

SECTION E.
SERVICE RULES AND REGULATIONS

1. ***Service Entitlement.*** An Applicant requesting service within the boundaries of the District or the District's defined service area shall be considered qualified and entitled to water (and or sewer) utility service when proper application has been made, terms and conditions of service have been met and continue to be met, and all fees have been paid as prescribed. An Applicant requesting service outside the District's boundaries or defined service area shall be considered for service in accordance with current District policies on providing service outside the District boundaries or CCN service area.

2. ***Application Procedures and Requirements.*** For the purposes of this Service Policy, service shall be divided into the following two classes:
 - a. **Standard Service** is defined as service on an existing pipeline where pipeline or service facility extensions are not required and special design and/or engineering considerations are not necessary. Typically, this would include our 5/8" X 3/4" sized water meter services set on existing pipelines.
 - b. **Non-Standard Service** is defined as any service request which requires a larger meter, service to a Master Metered Account (see E. 2. c. (3) of this section), or an addition to the supply, storage and/or distribution/collection system. The service requirements as prescribed by Section F of this Service Policy shall be required of the Non-Standard Service Applicant prior to providing service.
 - c. **Requirements for Standard and Non-Standard Service.**
 - 1) The District's Service Application and Agreement Form shall be completed in full and signed by the Applicant.
 - 2) A Right-of-Way Easement Form, Sanitary Control Easement, or other such easement form, approved by the District, must be completed by the Applicant for the purpose of providing water and sewer service to the applicant and to allow for future facility additions.
 - 3) The District shall consider master metering to apartments, condos, mobile home/RV parks, or business centers and other similar type enterprises at an Applicant's request provided the total number of units to be served are all:
 - (a) owned by the same person, partnership, cooperative, corporation, agency, public or private organization of any type but not including a family unit,
 - (b) directly inaccessible to public right-of-way, and
 - (c) considered a commercial enterprise; i.e. for business, rental, or lease purposes.
 - 4) Notice of application approval and costs of service determined by the District shall be presented to the Applicant in writing and shall remain in effect for a period not to exceed thirty (30) days. After that time the Applicant must re-apply for service
 - 5) There are instances where the water main has been located in the public right-of-way and is adjacent to Applicant's property due to the current or previous landowner's refusal to grant an easement to the District for the purpose of installing the water main and appurtenances, and the District has documentation of such refusal. Prior to receiving the requested service, the applicant shall grant the easements required under this Service Policy, and in addition to the normally required fees for new customer service, shall pay such sums as are reasonably necessary to construct the appropriate line or lines within that easement for the District's system-wide service. (See Miscellaneous Transaction Forms.)

3. **Activation of Standard Service.**

- a. **New Tap** -- The District shall charge a non-refundable service installation fee and a refundable deposit as required under Section G of this Service Policy. The service installation fee shall be quoted in writing to the Applicant. All fees shall be paid or a deferred payment contract signed in advance of installation. (30 TAC 291.86 (a)(1)(A))
- b. **Location of Meter** -- In accordance with 30 TAC 291.86(a)(3), a standard meter shall be located on the customer's property in which the application for service originally arose. In so far as practical, the meter will be readily accessible and nearest to the water main or public right of way for reading, maintenance, etc. The District will install the tap and meter equipment to be reasonably secure from potential damage.
- c. **Re-Service** -- For re-service the District shall charge the deposit fee and other costs necessary to restore service. When re-service is requested by an applicant owing any delinquent charges on previous service received from the District, all delinquent charges must be paid before re-servicing procedures can begin. In no event will a system development fee be charged for a re-service event.
- d. **Performance of Work** -- After approval is granted by proper authorities, all tap and equipment installations specified by the District shall be completed by the District staff or designated representative. No person, other than the properly authorized agent of the District, shall be permitted to tap or make any connection with the mains or distribution pipes of the district's water system, or make any repairs or additions to or alterations in any tap, pipe, cock or other fixture connected with the water service pipe. After payment is made, the tap shall be completed within 5 working days after approval is received from the county or TxDOT (if applicable). When a road bore or other construction is required, this time may be extended; also if other construction is required. (see Section E, 30 TAC 291.85)
- e. **Inspection of Customer Service Facilities** -- The property of and the facilities at the service connection shall be inspected to insure compliance with state required Minimum Acceptable Operating Practices for Public Drinking Water Systems as promulgated by the Texas Commission on Environmental Quality or successor agency. The customer must, at his or her expense, properly install any backflow prevention device required by the District. (30 TAC 290.46(j))

4. **Changes in Service Classification.** If at any time the District determines that the customer service demands have changed from those originally applied for to a different service classification and the District determines that additional or different facilities are necessary to provide adequate service, the District shall require the Customer to re-apply for service under the terms and conditions of this Service Policy. Customers failing to comply with this provision shall be subject to the Disconnection with Notice Provisions of this Service Policy, Sub-Section 11.a.

5. **Denial of Service.** The District may deny service for the following reasons:

- a. Failure of the Applicant to complete all required easements and forms and to pay all required fees and charges;
- b. Failure of the Applicant to comply with rules, regulations, policies, and bylaws of the District;
- c. Existence of a hazardous condition at the Applicant's property which could jeopardize the welfare of other customers of the District upon connection;
- d. Failure of Applicant to provide representatives or employees of the District reasonable access to property for which service has been requested;
- e. Applicant's service facilities are known to be inadequate or of such condition that satisfactory service cannot be provided.

6. ***Applicant's Recourse.*** In the event the District refuses to serve an Applicant under the provisions of this Service Policy, upon request, the District will notify the Applicant, in writing, of the basis of its refusal. The Applicant may file for an appeal, in writing, with the Board of Directors of the District.
7. ***Insufficient Grounds for Refusal of Service.*** The following shall not constitute sufficient cause for the refusal of service to an Applicant:
 - a. Delinquency in payment for service by a previous occupant of the premises to be served;
 - b. Failure to pay a bill to correct previous underbilling due to misapplication of rates more than six (6) months prior to the date of application;
 - c. Violation of the District's rules pertaining to operation of non-standard equipment or unauthorized attachments which interferes with the service of others, unless the customer has first been notified and been afforded reasonable opportunity to comply with said requirements;
 - d. Failure to pay the bill of another customer at the same address except where the change of customer identity is made to avoid or evade payment of a utility bill; or
 - e. Failure to comply with regulations or rules for anything other than the type of utility service specifically requested including failure to comply with septic tank regulations.
8. ***Deferred Payment Agreement.*** The District may offer a deferred payment plan for the system development fee (up to \$1,000) to a customer who cannot pay in full at time of applying for new service, and is willing to pay the balance in reasonable installments as determined by the District, including any Late Penalty Fees or interest on the monthly balance, as per agreement. Also the District may offer a deferred payment plan to a Customer who cannot pay a balance in full due to a leak, and is willing to pay the balance in reasonable installments as determined by the District. (See Miscellaneous Transaction Forms.)
9. ***Charge Distribution and Payment Application.***
 - a. **The Monthly Minimum Charge (also known as the Service Availability Charge)** is billed on a monthly basis. Charges are applied from the first day of the billing period to the last day of the billing period. Billings for this amount shall be mailed on the applicable billing cycle date for usage in the preceding month for which this charge is due.
 - b. **Gallonage Charge** shall be billed at the rate specified in Section G and billing shall be calculated in one thousand (1000) gallon increments. Water charges are based on monthly meter readings and are calculated from reading date to reading date. Readings used in all billing calculations shall be taken by the District's employees or designated representative.
 - c. **Posting of Payments** -- All payments shall be posted against previous balances prior to posting against current billings.
10. ***Due Dates, Delinquent Bills, and Service Disconnection Date.*** All bills shall be due by the date indicated on the bill allowing approximately sixteen (16) days to pay, after which time a penalty shall be applied as described in Section G. A bill is delinquent if not paid by the due date. Payment made by mail will be considered late if received after the due date. Final notices shall be mailed allowing eight (8) additional days for payment prior to disconnection. The eight (8) additional days shall begin on the day the final notice is deposited with the U.S. Postal Service with sufficient postage. If the due date for the regular or final billing is on a weekend or holiday, the next due date for payment purposes shall be the next day the District office is open for business after said weekend or holiday.

11. **Rules for Disconnection of Service.** The following describes the rules and conditions for disconnection of service. For the purposes of disconnecting sewer service under these policies, water service will be terminated in lieu of disconnecting sewer service.

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

- 1) Returned Checks -- The District shall mail or email a notice requiring redemption of the returned instrument within ten (10) days of the date of the notice to be made in the District office. Redemption of the returned instrument shall be made by cash, money order, or certified check. Failure to meet these terms shall initiate disconnection of service.
- 2) Failure to pay a delinquent account for utility service, failure to timely provide a deposit or failure to comply with the terms of a deferred payment agreement (Miscellaneous Transaction Forms);
- 3) Violation of the District's rules pertaining to the use of service in a manner which interferes with the service of others or the operation of non-standard equipment if a reasonable attempt has been made to notify the Customer and the Customer is provided with a reasonable opportunity to remedy the situation;
- 4) Failure of the Customer to comply with the terms of the District's Service Agreement, Service Policy, Bylaws, or Special Contract provided that the District has given notice of said failure to comply, and Customer has failed to comply within a specified amount of time after notification.
- 5) Failure to provide access to the meter under the terms of this Service Policy or to property at which water service is received when there is reason to believe that a hazardous condition or policy violation exists for which access is necessary to verify.
- 6) Misrepresentation by any Applicant of any fact on any form, document, or other agreement required to be executed by the District.
- 7) Failure of Customer to re-apply for service upon notification by the District that Customer no longer meets the terms of the service classification originally applied for under the original service application.
- 8) Failure to pay a delinquent account billed by the District for sewer utility service provided by a Retail Public Utility pursuant to the District's Agreement with the Retail Public Utility.

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

- 1) A known dangerous or hazardous condition exists for which service may remain disconnected for as long as the condition exists, including but not limited to a violation of the Texas Sanitation and Health Protection Law 4477-1, or there is reason to believe a dangerous or hazardous condition exists and the Customer refuses to allow access for the purpose of confirming the existence of such condition and/or removing the dangerous or hazardous condition (Section E. 3. d., 30 TAC 290.46 (j));
- 2) Service is connected without authority by a person who has not made application for service or who has reconnected service without authority following termination of service for nonpayment; and
- 3) In instances of tampering with the District's meter or equipment, by-passing the meter or equipment, or other diversion of service.
- 4) The customer remits a check as payment to unlock or reconnect service, and the check is determined to be of non-sufficient funds.

NOTE: Where reasonable, given the nature of the reason for disconnection, a written statement providing notice of disconnection and the reason therefore shall be posted at the place of common entry or upon the front door of each affected residential unit as soon as possible after service has been disconnected.

- c. **Disconnection Prohibited** -- Utility service may not be disconnected for any of the following reasons:
- 1) Failure of the Customer to pay for merchandise or charges for non-utility service provided by the District, unless an agreement exists between the Applicant and the District whereby the Customer guarantees payment of non-utility service as a condition of service;
 - 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 Customer as guarantor thereof, unless the District 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 subsection E. 15. of this Service Policy.
 - 6) Failure of the Customer to pay estimated bill other than a bill rendered pursuant to an approved meter reading plan, unless the District is unable to read the meter due to circumstances beyond its control.
- d. **Disconnection on Holidays and Weekends** -- Unless a potentially hazardous condition exists, service shall not be disconnected on a day, or on a day preceding a day, when personnel of the District are not available to the public for the purpose of making collections and reconnecting service.
- e. **Disconnection Due to Utility Abandonment** -- The District may not abandon a Customer or a Certificated Service Area without written notice to its Customers and all similar neighboring utilities and approval from the Texas Commission on Environmental Quality.
- f. **Disconnection for Ill and Disabled** -- The District may not discontinue service to a delinquent residential Customer permanently residing in an individually metered dwelling unit when that Customer establishes that discontinuance of service will result in some person at that residence becoming seriously ill or more seriously ill if service is discontinued. Each time a Customer seeks to avoid termination of service under this Sub-section, the Customer must have the attending physician call or contact the District within sixteen (16) days of issuance of the bill. A written statement must be received by the District from the physician within twenty-six (26) days of the issuance of the utility bill. The prohibition against service termination shall last sixty-three (63) days from the issuance of the utility bill or such lesser period as may be agreed upon by the District and Customer's physician. The Customer shall enter into a Deferred Payment Agreement. (see Miscellaneous Transaction Forms).
- g. **Disconnection of Master-Metered Accounts** -- When a bill for water utility services is delinquent for a master-metered service complex (defined as a complex in which a single meter serves multi-end users) or any other cause as stipulated in the Policy to warrant service disconnect, the following shall apply: (30 TAC Subchapter H. 291.126.)
- 1) The District shall send a notice to the Customer as required. This notice shall also inform the Customer that notice of possible disconnection will be provided to the tenants of the service complex within five (5) days if compliance is not achieved or if payment is not rendered before that time.
 - 2) At least five (5) days after providing notice to the Customer and at least five (5) days prior to disconnection, the District shall post notice stating "Termination Notice" in a public area of the service complex notifying the residents of the scheduled date for disconnection of service. The District shall charge the Customer a fee for such postings.

3) The tenants may pay the District for any delinquent bill on behalf of the owner to avert disconnection or to reconnect service to the complex.

h. **Disconnection of Temporary Service** -- When an applicant with a Temporary service fails to comply with the conditions stated in the Service Application and Agreement Form or other rules of this Service Policy, service may be terminated with notice. (see Temporary Service Policy)

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

13. **Back-billing.** The District may back-bill a Customer for up to forty-eight (48) consecutive months for meter error, misapplied meter multiplier, incorrect meter readings, or error in computing a Customer's bill. Failure to pay the most recent six (6) months billing may result in disconnection of service.

14. **Disputed Bills.** In the event of a dispute between the Customer and the District regarding any bill, the District promptly conduct an investigation. The District is responsible to contact the customer regarding the results and/or submit the same in writing to the customer. All disputes under this Subsection must be submitted to the District, in writing, subject to the due date posted on said bill.

15. **Inoperative Meters.**

a. Water meters found inoperative will be repaired or replaced within a reasonable time. If a meter is found not to register properly for any period, unless by-passed or tampered with, the District shall make a charge for units used, but not metered, for a period not to exceed three (3) months, based on amounts used under similar conditions during the period preceding or subsequent thereto, or during corresponding periods in previous years.

b. When it is observed that a meter registers "0" usage where service is known to be active, the following is used to estimate the billing adjustment for the water consumed but not metered. The account's historical-use data is utilized to find the lowest usage observed for the subject month(s). This same amount will be used in estimating the usage for the month it was not metered. If there is insufficient historical data for the subject month, use the best available data.

16. **Bill Adjustment.**

a. Suspected Meter Error: *Note: The District's radio-read type meters are equipped with two separate mechanisms in reporting usage. The electronic mechanism enables readings to be remotely retrieved. These meters also have the conventional flow-measurement mechanism; the same as those meters that are not radio-read types. Standard meters have a "direct read" register on the face which is made up of six wheel odometers. The prevailing usage report of accuracy shall be in reading the odometer register.* The District shall test any Customer's meter upon written request of the Customer. In the event the meter tests within the accuracy standards of The American Water Works Association, a test fee as prescribed in Section G of this Service Policy shall be imposed. In the event the test results indicate that the meter is faulty or inaccurate, the test fee shall be waived, the meter shall be calibrated or replaced, and a billing adjustment may be made as far back as six (6) months. The billing adjustment shall be made to the degree of the meter's inaccuracy as determined by the test. The Customer shall complete a Meter Test Request Form prior to the test. (See Misc. Transaction Forms.)

b. Due to Water Leak: - The District shall allow a bill adjustment in the event of a water leak. The customer must sign a form stating acknowledgment that this adjustment is subject to be made only

once in a 24 month period. As outlined in the Leak Adjustment Policy, dated 4/7/03, to calculate the adjustment, a standard formula will be used with the customer's average water usage and the high usage bill. A portion of the leak will be absorbed by the District. The remaining balance will be the current bill owed by the customer. (See Miscellaneous Transaction Forms)

17. ***Meter Tampering and Diversion.*** Meter-tampering, by-passing, or diversion are strictly prohibited, including any tampering with the District's service equipment, by-passing the same, or other instances of diversion, such as:

- a. removing a locking or shut-off device used by the District to discontinue service;
- b. physically disorienting the meter,
- c. attaching objects to the meter to divert service or to by-pass;
- d. inserting objects into the meter; or
- e. other electrical or mechanical means of tampering with, by-passing, or diverting service.

Photographic evidence or any other reliable and credible evidence may be used to establish that a violation of this prohibition has occurred and to justify appropriate action by the District. A court finding of meter tampering may be used instead of photographic or other evidence, if applicable. Violation of this prohibition may be prosecuted to the extent allowed by law under the Texas Penal Code 28.03.

18. ***Service Facility Relocation.*** Relocation of service facilities on the same or adjacent property shall be allowed by the District provided that:

- a. An easement for the proposed location has been granted to the District; and
- b. The Customer pays the actual cost of relocation plus administrative fees, and
- c. The property of the new location requested is owned by the current customer of the meter to be moved, and
- d. Service capacity is available at proposed location.

19. ***Prohibition of Multiple Connections To A Single Tap.*** No more than one (1) residential, commercial, or industrial service connection is allowed per meter. The District may consider allowing an apartment building, mobile home/RV park, or other qualifying multi-family or commercial structure to apply as a "Master Metered Account" and have a single meter (Referring to Section E. 2. c. (3)). Service may exist in a case where a single separate structure is utilized as a dwelling unit and is occupied on a temporary basis without compensation. The customer shall provide the District information concerning the dwelling and its occupants, as it relates to water service, along with the length of time the dwelling will be occupied. Any unauthorized submetering or diversion of service shall be considered a Multiple Connection and subject to disconnection of service. If the District has sufficient reason to believe a Multiple Connection exists, the District shall discontinue service under the Disconnection with Notice provisions of this Service Policy.

20. ***Customer's Responsibility.***

- a. The Customer shall provide access to the meter as per the easement and service agreement. If access to the meter is hindered or denied preventing the reading of the meter, an estimated bill shall be rendered to the Customer for the month; and a notice shall be sent to the effect that access could not be gained. If access is denied for three (3) consecutive months after proper notification to the Customer, then service is subject to disconnection; up to and including being made inactive with no further notice. (Section E. 5. d.)
- b. The Customer shall be responsible for compliance with all utility, local, and state codes, requirements, and regulations concerning on-site service and plumbing facilities.

- 1) All water service connections shall be designed to ensure against back-flow or siphonage into the District's water supply. In particular, livestock water troughs shall be plumbed above the top of the trough with air space between the discharge and the water level in the trough; or anti-back-siphon auto-fill device. (30 TAC 290.46)
 - 2) The use of pipe and pipe fittings that contain more than 8.0% lead or solder and flux that contain more than 0.2% lead is prohibited for any plumbing installation or repair of any residential or non-residential facility providing water for human consumption and connected to the District's facilities. Customer service pipelines shall be installed by the applicant. (30 TAC 290.46)
- c. The District's ownership and maintenance responsibility of water supply and metering equipment shall end at the meter or other service equipment. Therefore, all water usage registering upon and/or damages occurring to the metering equipment owned and maintained by the District shall be subject to charges as determined by this Service Policy.
 - d. The District requires each Customer to have a cut-off valve on the Customer's side of the meter for purposes of isolating the Customer's service pipeline and plumbing facilities from the District's water pressure. The valve shall meet AWWA standards (a ball valve is preferred). The Customer's use of the District's valve in the box is prohibited. Any damage to the District'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 District.)

21. ***Prohibited Plumbing Practices***

- a. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination will be isolated from the public water system by an air gap or an appropriate backflow prevention device.
- b. No cross-connection between the water supply and a private water system is permitted. These potential threats to the public drinking water supply must be eliminated at the service connection by the installation of an air-gap or a reduced pressure-zone backflow prevention device.
- c. No connection which allows water to be returned to the public drinking water supply is permitted.