bidder for construction;

- (5) Dispensing advanced funds for construction of facilities required for the Applicant's service;
 - (6) Inspecting construction of facilities; and
 - (7) Testing facilities and closing the project.
- f. Terms by which the Applicant shall indemnify the Corporation from all third-party claims or lawsuits in connection with the project.
- g. Terms by which the Applicant shall dedicate, assign and convey to the Corporation all constructed facilities and related rights (including contracts, easements, rights-of-way, deeds, warranties, and so forth) by which the Corporation shall assume operation and maintenance responsibility for the Applicant's project. The Applicant shall also provide reproducible as-built drawings of all constructed facilities. The as-built drawings must verify that all facilities have been properly located within the easements conveyed to the Corporation.
- h. Terms by which the Board of Directors shall review and approve the Service Contract pursuant to current rules, regulations, and bylaws.

6. *Construction of Facilities by Applicant Prior to Execution of Service Contract.* The Corporation and the Applicant must execute a Nonstandard Service Contract prior to the purchase of supplies and materials or initiation of construction of facilities by the Applicant. In the event that the Applicant commences construction of any such facilities prior to execution of a Contract with the Corporation, then the Corporation may refuse to provide service to the Applicant or, in a subdivision, to any person purchasing a lot or home from the Applicant. Alternatively, the Corporation may require full costs of replacing/repairing any facilities constructed without prior execution of a contract from any person buying a lot or home from Applicant. At a minimum, the Corporation will require that all facilities be uncovered by the Applicant for inspection by the Corporation, require that any facilities not approved by the Corporation be replaced, and take any other lawful action determined appropriate by the Board of Directors of the Corporation.

7. *Dedication of Water System Extension/Improvements to Corporation.*

- a. 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 WSC. The Facilities shall thereafter be owned and maintained by WSC subject to the warranties required of Applicant under Subsection b. Any connection of individual customers to the Facilities shall be made by the WSC.
- b. Upon transfer of ownership of the Facilities, Applicant shall warrant materials and performance of the Facilities constructed by Applicant for ___ months following the date of the transfer.

8. ***Property and Right-of-Way Acquisition.*** With regard to construction of facilities, the Corporation shall require private right-of-way easements or purchase of private property as per the following conditions:
- a. If the Corporation determines that right-of-way easements or facility sites outside the Applicant's property are required, the Applicant shall secure easements or else title to facility sites in behalf of the Corporation. All right-of-way easements and property titles shall be researched, validated, and filed by the Corporation at the expense of the Applicant. (See Sample Application Packet [RUS Form 442-8](#) or [442-9](#) (Rev. 6-06))
 - b. All additional costs associated with facilities that must be installed in public rights-of-way on behalf of the Applicant, due to the inability of the Applicant to secure private right-of-way easements, such as road bores and TxDOT approvals shall be paid by the Applicant. Alternatively, Applicant shall pay all costs, including administrative, legal and other professional fees and the condemnation award in the event Corporation secures such private easements or facility sites through eminent domain proceedings.
 - c. The Corporation shall require an exclusive dedicated right-of-way easement on the Applicant's property (as required by the size of the planned facilities and as determined by the Corporation) and title to property required for other on-site and off-site facilities.
 - d. Easements and facilities sites shall be prepared for the construction of the Corporation's pipelines and facility installations in accordance with the Corporation's requirements at the expense of the Applicant.
9. ***Bids for Construction.*** The Corporation's consulting engineer shall advertise for bids for the construction of the Applicant's proposed facilities in accordance with generally accepted practices. Plans and specifications shall be made available, with or without charge (as per Engineer's determination), to prospective bidders. Although the Corporation reserves the right to reject any bid or contractor, the Corporation shall generally award the contract to the lowest qualified bidder in accordance with the following criteria:
- a. The Applicant shall execute the Service Contract evidencing willingness to proceed with the project and shall pay all costs in advance of construction associated with the project;
 - b. The Contractor shall provide an adequate bid bond under terms acceptable to the Corporation;
 - c. The Contractor shall secure adequate performance and payment bonding for the project under terms acceptable to the Corporation;
 - d. The Contractor shall supply favorable references acceptable to the Corporation;

- e. The Contractor shall qualify with the Corporation as competent to complete the work (including but not limited to current water/sewer license, OSHA competent person training, and other licenses/certificates as required to complete the project); and
- f. The Contractor shall provide adequate certificates of insurance as required by the Corporation.

10. Pre-Payment for Construction and Service. After the Applicant has executed the Service Agreement, the Applicant shall pay to the Corporation all costs necessary for completion of the project prior to construction and in accordance with the terms of the Nonstandard Service Contract.

11. Construction.

- a. All roadwork pursuant to state, county and/or municipal standards (as applicable) shall be completed prior to facility construction to avoid future problems resulting from road right-of-way completion and excavation. Subject to approval of the requisite authority, approved road sleeves/casings may be installed prior to road construction to avoid road damage during construction of Applicant's facilities.
- b. The Corporation shall, at the expense of the Applicant, inspect the facilities to ensure compliance with Corporation standards.
- c. Construction plans and specifications shall be strictly adhered to, but the Corporation reserves the right to issue change-orders of any specifications, due to unforeseen circumstances during the design phase, to better facilitate construction or operation of the Applicant's facility. All change-order amounts shall be charged to the Applicant.

PART II. Request for Service to Subdivided Property

This section contains additional requirements for applicants that are developers as defined in Section C Definitions.

- 1. Sufficient Information.** Applicants shall provide the corporation sufficient information describing the level and manner of service requested and the timeline for initiation of this service. The following is the minimum information needed for an engineering evaluation of the requested service to the property described in the application.
 - a. Completion of requirements described in [Section F. Part I.](#), including completing the Nonstandard Service Application.
 - b. Applicant shall provide the Corporation with details concerning access to the property during evaluation of application.
 - c. Applicant shall be notified in writing by the Corporation or designated representative the timeframe within which the requested service can be provided and the costs for which the

applicant will be responsible, in accordance with the details described on the Applicant's request for service.

2. ***Service within Subdivisions*** – The Corporation's obligation to provide service to any customer located within a subdivision governed by this Section is strictly limited to the level and manner of the nonstandard service specified by the Applicant. The Applicant is responsible for paying for all costs necessary for nonstandard service to a subdivision as determined by the Corporation under the provisions of this Tariff and specifically the provisions of this Section. If the Applicant fails to pay these costs, the Corporation has the right to require payment of these costs by any one or more of the persons purchasing lots or homes within such subdivision before the Corporation is obligated to provide water/sewer service ([Texas Water Code Section 13.2502](#)). In addition, Corporation may elect to pursue any remedies provided by the Nonstandard Service Contract if one has been executed. Applicant is advised that purchasers of lots also may have legal recourse against the Applicant under Texas law, including but not limited to [Texas Water Code Section 13.257](#), and the [Texas Business and Commerce Code Chapter 17, Subchapter E Deceptive Trade Practices & Consumer Protection Act](#).
- a. The Applicant must provide the following in addition to all other information otherwise required by this Section:
 - 1) Map and legal description of the area to be served using map criteria in [16 TAC 24.233\(a\) \(2\) \(A-G\)](#).
 - 2) Time frame for:
 - (a) Initiation of service
 - (b) Service to each additional or projected phase following the initial service
 - 3) Detailed description of the nature and scope of the project/development for:
 - (a) Initial needs
 - (b) Phased and final needs, including a map showing each phase, and the projected land uses that support the requested level of service for each phase
 - 4) Flow and pressure for anticipated level of fire protection requested, including line size and capacity
 - 5) Specific infrastructure needs for anticipated level of fire protection requested, including line size and capacity
 - 6) Any additional information requested by the Corporation necessary to determine the capacity and the costs for providing the requested service.
 - 7) Copies of all required approvals, reports and studies done by or for the Applicant to support the viability of the proposed development.

Applicant must provide reasonably sufficient information, in writing, to allow the Corporation to determine whether the level and manner of service specified by the Applicant can be provided within the time frame specified by the Applicant and to generally determine what capital improvements, including expansion of capacity of the Corporation's production, treatment and/or storage facilities and/or general transmission facilities properly allocable directly to the service request are needed. If the Applicant proposes development in phases, the Applicant should specify the level and manner of service and the estimated time frame within which that service must be provided for each phase, and the Applicant must depict the currently estimated location of each phase on the maps required under [16 TAC Section 24.233\(a\)\(2\)\(A-G\)](#). It is important that the Applicant's written request be complete. A complete service application by the Applicant should include:

- The proposed improvements to be constructed by the Applicant;
- A map or plat signed and sealed by a licensed surveyor or registered professional engineer;
- The intended land use of the development, including detailed information concerning the types of land uses proposed;
- The projected water and/or sewer demand of the development when fully built out and occupied, the anticipated water/sewer demands for each type of land use, and a projected schedule of build-out;
- A schedule of events leading up to the anticipated date upon which service from the CCN holder will first be needed; and
- A proposed calendar of events, including design, plat approval, construction phasing and initial occupancy.

Applicant must establish that current and projected service demands justify the level and manner of service being requested. In making his/her written request for service, the Applicant must advise the Corporation that he/she may request expedited decertification from the PUC.

Upon payment of the required fees, the Corporation shall review Applicant's service request. If no additional information is required from Applicant, the Corporation will prepare a written report on Applicant's service request, subject to any final approval by the Corporation's governing body (if applicable) which must be completed within the 90 days from the date of application and payment of the required fees. The Corporation's written report will state whether the requested service will be provided, whether the requested service can be provided within the time frame specified by the Applicant, and the costs for which the Applicant will be responsible (including capital improvements, easements or land acquisition costs, and professional fees).

In the event the Corporation's initial review of the Applicant's service shows that additional information is needed, the Corporation will notify Applicant of the need for such additional information. Notice of the need for additional information will be made in writing within 30 days of the date the Corporation receives the Applicant payment of the required fees. Applicant shall respond to the Corporation's request for additional information within 15 days of receipt of the Corporation's written request. The Corporation will provide the written report, including any final approval by the Corporation's Board (if applicable) within 90 days from the date of the **initial** written application and payment of all required fees.

By mutual written agreement, the Corporation and the Applicant may extend the time for review beyond the 90 days provided for expedited petitions to the PUC.

3. ***Final approval.*** Upon final approval by the Corporation and acceptance of proposal for service by the Applicant, a nonstandard service contract will be executed, and the Corporation shall provide service according to the conditions contained in the Nonstandard Service Contract.

SECTION G. RATES AND SERVICE FEES

Unless specifically defined in this Tariff, all fees; rates, and charges as stated shall be non-refundable.

1. Water Service Monthly Charges.

a. Service Availability Charge (Base Rate)

- 1) The monthly rates for standard metered water service is for any meter size of 1 inch or smaller.
- 2) The 5/8-inch by 3/4-inch meter Base Rate is used as a multiplier to calculate the Base Rate for larger meters in accordance with the following chart.

| <u>Meter Size</u> | <u>5/8" x 3/4" Meter Equivalent</u> | <u>Monthly Base Rate</u> |
|--------------------------|--|---------------------------------|
| 5/8" x 3/4" | 1.0 | \$ 38.63 |
| 3/4" | 1.5 | \$ 57.95 |
| 1" | 2.5 | \$ 96.57 |
| 1 1/2" | 5.0 | \$ 193.13 |
| 2" | 8.0 | \$ 309.01 |
| 3" DISP. | 9.0 | \$ 347.67 |
| 3" COMPD. | 16.0 | \$ 618.02 |
| 3" TURB. | 17.5 | \$ 676.03 |
| 4" COMPD. | 25.0 | \$ 965.75 |
| 4" TURB. | 30.0 | \$1158.90 |
| 6" COMPD. | 50.0 | \$1931.50 |
| 6" TURB. | 62.5 | \$2414.38 |
| 8" COMPD. | 80.0 | \$3090.40 |
| 10" COMPD | 115.0 | \$4,442.45 |

- b. Gallonage Rates-** In addition to the Service Availability Charge (Base Rate), a gallonage rate shall be charged for usage during any single billing period. Billing is calculated in one hundred (100) gallon increments. See Tariff at E.8.b.

Usage between 0-10,000 gallons will be charged at \$4.50 per 1,000 gallons.
 Usage between 10,001-40,000 will be charged at \$5.00 per 1,000 gallons.
 Usage over 40,000 will be charged \$5.50 per 1,000.

Wholesale water usage:

- \$4.50 per 1,000 gallons for usage up to 3,000,000 gallons;
- \$5.00 per 1,000 gallons for usage from 3,000,001 to 4,000,000 gallons;
- \$5.50 per 1,000 gallons for usage in excess of 4,000,000 gallons.

Bulk water usage: \$12.50 per 1,000 gallons, plus \$200 administrative fee, plus \$150 service trip fee, plus \$50 per month meter fee.

c. TCEQ Regulatory Assessment - 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 service. This charge will be collected in addition to other charges for utility service. This fee is based on a Customer’s Base Rate and Gallonage Charge each month. (See 30 Texas Administrative Code 291.76(d).)

d. Groundwater District Production Fee – A fee of \$0.45 per thousand gallons of water used by a Customer will be charged in addition to the other charges for retail water service. This fee is collected to offset the annual groundwater production fee charged to the Corporation by Bluebonnet Groundwater Conservation District, which is based on the amount of water pumped from the Corporation's wells located in that.

2. *Activation Fee for Standard Service (Member).* An Applicant for water service requiring a 1-inch meter or smaller (Standard Service) shall pay the following one-time fees when they submit their service application.

| | |
|---|--------------------------|
| Membership Fee | \$250.00 |
| Maintenance/Operation Fee (existing building); or Impact fee (new building) | \$1,000.00 \$2,495.00 |
| Service Activation Inspection Fee | \$150.00 |
| Administrative Fee | \$200.00 |
| As needed: meter installation, tap installation, TXDOT permit, yoke, line extension | Parts and labor |
| | |
| | |

3. *Tenant Account Set-Up Fee.* A tenant of a Member applying for water service in an existing building with a 1-inch meter or smaller (Standard Service) shall pay a \$250.00 refundable deposit; a \$150.00 Service Trip Fee; and a \$200.00 Tenant Administrative Fee.

4. *Service Activation Inspection Fee.* A fee of \$150.00 to cover the cost of performing a Customer Activation Inspection and issuing a Customer Service Inspection Certificate.

5. *Nonstandard Service Application Fee.* The applicant for Nonstandard Service shall pay a one-time fee of \$2,250.00 (of which \$1,750 is for engineering costs and \$500.00 is for G&W administrative costs) to cover the administrative, legal, and engineering costs for the initial review of the application, determining service availability, and providing an engineer’s water service cost estimate, as well as estimating the timing of when service can be provided.

6. Nonstandard Service Agreement Fee. A Nonstandard Service Agreement sets out the cost of providing nonstandard water service. These costs will be based on the engineer's water service cost estimate. The categories of costs will include the off-site system improvements, engineering costs of 8 % of the project cost, and the Activation Fee comprised of the Membership Fee, Impact Fee, Service Activation Inspection Fee, and Administrative Fee.

7. Membership Fee. At the time the application for service is submitted, a refundable Membership Fee must be paid. The Membership Fee shall not be greater than 12 times the minimum monthly Base Rate.

- a. The Membership Fee for water service is \$250.00 for each service meter.
- b. The Membership Fee for accounts with meters larger than 1-inch and Master-Metered Accounts is based on multiples of meter-size-equivalents. (See "5/8" x 3/4" Meter Equivalent column in Chart in Section G.1, above.)

8. Impact Fee. The Applicant for water service must pay an Impact Fee if a building has not been built or has never received water service from the Corporation, or if an impact fee has not previously been paid for the property at which service is requested. This fee shall be used to assist in funding capital improvements to the Corporation's system capacity, including water supply. The Impact Fee for Standard Service is \$2,495.00. The Impact Fee for Nonstandard Service is determined by the meter size equivalents shown in Section G.1 above.

9. Special Assessment. If at the end of the fiscal year, or in the event of emergency repairs, the Board 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 a Special 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 Special Assessment 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 Bylaws, Section 1.)

10. 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 non-negotiable for any reason, the account for which the instrument was issued shall be assessed a return check charge of \$35.00 (see Tariff Section J: Miscellaneous Forms - Notice of Returned Check).

11. Reconnect Fee. The Corporation shall charge a fee of \$100.00 for reconnecting service after the Corporation has previously Disconnected the Service for any reason provided for in this Tariff.

12. Service Trip Fee. A fee of \$150.00 charged for a service trip to a Customer's property for the purpose of Disconnecting service or collecting payment for service; or when a problem is confirmed during a service trip to a Customer's property in response to damage to the Corporation's or another Customer's facilities and for Customer Service Inspection Certification due to suspicion of meter tampering, bypass, or diversion of service. A Service Trip Fee may be charged for any service requiring a Corporation representative to visit the property.

13. Equipment Damage or Tampering Fee. 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. If service has been Disconnected, this fee must be paid by the Member before service will be re-established. An itemized bill will be provided to the Member. See Tariff Section E.21.e.

14. Information Copy Fee. A fee for copying 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.

15. Pass-Through Assessment. 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 to the Customer and collected as a Pass-Through Assessment.

16. Administrative Fee. A one-time fee of \$200.00 for new Members will be charged to set up a Standard Service account. The Administrative Fee for Nonstandard Service depends on meter size and is \$200.00 multiplied times the meter equivalent amount shown in the chart in the second column of Section G.1.a. See Tenant Administrative Fee in Section G.3.

17. Other Fees. All services outside the normal scope of utility operations that the Corporation provides at the request of a Customer or the general public shall be charged to the recipient of such service based on the cost of providing such service.

18. Bulk Water Sales. Selling water to someone on a one-time basis, no Membership required, which is charged by the gallonage rates in G.1.b, above. This is not considered to be a retail Customer and payment of a Base Rate is not required. An example is when a paving contractor needs water for his project and pulls the water out of a hydrant.

19. Late Fee. A \$20.00 Late Fee is charged if an account is not paid in full by the due date on the bill.

20. Meter Testing Fee. A \$50.00 Meter Testing Fee is charged if a Customer requests that a meter be tested.

21. Wholesale Water Sales. The rates and other terms and conditions of wholesale water service shall be as set forth in a Nonstandard Service Agreement with the wholesale water purchaser. In addition to all normal terms and conditions of a Nonstandard Service Agreement for a master-metered account, a wholesale water Nonstandard Service Agreement shall address all relevant aspects of the particular request for wholesale water service including but not limited to wholesale water supply facilities; wholesale water supply capacity commitment; wholesale water rates; and special charges and fees. The base wholesale water rate to be charged in the agreement will be as set forth in Section G.1.b., or based on a cost-of-service study prepared by the Corporation's engineer if special circumstances exist.

22. Summer Months Conservation Rates. In order to encourage water conservation and minimize peak water usage during the high-demand summer months, the gallonage rate for metered water usage over 40,000 gallons is \$8.00 per thousand gallons for billing periods from May 1st through September 30th.

SECTION H.
DROUGHT CONTINGENCY AND EMERGENCY
WATER DEMAND MANAGEMENT PLAN
FOR G & W WATER SUPPLY CORP.

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 water supply. This review and evaluation will be done on a regular basis of every five years unless conditions necessitate more frequent amendments. (See 30 TAC 288.20(c).)

The plan will be implemented according to the five drought response stages as imposed by the Board. Paragraph 4 describes the conditions that will trigger these stages.

2. Public Involvement

Opportunity for the public to provide input into the preparation of the Plan was provided by the Board by scheduling and providing public notice of a public meeting to accept input on the Plan. Notice of the meeting was provided to all Customers. In the adoption of this plan, the Board considered all comments from Customers.

3. Coordination with Regional Water Planning Group

Being located within the Region G and Region H Regional Water Planning Areas, a copy of this Plan has been provided to those Regional Water Planning Groups.

4. 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 Customer usage based upon historical patterns.

a. Stage I – Customer Awareness/Voluntary Conservation: Stage I will be implemented annually May 1st through September 30th.

b. Stage II - Mild Condition: Stage II best management practices 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) When the static water level in any well falls 5 feet from the historical normal level for that well for the time period in consideration.
- 4) 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.

c. Stage III - Moderate Conditions: Stage III best management practices may be implemented when one of the following conditions exist:

- 1) Water consumption has reached 90 percent of the amount available for three (3) consecutive days.
- 2) The water level in any of the water storage tanks cannot be replenished for two (2) consecutive days.
- 3) The static water level in any well falls five (5) feet from the historical normal level for that well for the time period in consideration.

c. Stage IV - Severe Conditions: Stage III best management practices may be implemented when one of the following five conditions exist:

- 1) Water consumption has reached 95 percent of the amount available for three (3) consecutive days.

- 2) The water level in any of the water storage tanks cannot be replenished for three (3) consecutive dates.
- 3) The static water level in any well falls twenty (20) feet from the historical normal level for that well for the time period in consideration.

e. **Stage V - Emergency**

- 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.

5. ***Stages of Best Management Practices/Water Use Restrictions***

The following best management practices and water use restrictions are to be implemented by the triggers in Section 4. The Board shall institute monitoring and enforce penalties for violations of the Drought Plan for each of the Stages listed below. The water use restrictions are summarized below.

a. **Stage I – Customer Awareness/Voluntary Conservation**

- 1) G&W WSC will initiate public education measures to increase Customer awareness of the benefits of water conservation and efficient water use by notifying Customers of voluntary conservation measures and providing conservation information.
- 2) Customers are requested to voluntarily limit the use of water for non-essential purposes and to practice water conservation.
- 3) Non-essential water uses include:

- a. Use of water to wash down any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
- b. use of water to wash down buildings or structures for purposes other than immediate fire protection;
- c. flushing gutters or permitting water to run or accumulate in any gutter or street;
- d. use of water for dust control; and
- e. failure to repair a controllable leak within a reasonable period after becoming aware of the leak.

b. Stage II - Mild Conditions

- 1) G&W's target is to achieve a 5 percent reduction in total daily water demand.
- 2) G&W will reduce flushing operations in its system.
- 3) G&W will notify Customers of the following requirements:
 - a. Customers with street addresses ending in an even number are only allowed to water their gardens and landscaped areas on Sundays and Thursday between the hours of 7:00 p.m. and 8:00 a.m.
 - b. Customers with street addresses ending in an odd number are only allowed to water their gardens and landscaped areas on Saturdays and Wednesdays between the hours of 7:00 p.m. and 8:00 a.m.
- 4) Customers are not allowed to use water for non-essential purposes as defined in Stage I, above.
- 5) Reduction of Customers' water use will be encouraged through notices on bills or other method.

c. Stage III - Moderate Conditions

- 1) G&W's target is to achieve a 10 percent reduction in total daily water demand.
- 2) G&W will eliminate flushing operations in its system.
- 3) G&W will notify Customers of the following requirements:

a. Watering is allowed only by use of hand-held hoses, hand-held buckets, or drip irrigation on the following schedule: Customers with street addresses ending in an even number are only allowed to water their gardens and landscaped areas on Sundays and Thursday between the hours of 7:00 p.m. and 8:00 a.m. .

b. Watering is allowed only by use of hand-held hoses, hand-held buckets, or drip irrigation on the following schedule: Customers with street addresses ending in an odd number are only allowed to water their gardens and landscaped areas on Saturdays and Wednesdays between the hours of 7:00 p.m. and 8:00 a.m.

- 4) G&W will make public service announcements as conditions change via local media (TV, radio, newspapers, etc.).

d. Stage IV - Severe Conditions

- 1) G&W's target is to achieve a 25 percent reduction in total daily water demand.
- 2) All outside watering prohibited. All outside water use is prohibited (except for a livestock or other exemption or variance granted under this section).
- 3) G&W will notify Customers of water use restrictions in effect.

e. Stage V – Emergency Conditions

- a. G&W's target is to achieve a 50 percent reduction in total daily water demand.
- 2) Water use will be restricted to a percentage of each Customer'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.

6. *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's 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 water use restrictions 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. The Customer notice shall contain the following information:

- a. The date water restriction will begin;
- b. the expected duration;
- c. the stage (level) of water restrictions to be employed;
- d. the penalty for violations of the water use restriction program; and
- e. the affected area or areas.

See Tariff Section J: [Miscellaneous Forms - Customer Notice of Water Use Restrictions – G&W WSC Drought Contingency & Emergency Water Demand Management Plan.](#)

In addition, upon adoption of Stage IV or Stage V, a notice will be placed in a local newspaper or announced on a local radio or television station.

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

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

7. ***Penalties for Violations*** (See 16 Texas Administrative Code 24.101(j))

a. First Violation – No penalty will be assessed for the first violation. The Customer will be notified by a written notice of their specific violation and their need to comply with the Tariff rules. See Tariff Section J: [Miscellaneous Forms - Customer Notice of First Violation Drought Contingency & Emergency Water Demand Management Plan.](#) The notice will also inform the Customer that an additional violation will result in assessment of a penalty.

b. Second Violation - The Corporation will assess a penalty of \$ 100.00. 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 Trip Fee to restore service. The notice will also inform the Customer that an additional violation will trigger more severe penalties and may result in termination of service regardless of whether the Customer pays the penalties. See Tariff Section J: [Miscellaneous Forms - Customer Notice of Second Violation Drought Contingency & Emergency Water Demand Management Plan.](#)

c. Subsequent Violations - The Corporation will assess an additional penalty of \$150.00 for each violation 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 Trip Fee to restore service. See Tariff Section J: [Miscellaneous Forms - Customer Notice of Subsequent Violation Drought Contingency & Emergency Water Demand Management Plan](#).

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 installing this device 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. See Tariff Section E.21.

The notice of subsequent violation will also inform the Customer that additional penalties will be assessed for additional violations; and in addition to penalties, 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 – The Corporation will terminate service for up to 7 days for continuing violations after penalties are assessed under subsection (c), just above. Service will remain off until any delinquent penalty or other assessment is fully paid, including a charge for the service call to restore service.

8. Exemptions or Waivers

The Drought/Emergency Management Committee may, in writing, grant a temporary variance for existing water uses otherwise prohibited under this Plan if it is determined that failure to grant such variance would cause an emergency condition adversely affecting the health or sanitation of the public or the person requesting such variance and if one or more of the following conditions are met:

a. Compliance with this Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is in effect.

b. Alternative methods can be implemented which will achieve the same level of reduction in water use.

Persons requesting an exemption from the provisions of this Plan shall file a petition for variance with the Drought/Emergency Management Committee within five (5) days after the Plan or a particular drought response stage has been invoked or after a condition justifying the variance first occurs. All petitions for variances shall be reviewed by the Committee and shall include the following:

- Name and address of the petitioner(s).
- Purpose of water use.
- Specific provision(s) of the Plan from which the petitioner is requesting relief.

- Detailed statement as to how the specific provision of the Plan adversely affects the petitioner or what damage or harm will occur to the petitioner or others if petitioner complies with this Plan.
- Description of the relief requested.
- Period of time for which the variance is sought.
- Alternative water use restrictions or other measures the petitioner is taking or proposes to take to meet the intent of this Plan and the compliance date.
- Other pertinent information, as requested by the Committee.

Variations granted by the Committee shall be subject to the following conditions, unless specifically waived or modified by the Committee or Board of Directors:

- Variations granted shall include a timetable for compliance.
- Variations granted shall expire when the best management practice/water use restriction is no longer in effect, unless the petitioner has failed to meet specified requirements. No variance allowed for a condition requiring water use restrictions will continue beyond the termination of water use restriction under Section H of this Tariff. An additional petition must be submitted for every variance for a water use restriction. The fact that a variance has been granted in response to a petition will have no relevance to the Committee's decision on any subsequent petition.

No variance shall be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

9. Implementation

The Board shall establish a Drought/Emergency Management Committee by Resolution, the chairperson of which will be the responsible representative to take Drought and Emergency Water Management actions. This Committee will review the procedures in this plan annually or more frequently. Modifications may be required to accommodate system growth, changes in water use demand, available water supply, and/or other circumstances.

This plan was adopted by the Board at a properly noticed meeting held on _____.

Corporation Official _____

Title: _____

SECTION I:
APPLICATION PACKET

Standard Service Application and Agreement Form ([USDA RUS-TX Bulletin 1780-9](#) (Rev. 5/2017))

Right-of-Way Easement (Location Required) ([Form RD-TX 442-8](#) (Rev. 6-06))

Right-of-Way Easement (General) ([Form RD-TX 442-9](#) (Rev. 6-06))

Nonstandard Service Application

Nonstandard Service Agreement

| CORPORATION USE ONLY | |
|--------------------------|-------|
| Date Approved: | _____ |
| Service Classification: | _____ |
| Cost: | _____ |
| Work Order Number: | _____ |
| Eng. Update: | _____ |
| Account Number: | _____ |
| Service Inspection Date: | _____ |

G & W WATER SUPPLY CORPORATION

SERVICE APPLICATION AND AGREEMENT

Please Print: DATE _____

APPLICANT'S NAME _____

CO APPLICANT'S NAME _____

CURRENT BILLING ADDRESS: _____ FUTURE BILLING ADDRESS: _____

PHONE NUMBER Home (_____) _____ - _____ Work (_____) _____ - _____

EMAIL: _____

PROOF OF OWNERSHIP PROVIDED BY _____

DRIVER'S LICENSE NUMBER OF APPLICANT _____

LEGAL DESCRIPTION OF PROPERTY (Include name of road, subdivision with lot and block number)

PREVIOUS OWNER'S NAME AND ADDRESS (if transferring Membership)

PROPERTY SIZE/ACREAGE _____ SQUARE FOOTAGE OF RESIDENCE/STRUCTURE _____

NUMBER IN FAMILY _____ LIVESTOCK & NUMBER _____

SPECIAL SERVICE NEEDS OF APPLICANT _____

NOTE: FORM MUST BE COMPLETED BY APPLICANT ONLY. A MAP OF SERVICE LOCATION REQUEST MUST BE ATTACHED.

The following information is requested by the Federal Government in order to monitor compliance with Federal laws prohibiting discrimination against applicants seeking to participate in this program. You are not required to furnish this information, but are encouraged to do so. This information will not be used in evaluating your application or to discriminate against you in any way. However, if you choose not to furnish it, we are required to note the race/national origin of individual applicants on the basis of visual observation or surname.

| | | | |
|--|---|--|--|
| Ethnicity: <input type="checkbox"/> Hispanic or Latino | Race: <input type="checkbox"/> White | <input type="checkbox"/> Black or African American | <input type="checkbox"/> American Indian/Alaska Native |
| <input type="checkbox"/> Not of Hispanic or Latino | <input type="checkbox"/> Asian | <input type="checkbox"/> Native Hawaiian or Other Pacific Islander | |
| Gender: <input type="checkbox"/> Male <input type="checkbox"/> Female | | | |

AGREEMENT made this _____ day of _____, _____,
between _____ G & W _____ Water Supply Corporation, a
corporation organized under the laws of the State of Texas (hereinafter called the Corporation) and

(hereinafter called the Applicant
and/or Member),

The Corporation shall sell and deliver water and/or wastewater service to the Applicant and the Applicant shall purchase, receive, and/or reserve service from the Corporation in accordance with the bylaws and tariff of the Corporation as amended from time to time by the Board of Directors of the Corporation. Upon compliance with said policies, including payment of a Membership Fee, the Applicant qualifies for Membership as a new applicant or continued Membership as a transferee and thereby may hereinafter be called a Member.

The Member shall pay the Corporation for service hereunder as determined by the Corporation's tariff and upon the terms and conditions set forth therein. The Applicant may request a copy of the Corporation's tariff. A copy of this agreement shall be executed before service may be provided to the Applicant.

The Board of Directors shall have the authority to discontinue service and cancel the Membership of any Member not complying with any policy or not paying any utility fees or charges as required by the Corporation's published rates, fees, and conditions of service. At any time service is discontinued, terminated or suspended, the Corporation shall not re-establish service unless it has a current, signed copy of this agreement and the member/applicant has complied with all terms and conditions that caused the service discontinuance/termination.

If this agreement is completed for the purpose of assigning utility service as a part of a rural domestic water and/or wastewater system loan project contemplated with the Rural Development, an Applicant shall pay an Indication of Interest Fee in lieu of a Membership Fee for the purposes of determining:

- a. The number of taps to be considered in the design and
- b. The number of potential ratepayers considered in determining the financial feasibility of constructing
 - 1) a new water system or
 - 2) expanding the facilities of an existing water system.

The Applicant hereby agrees to obtain, utilize, and/or reserve service as soon as it is available. Applicant, upon qualification for service under the terms of the Corporation's policies, shall further qualify as a Member and the Indication of Interest Fee shall then be converted by the Corporation to a Membership Fee. Applicant further agrees to pay, upon becoming a Member, the monthly charges for such service as prescribed in the Corporation's tariff. Any breach of this agreement shall give cause for the Corporation to liquidate, as damages, the fees previously paid as an indication of interest. In addition to any Indication of Interest Fees forfeited, the Corporation may assess a lump sum of \$300.00 as liquidated damages to defray any losses incurred by the Corporation. If delivery of service to said location is deemed infeasible by the Corporation as a part of this project, the Applicant shall be denied Membership in the Corporation and the Indication of Interest Fee, less expenses, shall be refunded. The Applicant may re-apply for service at a later date under the terms and conditions of the Corporation's policies. For the purposes of this agreement, an Indication of Interest Fee shall be of an amount equal to the Corporation's Membership Fees.

All water shall be metered by meters to be furnished and installed by the Corporation. The meter and/or wastewater 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 transfer utility service from one property to another, to share, resell, or submeter water to any other persons, dwellings, businesses, or property, etc., is prohibited.

The Corporation shall have the right to locate a water service meter and the pipe necessary to connect the meter on the Member's property at a point to be chosen by the Corporation, and shall have access to its property and equipment located upon Member's premises at all reasonable and necessary times for any purpose connected with or in the furtherance of its business operations, and upon discontinuance of service the Corporation shall have the right to remove any of its equipment from the Member's property. The Member shall install, at their own expense, any necessary service lines from the Corporation's facilities and equipment to the point of use, including any customer service isolation valves, backflow prevention devices, clean-outs, and other equipment as may be specified by the Corporation. The Corporation shall also have access to the Member's property for the purpose of inspecting for possible cross-connections, potential contamination hazards, illegal lead materials, and any other violations or possible violations of state and federal statutes and regulations relating to the federal [Safe Drinking Water Act](#) or [Chapter 341 of the Texas Health & Safety Code](#) or and the corporation's tariff and service policies.

The Corporation is responsible for protecting the drinking water supply from contamination or pollution which could result from improper practices. This service agreement serves as notice to each customer of the restrictions which are in place to provide this protection. The Corporation shall enforce these restrictions to ensure the public health and welfare. The following undesirable practices are prohibited by state regulations:

- a. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by an airgap or an appropriate backflow prevention assembly in accordance with state regulations.

- b. No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the proper installation of an airgap or a reduced pressure-zone backflow prevention assembly and a service agreement must exist for annual inspection and testing by a certified backflow prevention device tester.
- c. No connection which allows condensing, cooling, or industrial process water to be returned to the public drinking water supply is permitted.
- d. No pipe or pipe fitting which contains more than 0.25% lead may be used for the installation or repair of any public water supply.
- e. No solder or flux which contains more than 0.2 % lead may be used for the installation or repair plumbing of any plumbing in a residential or nonresidential facility providing water for human consumption and connected to a public drinking water supply system.

The Corporation shall maintain a copy of this agreement as long as the Member and/or premises is connected to the public water system. The Member shall allow their property to be inspected for possible cross-connections, potential contamination hazards, and illegal lead materials. These inspections shall be conducted by the Corporation or its designated agent prior to initiating service and periodically thereafter. The inspections shall be conducted during the Corporation's normal business hours.

The Corporation shall notify the Member in writing of any cross-connections or other undesirable practices which have been identified during the initial or subsequent inspection. The Member shall immediately correct any undesirable practice on their premises. The Member shall, at their expense, properly install, test, and maintain any backflow prevention device required by the Corporation. Copies of all testing and maintenance records shall be provided to the Corporation as required. Failure to comply with the terms of this service agreement shall cause the Corporation to either terminate service or properly install, test, and maintain an appropriate backflow prevention device at the service connection. Any expenses associated with the enforcement of this agreement shall be billed to the Member.

In the event the total water supply is insufficient to meet all of the Members, or in the event there is a shortage of water, the Corporation may initiate the Emergency Rationing Program as specified in the Corporation's Tariff. By execution of this agreement, the Applicant hereby shall comply with the terms of said program.

By execution hereof, the Applicant shall hold the Corporation harmless from any and all claims for damages caused by service interruptions due to waterline breaks by utility or like contractors, tampering by other Member/users of the Corporation, normal failures of the system, or other events beyond the Corporation's control.

The Applicant shall grant to the Corporation permanent recorded easement(s) dedicated to the Corporation for the purpose of providing reasonable rights of access and use to allow the Corporation to construct, maintain, replace, upgrade, parallel, inspect, test and operate any facilities necessary to serve that Applicant as well as the Corporation's purposes in providing system-wide service for existing or future members.

By execution hereof, the 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 service under the terms and conditions of the Corporation's tariff.

By execution hereof, the Applicant agrees that noncompliance with the terms of this agreement by said Applicant shall constitute denial or discontinuance of service until such time as the violation is corrected to the satisfaction of the Corporation.

Any misrepresentation of the facts by the Applicant on any of the four pages of this agreement shall result in discontinuance of service pursuant to the terms and conditions of the Corporation's tariff.

Witnesseth

Applicant Member

Approved and Accepted

Date Approved

**UNITED STATES DEPARTMENT OF AGRICULTURE
Rural Utilities Service**

RIGHT-OF-WAY EASEMENT (Location of Easement Required)

KNOW ALL MEN BY THESE PRESENTS, That _____
(hereinafter called "Grantors"), in consideration of one dollar (\$1.00) and other good and valuable consideration paid by _____, (hereinafter called "Grantee"), the receipt and sufficiency of which is hereby acknowledged, does hereby grant, bargain, sell, transfer, and convey to said Grantee, its successors, and assigns, a perpetual easement with the right to erect, construct, install, and lay and thereafter access and use, operate, inspect, repair, maintain, replace, upgrade, parallel and remove water distribution and/or sewer collection lines and appurtenances, over and across _____ acres of land, more particularly described in instrument recorded in Vol. _____, Page _____, Deed Records, _____ County, Texas, together with the right of ingress and egress over Grantors' adjacent lands for the purposes for which the above mentioned rights are granted. The easement hereby granted shall not exceed 15' in width, the center line thereof to be located across said land as follows:

Grantee shall have such other rights and benefits necessary and/or convenient for the full enjoyment and use of the rights herein granted, including without limitation, (1) the reasonable right of ingress and egress over and across lands owned by Grantor which are contiguous to the easement; (2) the reasonable right from time to time to remove any and all paving, undergrowth and other obstructions that may injure the Grantee's facilities and appurtenances or interfere with the construction, maintenance, inspection, operation, protection, repair, alteration, testing, replacement, upgrading, relocation (as above limited), substitution or removal thereof; and (3) the right to abandon-in-place any and all water supply and/or sewer distribution lines, service lines and associated appurtenances, such that Grantee shall have no obligation or liability to Grantor, or their successor or assigns, to move or remove any such abandoned lines or appurtenances.

In the event the county or state hereafter widens or relocates any public road so as to require the relocation of this water and/or sewer line as installed, Grantor further grants to Grantee an additional easement over and across the land described above for the purpose of laterally relocating said water and/or sewer lines as may be necessary to clear the road improvements, which easement hereby granted shall be limited to a strip of land 15' in width, the center line thereof being the pipeline as relocated.

The consideration recited herein shall constitute payment in full for all damages sustained by Grantors by reason of the installation of the structures referred to herein, and the Grantee will maintain such easement in a state of good repair and efficiency so that no unreasonable damages will result from its use to Grantors' premises. This agreement together with other provisions of this grant shall constitute a covenant running with the land for the benefit of the Grantee, its successors, and assigns. The Grantors covenant that they are the owners of the above described lands and that said lands are free and clear of all encumbrances and liens except the following:

Grantor does hereby bind itself, its successors and assigns, to WARRANT AND FOREVER DEFEND, all and singular, the easement herein granted to Grantee, or Grantee's successors and assigns, against every person whomsoever claiming, or to claim, the same or any part thereof.

The easement conveyed herein was obtained or improved through Federal financial assistance. This easement is subject to the provisions of [Title VI of the Civil Rights Act of 1964](#) and the regulations issued pursuant thereto for so long as the easement continues to be used for the same or similar purpose for which financial assistance was extended or for so long as the Grantee owns it, whichever is longer.

IN WITNESS WHEREOF the said Grantors have executed this instrument this _____ day of _____, 20__.

ACKNOWLEDGEMENT

(Individual)

STATE OF TEXAS §
COUNTY OF _____§

This instrument was acknowledged before me on _____ by _____
_____.

(SEAL)

_____ Notary Public, State of Texas

**UNITED STATES DEPARTMENT OF AGRICULTURE
Rural Utilities Service**

RIGHT-OF-WAY EASEMENT (General Type Easement)

KNOW ALL MEN BY THESE PRESENTS, that _____
(hereinafter called "Grantors"), in consideration of one dollar (\$1.00) and other good and valuable consideration paid by G & W Water Supply Corporation (hereinafter called "Grantee"), the receipt and sufficiency of which is hereby acknowledged, does hereby grant, bargain, sell, transfer, and convey to said Grantee, its successors, and assigns, a perpetual easement with the right to erect, construct, install and lay and thereafter access and use, operate, inspect, repair, maintain, replace, upgrade, parallel and remove water distribution lines and appurtenances, over and across _____ acres of land, more particularly described in instrument recorded in Vol._____, Page _____, Deed Records, _____ County, Texas, together with the right of ingress and egress over Grantor's adjacent lands for the purpose for which the above mentioned rights are granted. The easement hereby granted shall not exceed 15' in width, and Grantee is hereby authorized to designate the course of the easement herein conveyed except that when the pipeline(s) is installed, the easement herein granted shall be limited to a strip of land 15' in width, the center line thereof being the pipeline as installed.

Grantee shall have such other rights and benefits necessary and/or convenient for the full enjoyment and use of the rights herein granted, including without limitation, (1) the reasonable right of ingress and egress over and across lands owned by Grantor which are contiguous to the easement; (2) the reasonable right from time to time to remove any and all paving, undergrowth and other obstructions that may injure Grantee's facilities and appurtenances or interfere with the construction, maintenance, inspection, operation, protection, repair, alteration, testing, replacement, upgrading, relocation (as above limited), substitution or removal thereof; and (3) the rights to abandon-in-place any and all water supply lines, service lines and associated appurtenances, such that Grantee shall have no obligation or liability to Grantor, or their successors or assigns, to move or remove any such abandoned lines or appurtenances.

In the event the easement hereby granted abuts on a public road and the county or state hereafter widens or relocates the public road so as to require the relocation of this water and/or sewer line as installed, Grantor further grants to Grantee an additional easement over and across the land described above for the purpose of laterally relocating said water line as may be necessary to clear the road improvements, which easement hereby granted shall be limited to a strip of land 15' in width, the center line thereof being the pipeline as relocated.

The consideration recited herein shall constitute payment in full for all damages sustained by Grantors by reason of the installation of the structures referred to herein and the Grantee will maintain such easement in a state of good repair and efficiency so that no unreasonable damages will result from its use to Grantor's premises. This Agreement together with other provisions of this grant shall constitute a covenant running with the land for the benefit of the Grantee, its successors, and assigns. The Grantors covenant that they are the owners of the above-described lands and that said lands are free and clear of all encumbrances and liens except the following:

Grantor does hereby bind itself, its successors and assigns, to WARRANT AND FOREVER DEFEND, all and singular, the easement herein granted to Grantee, or Grantee's successors and assigns, against every person whomsoever claiming, or to claim, the same or any part thereof.

The easement conveyed herein was obtained or improved through Federal financial assistance. This easement is subject to the provisions of [Title VI of the Civil Rights Act of 1964](#) and the regulations issued pursuant thereto for so long as the easement continues to be used for the same or similar purpose for which financial assistance was extended or for so long as the Grantee owns it, whichever is longer.

IN WITNESS WHEREOF the said Grantors have executed this instrument this _____ day of _____, 20__.

ACKNOWLEDGMENT
(Individual)

STATE OF TEXAS §
COUNTY OF _____ §

This instrument was acknowledged before me on _____ by

_____.

(SEAL)

Notary Public, State of Texas

G & W WATER SUPPLY CORPORATION
NONSTANDARD SERVICE APPLICATION

Please Print or Type Clearly

Applicant's Name/Company

Address/City/State/ZIP:

Phone number (____) _____ - _____ FAX (____) _____ - _____

E-mail

Please attach a legal description of the proposed development as listed in the deed records as a filed plat or parcel of land where other types of nonstandard water/sewer service is requested. Plat requirements include the name of subdivision, owner/developer's name, lot sizes and lot lines, lot numbers, right of way dimensions and dedicated utility easements, legal description, highway and county road numbers, total acreage, adjoining property owners, flood plain, and vicinity map. Instrument must show proof of ownership; preliminary plats are acceptable for discussion purposes but an "approved plat" must be provided before contract closing.

Check type of service application or development:

- | | | | | |
|--|---|--|---------------------------------------|---------------------------------|
| <input type="checkbox"/> Residential Subdivision | <input type="checkbox"/> Multi-family | <input type="checkbox"/> Mobile Home Park | <input type="checkbox"/> Trailer Park | <input type="checkbox"/> School |
| <input type="checkbox"/> Line Extension | <input type="checkbox"/> Commercial/Industrial Park | <input type="checkbox"/> Large Meter (>1") | | |
| <input type="checkbox"/> Multi-use Facility | <input type="checkbox"/> Other | | | |

Please list all water demand criteria for each meter or meter equivalent, or attach any engineering studies completed for the proposed service:

Maximum number of proposed lots: _____ Range of standard lot sizes: _____

Acreage(s) _____

Please describe in detail the nature and scope of the project/development.

Initial needs

Phased and final needs, including a map showing each phase, and the projected land uses that support the requested level of service for each phase.

Please list any additional special service needs not listed above.

Please provide the flow, pressure and infrastructure needs for anticipated level of fire protection requested or required by ordinance, including line sizes and capacity.

Please provide the timeline for initiation of this service, and for service to each additional or projected phase following initial service, including a schedule of events leading up to the anticipated date of service. Specify this for all additional or projected phases.

Please describe how the utility may access the property during evaluation of application.

Please attach the following information, as applicable:

- A proposed calendar of events, including design, plat approval, construction phasing and initial occupancy.
- If applying for a single tap that requires a line extension, road bore, or upsizing of facilities, maps or plans detailing the location of the requested service installation and/or extension and details of demand requirements.

Required Fees

Applicant is required to pay a Nonstandard Service Investigation Fee of \$ _____ to the Corporation in accordance with [Section G](#) of the Corporation's tariff for purposes of paying initial administrative, legal, and engineering fees. The Corporation will 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 the Investigation Fee is not sufficient to pay all expenses incurred by the Corporation, the Applicant agrees to pay all additional expenses that have been or will be incurred by the Corporation and Corporation will have no obligation to complete processing of the Applications until all remaining expenses have been paid.

Corporation's response to service request

The Corporation will prepare a written response to Applicant's service request within 90 days from the date the application was submitted, and the required fees were paid. The Corporation's response will state the timeframe within which the requested service can be provided, and the costs for which the Applicant will be responsible, which may include capital improvements, easements or land acquisition costs, and professional fees.

Applicant has received and reviewed [Section F](#) of the Corporation's tariff and agrees to comply with all the requirements contained therein.

Under penalties of perjury, I declare that I have reviewed the information presented in this Application, including accompanying documents, and to the best of my knowledge and belief, the information is true, correct and complete.

Print Applicant/Name of Company

Signature of Authorized Representative

Date

| |
|------------------------------------|
| For Corporation Use Only |
| _____ Date application received |
| _____ |

**_____ G & W _____ WATER SUPPLY CORPORATION
NONSTANDARD SERVICE CONTRACT**

THE STATE OF TEXAS
COUNTY OF _____

THIS CONTRACT is made and entered into by and between _____,
hereinafter referred to as “Applicant”, and _____ Water Supply Corporation,
hereinafter referred to as “WSC” or “Corporation”.

WHEREAS, Applicant is engaged in developing that certain _____ acres of land in
_____, County, Texas, more particularly known as the _____
subdivision, according to the plat thereof recorded at Vol. _____, Page _____ of the Plat Records of
County, Texas, said land being hereinafter referred to as “the Property”; and,

WHEREAS, WSC owns and operates a water system which supplies potable water for human
consumption and other domestic uses to customers within its service area; and,

WHEREAS, Applicant has requested WSC to provide such water service to the Property
through an extension of WSC’s water system, which includes all on-site and off-site service facilities
to meet the level and manner of service requested by the Applicant, such extension being hereinafter
referred to as “the Water System Extension”; NOW THEREFORE:

KNOW ALL MEN BY THESE PRESENTS:

THAT for and in consideration for the mutual promises hereinafter expressed, and other good and
valuable consideration, the sufficiency of which is hereby acknowledged by the parties, Applicant and
WSC agree and contract as follows:

1. **Engineering and Design of the Water System Extension.**

- (a) The Water System Extension shall be engineered and designed by a Texas
Licensed Professional Engineer in accordance with the applicable specifications
of the WSC and all governmental agencies having jurisdiction. All plans and
specifications must be reviewed and approved by WSC’s consulting engineer
prior to the issuance of any request for bids for the construction of the Water
System Extension. After such approval of the plans and specifications by the
WSC’s consulting engineer, the plans and specifications shall become part of
this Agreement by reference and shall more particularly define “the Water
System Extension”.
- (b) The Water System Extension must be sized to provide continuous and adequate
water service to the Property based on plans for the development as provided to
WSC by the Applicant. WSC may require the Water System Extension to be
oversized in anticipation of the needs of other customers of the WSC, subject to
the obligation to reimburse the Applicant for any such oversizing as provided
below.

2. **Required Sites, Easements or Rights-of-Way.**

- (a) Applicant shall be responsible for dedicating or acquiring any easements across privately owned land or sites (including off-site) which are necessary for the construction or operation of the Water System Extension and for obtaining any Governmental approvals necessary to construct the Water System Extension in public right-of-way.
- (b) Any easements acquired by the Applicant shall be in a form approved by the WSC (see Form of Easement, attached to this Contract and made a part hereof) and shall be assigned to WSC upon proper completion of the construction of the Water System Extension.
- (c) The validity of the legal instruments by which the Applicant acquires any such easements and by which Applicant assigns such easements to WSC must be approved by WSC's attorney.

3. **Construction of the Water System Extension**

- (a) The Corporation's consulting engineer advertise for bids for the construction of the Water System Extension in accordance with generally accepted bidding practices and shall award the contract for the construction of the Water System Extension subject to the approval of the WSC. WSC may reject any bid.
- (b) The Water System Extension shall be constructed in accordance with the approved plans and specifications. WSC shall have the right to inspect all phases of the construction of the Water System Extension. Applicant must give written notice to WSC of the date on which construction is scheduled to begin so that WSC may assign an inspector. WSC may charge reasonable inspection fees based on the actual costs of labor, travel and incidental expenses of the inspectors, plus 10% overhead.

4. **Dedication of Water System Extension to WSC.**

- (a) Upon proper completion of construction of the Water System Extension and final inspection thereof by WSC, the Water System Extension shall become the property of the WSC. The Water System Extension shall thereafter be owned and maintained by WSC subject to the warranties required of Applicant under Subsection (b). Any connection of individual customers to the Water System Extension shall be made by the WSC.
- (b) Upon transfer of ownership of the Water System Extension, Applicant shall warrant materials and performance of the Water System Extension constructed by Applicant for ____ months following the date of the transfer.

5. **Cost of the Water System Extension.**

- (a) Applicant shall pay all costs associated with the Water System Extension as a contribution in aid of construction, including, without limitation, the cost of the following:

- (1) Engineering and design;
- (2) easement or right -of-way acquisition;
- (3) construction;
- (4) inspection;
- (5) attorneys' fees; and
- (6) governmental or regulatory approvals required to lawfully provide service.
- (7) Applicant shall indemnify WSC and hold WSC harmless from all of the foregoing costs.

(b) Provided, however, nothing herein shall be construed as obligating the Applicant to maintain the Water System Extension subsequent to its dedication and acceptance for maintenance by WSC.

(c) If WSC has required the Water System Extension to be oversized in anticipation of the needs of the other customers of WSC, WSC shall reimburse Applicant for the additional costs of construction attributable to the oversizing, as determined by the WSC's consulting engineer, in three annual installments without interest beginning one year after dedication of the Water System Extension to WSC.

6. **Service from the Water System Extension.**

(a) After proper completion and dedication of the Water System Extension to WSC, WSC shall provide continuous and adequate water service to the Property, subject to all duly adopted rules and regulations of WSC and the payment of the following:

(a) All standard rates, fees and charges as reflected in WSC's approved tariff;

(b) Any applicable Equity Buy-In fee adopted by WSC;

(b) It is understood and agreed by the parties that the obligation of WSC to provide water service in the manner contemplated by this Contract is subject to the issuance by the Texas Commission on Environmental Quality or Public Utility Commission and all other governmental agencies having jurisdiction of all permits, certificates or approvals required to lawfully provide such service.

(c) Unless the prior approval of WSC is obtained, the Applicant shall not:

(1) construct or install additional water lines or facilities to service areas outside the property;

(2) add any additional lands to the Property for which water service is to be provided pursuant to this Agreement; or

(3) connect or serve any person or entity who, in turn, sells water service directly or indirectly to another person or entity.

7. **Effect of Force Majeure.**

In the event either party is rendered unable by force majeure to carry out any of its obligations under this Contract, in whole or in part, then the obligations of that

party, to the extent affected by the force majeure shall be suspended during the continuance of the inability, provided however, that due diligence is exercised to resume performance at the earliest practical time. As soon as reasonably possible after the occurrence of the force majeure relied upon to suspend performance, the party whose contractual obligations are affected thereby shall give notice and full particulars of the force majeure to the other party.

The cause, as far as possible, shall be remedied with all reasonable diligence. The term "force majeure" includes acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, orders of the government of the United States or the State of Texas or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraints of government and civil disturbances, explosions, breakage, or accidents to equipment, pipelines, or canals, partial or complete failure of water supply, and any other inability's of either party, whether similar to those enumerated or otherwise, that are not within the control of the party claiming the inability and that could not have been avoided by the exercise of due diligence and care. It is understood and agreed that the settlement or strikes and lockouts shall be entirely within the discretion of the party having the difficulty and that the requirement that any force majeure be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing party if the settlement is unfavorable to it in the judgment of the party having the difficulty.

8. **Notices.**

Any notice to be given hereunder by either party to the other party shall be in writing and may be affected by personal delivery or by sending said notices by registered or certified mail, return receipt requested, to the address set forth below. Notice shall be deemed given when deposited with the United States Postal Service with sufficient postage affixed. Any notice mailed to the WSC shall be addressed:

Any notice mailed to Applicant shall be addressed:

Either party may change the address for notice to it by giving **written** notice of such change in accordance with the provisions of this paragraph

9. **Breach of Contract and Remedies.**

- (a) If either party breaches any term or condition of this Contract, the non-breaching party may, at its sole option, provide the breaching party with a notice of the breach within sixty (60) days of discovery of the breach by the non-breaching party. Upon notice of breach, the breaching party shall have sixty (60) days to cure the breach. If the breaching party does not cure the breach within the sixty (60) days, the non-breaching party, below, shall have all rights at law and in equity including the right to enforce specific performance of this Contract by the breaching party, the right to perform the obligation in question and to seek restitution for all damages incurred in connection therewith.
 - (b) In the event of termination of this Contract by a non-breaching party, such action shall not affect any previous conveyance.
 - (c) The rights and remedies of the parties provided in this Contract shall not be exclusive and are in addition to any other rights and remedies provided by law and under this Contract.
10. **Third Parties.**
It is the express intention of the parties that the terms and conditions of this Contract may be enforced by either party but not by any third party or alleged third-party beneficiary.
11. **Captions.**
Captions are included solely for convenience of reference and if there is any conflict between captions and the text of the Contract, the text shall control.
12. **Context.**
Whenever the context requires, the gender of all words herein shall include the masculine, feminine, and neuter, and the number of all words shall include the singular and the plural.
13. **Mediation. [Optional]**
Prior to the institution of legal action by either party related to any dispute arising under this Contract, said dispute shall be referred to mediation by an independent mediator mutually agreed upon by both parties. The cost of the mediator shall be shared equally by both parties.
14. **Litigation Expenses.**
Either party to this Contract who is the prevailing party in any legal proceeding against the other party, brought in relation to this Contract, shall be entitled to recover court costs and reasonable attorneys' fees from the non-prevailing party.
15. **Intent.**
The parties hereto covenant and agree that they shall execute and deliver such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the intent of this Contract.
16. **Multiple Originals.**

This Contract may be executed in multiple originals, any copy of which shall be considered to be an original.

17. **Authority.**

The signatories hereto represent and affirm that they are authorized to execute this Contract on behalf of the respective parties hereto.

18. **Severability.**

The provisions of this Agreement are severable, and if any word, phrase, clause, sentence, paragraph, section, or other part of this Agreement or the application thereof to any person or circumstance shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such word, phrase, clause, sentence, paragraph, section, or other part of this Agreement to other persons or circumstances shall not be affected thereby and this Agreement shall be construed as if such invalid or unconstitutional portion had never been contained therein.

19. **Entire Agreement.**

This Agreement, including any exhibits attached hereto and made a part hereof, constitutes the entire agreement between the parties relative to the subject matter of this Agreement. All prior agreements, covenants, representations, or warranties, whether oral or in writing, between the parties are merged herein.

20. **Amendment.**

No amendment of this Agreement shall be effective unless and until it is duly approved by each party and reduced to a writing signed by the authorized representatives of the WSC and the Applicant, respectively, which amendment shall incorporate this Agreement in every particular not otherwise changed by the amendment.

21. **Governing Law.**

This Agreement shall be construed under and in accordance with the laws of the State of Texas and all obligations of the parties are expressly deemed performable in _____ County, Texas.

22. **Venue.**

Any action at law or in equity brought to enforce or interpret any provision of this Contract shall be brought in a state court of competent jurisdiction with venue in _____ County, Texas.

23. **Successors and Assigns.**

This Agreement shall be binding on and shall inure to the benefit of the heirs, successors and assigns of the parties.

24. **Assignability.**

The rights and obligations of the Applicant hereunder may not be assigned without the prior written consent of the WSC.

25. **Effective Date.**

This Agreement shall be effective from and after the date of due execution by all parties.

IN WITNESS WHEREOF each of the parties has caused this Agreement to be executed by its duly authorized representative in multiple copies, each of equal dignity, on the date or dates indicated below.

_____ Water Supply Corporation APPLICANT _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Form RD-TX 442-9
(Rev 6-06)

**UNITED STATES DEPARTMENT OF AGRICULTURE
Rural Utilities Service**

RIGHT-OF-WAY EASEMENT (General Type Easement)

KNOW ALL MEN BY THESE PRESENTS, that _____
(hereinafter called "Grantors"), in consideration of one dollar (\$1.00) and other good and valuable consideration paid by G & W Water Supply Corporation (hereinafter called "Grantee"), the receipt and sufficiency of which is hereby acknowledged, does hereby grant, bargain, sell, transfer, and convey to said Grantee, its successors, and assigns, a perpetual easement with the right to erect, construct, install and lay and thereafter access and use, operate, inspect, repair, maintain, replace, upgrade, parallel and remove water distribution lines and appurtenances, over and across _____ acres of land, more particularly described in instrument recorded in Vol.____, Page _____, Deed Records, _____ County, Texas, together with the right of ingress and egress over Grantor's adjacent lands for the purpose for which the above mentioned rights are granted. The easement hereby granted shall not exceed 15' in width, and Grantee is hereby authorized to designate the course of the easement herein conveyed except that when the pipeline(s) is installed, the easement herein granted shall be limited to a strip of land 15' in width, the center line thereof being the pipeline as installed.

Grantee shall have such other rights and benefits necessary and/or convenient for the full enjoyment and use of the rights herein granted, including without limitation, (1) the reasonable right of ingress and egress over and across lands owned by Grantor which are contiguous to the easement; (2) the reasonable right from time to time to remove any and all paving, undergrowth and other obstructions that may injure Grantee's facilities and appurtenances or interfere with the construction, maintenance, inspection, operation, protection, repair, alteration, testing, replacement, upgrading, relocation (as above limited), substitution or removal thereof; and (3) the rights to abandon-in-place any and all water supply lines, service lines and associated appurtenances, such that Grantee shall have no obligation or liability to Grantor, or their successors or assigns, to move or remove any such abandoned lines or appurtenances.

In the event the easement hereby granted abuts on a public road and the county or state hereafter widens or relocates the public road so as to require the relocation of this water and/or sewer line as installed, Grantor further grants to Grantee an additional easement over and across the land described above for the purpose of laterally relocating said water line as may be necessary to clear the road improvements, which easement hereby granted shall be limited to a strip of land 15' in width, the center line thereof being the pipeline as relocated.

The consideration recited herein shall constitute payment in full for all damages sustained by Grantors by reason of the installation of the structures referred to herein and the Grantee will maintain such easement in a state of good repair and efficiency so that no unreasonable damages will result from

its use to Grantor's premises. This Agreement together with other provisions of this grant shall constitute a covenant running with the land for the benefit of the Grantee, its successors, and assigns. The Grantors covenant that they are the owners of the above-described lands and that said lands are free and clear of all encumbrances and liens except the following:

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Grantor does hereby bind itself, its successors and assigns, to WARRANT AND FOREVER DEFEND, all and singular, the easement herein granted to Grantee, or Grantee's successors and assigns, against every person whomsoever claiming, or to claim, the same or any part thereof.

The easement conveyed herein was obtained or improved through Federal financial assistance. This easement is subject to the provisions of [Title VI of the Civil Rights Act of 1964](#) and the regulations issued pursuant thereto for so long as the easement continues to be used for the same or similar purpose for which financial assistance was extended or for so long as the Grantee owns it, whichever is longer.

IN WITNESS WHEREOF the said Grantors have executed this instrument this _____ day of _____, 20__.

ACKNOWLEDGMENT
(Individual)

STATE OF TEXAS §
COUNTY OF _____ §

This instrument was acknowledged before me on _____ by

_____.

(SEAL)

Notary Public, State of Texas

