

TARIFF

CENTRAL BOWIE COUNTY WATER SUPPLY CORPORATION

P.O. BOX 306
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NEW BOSTON, TEXAS 75570

BOWIE COUNTY

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PWS ID 0190024

CCN# 10525



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SECTION 1: DEFINITIONS

- 1.1 ACTIVE SERVICE** -- Status of any Member receiving authorized service under the provisions of this Tariff.
- 1.2 APPLICANT** -- Person, partnership, cooperative corporation, corporation, agency, public or private organization of any character applying for service with the Central Bowie County WSC.
- 1.3 BOARD OF DIRECTORS** -- The Board of Directors elected by the members of the Corporation in accordance with the By-laws of the Corporation.
- 1.4 BY-LAWS** -- The rules pertaining to the governing of the Central Bowie County Water Supply Corporation adopted by the Corporation members.
- 1.5 CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN)** -- The authorization, granted under Chapter 13 of the Texas Water Code, for Central Bowie County WSC to provide water utility service within a defined territory. Central Bowie County WSC has Certificate Number 10525. Territory defined in the CCN shall be the Certified Service Area.
- 1.6 CORPORATION** -- The Central Bowie County Water Supply Corporation.
- 1.7 DEVELOPER** -- Any person, partnership, cooperative corporation, corporation, agency, or public or private organization who subdivides land or requests more than two (2) or water or sewer service connections on a single contiguous tract of land [as defined in Chapter 13.2502 (e)(1) of the Water Code].
- 1.8 DISCONNECTION OF SERVICE** -- The locking or removal of a water meter to prevent the use of water by a Member/User.
- 1.9 DRY TAP** -- An active meter, with a current membership in good standing, which is not currently being utilized by member. Dry Tap status is available only by request and through coordination with the Corporation. Disconnection Fee or Service Trip Fee may apply. The Corporation's valve to the meter is closed and locked by the Corporation. In order to be used by the member, the lock must be removed and valve turned on by the Corporation during normal business hours.
- 1.10 EASEMENT** -- A private perpetual dedicated right-of-way for the installation of water pipelines and necessary facilities which allows access to property for future maintenance, facility replacement and/or installation of additional pipelines (if applicable). 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.
- 1.11 FINAL PLAT** -- A complete plan for the subdivision of a tract of land. CBCWSC shall determine if a plat submitted for the purpose of this Tariff shall qualify as a final plat. (30 TAC 291.85)

- 1.12 HAZARDOUS CONDITION** -- A condition that jeopardizes the health and welfare of the Members/Consumers of the Corporation as determined by the Corporation or regulatory authority.
- 1.13 LIQUIDATED MEMBERSHIP** -- A Membership in which the Membership Fee is not complete because delinquent charges have been applied against the Membership Fee. Service shall not be provided to a liquidated Member until the Membership Fee is current and paid in full.
- 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 a fee simple title to the property served, that has qualified for service and been certified as a member in accordance with the Corporation's Tariff. (TX Water Code Chapter 13.0010, TX Water Code Chapter 67)
- 1.15 MEMBERSHIP** -- A non-interest bearing stock purchased from the Corporation evidencing a Member's interest in the Corporation. (See 5.7 and Article 1396-2.08 D)
- 1.16 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. (30 TAC 291.3 Definitions, Texas Water Code 13.043(g))
- 1.17 NON-STANDARD SERVICE** -- Service that requires additional facilities of any type such as: road bores, road crossings, pipeline extensions, meters larger than 5/8" X 3/4", etc.
- 1.18 OTHER REGULATORY AGENCY** -- The Texas Department of Health, Texas Commission for Environmental Quality (TCEQ), United States Environmental Protection Agency (USEPA) and such other agencies as may now or in the future exercise regulatory authority in the operation of the Corporation.
- 1.19 PROOF OF OWNERSHIP** -- As a condition of membership and service, the Corporation is given authority by the Texas Civil Statutes to require ownership of real estate designated to receive service. For the purpose of this tariff, applicants for service and membership shall provide proof of ownership by deed of trust, warranty deed, or other recordable documentation of fee simple title to real estate to be served. A copy of the recorded document will be delivered to the Corporation.
- 1.20 RENTER** -- A person who rents property from a member. May also be termed leaser.
- 1.21 RE-SET/RE-SERVICE** -- Providing service to an applicant at a location for which service previously existed and the Equity Buy-In Fee has been paid in full or is not applicable. Dry Tap rules apply to those locations where a meter is in place and a mutual agreement has been signed to discontinue service. Locations without a meter (box and tap only) shall be charged a Reset/Re-service Fee. (see 4.4.3)

- 1.22 RESERVED SERVICE CHARGE** -- A monthly charge for each active account at a specific location for which a meter has not been installed but for which the Corporation and the Applicant have entered into agreement and/or contract for reserving service. This monthly charge shall be based on the Corporation's fixed costs to service the Applicant's dedicated facilities on a per Service Unit basis. This charge reserves service to the Applicant's property designated to receive service. This fee is determined on a case by case basis but shall never exceed the Service Availability Charge for Metered Service on a per Service Unit basis.
- 1.23 RURAL DEVELOPMENT (RD)** -- The United States Department of Agriculture, Rural Development.
- 1.24 SERVICE** -- The actual delivery of water to the member and it includes any and all acts done, rendered, or performed in the delivery of water by the Corporation.
- 1.25 SERVICE APPLICATION AND AGREEMENT** -- A written agreement between the Member 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..
- 1.26 SERVICE AVAILABILITY CHARGE** -- (Also known as "minimum monthly charge", "minimum", or the "base rate") The monthly charge assessed each Member/Customer for the opportunity of receiving service. The Service Availability Charge is a fixed rate based upon the meter, service size, or equivalent dwelling unit(s). (See definition of Reserved Service Charge)
- 1.27 SERVICE UNIT** -- The base unit of service used in facilities design and rate making. For the purpose of this Tariff, a service unit is a 5/8" X 3/4" water meter.
- 1.28 STANDARD SERVICE** -- A single residential tap thru a 5/8" X 3/4" meter on an existing pipeline where pipeline or service facility extensions are not required.
- 1.29 SUBDIVIDE** -- To divide the surface area of land into lots or tracts. (Local Government Code Chapter 232, Section 232.021 Definitions)
- 1.30 SUBDIVIDER** -- An individual, firm, corporation, or other legal entity that owns any interest in land and that directly or indirectly subdivides land into lots as a part of a common promotional plan in the ordinary course of business. (Local Government Code Chapter 232, Section 232.021 Definitions)
- 1.31 SUBDIVISION** -- An area of land that has been subdivided into lots or tracts. (Local Government Code Chapter 232, Section 232.021 Definitions)
- 1.32 SURRENDER MEMBER** -- A Membership in which service has been discontinued upon request of the Member and all indebtedness due the Corporation has been paid in full.

- 1.33 TARIFF** -- The operating policies, service rules, service extension policy, service rates, rationing policies, sample application packet, and miscellaneous transaction forms adopted by the Board of Directors. A copy of this Board approved tariff is on file at the Corporation office and as required since September 1, 1989 at the State office of the TCEQ.
- 1.34 TEMPORARY SERVICE** -- The classification assigned an applicant that is in the process of construction. This could also apply to service for uses other than permanent (agricultural, road construction, drilling, livestock, etc.). The Board will set the length of time associated with this classification. This classification may change to permanent service after requirements in Section 5 and or Section 6 are met. Applicant must have paid an Indication of Interest Fee.
- 1.35 TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ)** -- State regulatory agency having jurisdiction of water and sewer service utilities and appellate jurisdiction over the rates and fees charged by Non-Profit Water and Sewer Service Corporations.
- 1.36 TRANSFeree** -- An applicant receiving a CBCWSC Membership and the right to water utility service at the location previously held by another Member. Transferee shall qualify under the terms of this Tariff before the Corporation shall qualify the Transferee as a Member.
- 1.37 TRANSFEROR** -- A Member who transfers Corporation stock and rights to water utility service back to Central Bowie County WSC to be ultimately received by a Transferee.
- 1.38 WATER CONSERVATION PENALTY** -- A penalty that may be assessed to enforce customer / member conservation practices during drought contingency or emergency water demand circumstances. (See CBCWSC Drought Contingency Plan and Texas Water Code Chapter 67.011 (b)).

SECTION 2: STATEMENTS

- 2.1 ORGANIZATION** -- The Central Bowie County Water Supply Corporation is a member owned non-profit Corporation incorporated pursuant to the provisions of Texas Revised Civil Statute Ann., article 1434a as supplemented by the Texas Non-Profit Corporation Act, Texas Revised Civil Statute Ann., article 1396, for the purpose of furnishing a potable water utility service. Corporation operating policies, rates, tariffs and regulations are formulated and affected by the Board of Directors elected by the Members of the Corporation.
- 2.2 NON-DISCRIMINATION** -- Membership in the Corporation and service of water is provided to all applicants who comply with the provisions of the tariff regardless of race, color, creed, national origin, sex, disability, or marital status.
- 2.3 RULES APPLICATION** -- The rules and regulations specified herein apply to the water services furnished by Central Bowie County Water Supply Corporation, also referred to as Corporation or Central Bowie County WSC, or CBCWSC. Failure on the part of the Member to observe these rules and regulations of the Corporation, after due notice of such failure, automatically gives the Corporation the authority to discontinue the furnishing of service as provided herein.
- 2.4 CORPORATION BY-LAWS** -- The Corporation has adopted by-laws which establishes the make-up of the Board of Directors, establishes the membership voting rights, provides for annual and regular meetings, provides for reserve accounts, and establishes the rights of the members and other important regulations of the water system. These by-laws are included by reference, herein, as amended from time to time, and are on file for inspection in the Corporation's office.
- 2.5 FIRE PROTECTION RESPONSIBILITY** -- The Corporation does not provide nor imply that fire protection is available on any of the distribution system. All hydrants or flush valves installed within the Corporation's distribution system are provided at the convenience of the Corporation and do not imply any responsibility on the part of the Corporation to meet fire flow requirements of local, county, state, or federal government agencies. Installation, maintenance, and repair of fire hydrants and flush valves will be at the sole discretion of the corporation. All hydrants or flush valves are for the operation and maintenance of the system and may be used only by CBCWSC employees and for refill only by authorized fire departments. The Corporation reserves the right to remove any fire hydrant or flush valve due to improper use, detriment to the system, or obsolescence as determined by the Corporation, at any time, without notice, refund, or compensation.
- 2.6 LIABILITY** -- Central Bowie County WSC does not accept liability for damages caused by service interruptions for events beyond its control and for normal failures of the system. The limit of the liability of Central Bowie County WSC is the extent of the cost for the service provided. By acceptance of Membership, Member consents to waiver of liability.

- 2.7 INFORMATION DISCLOSURE** -- The records of the Corporation shall be kept in the Corporation office at 2822 Hwy 82 W, New Boston, Bowie County, 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. An individual customer may request in writing that their address, telephone number, account records, or social security number be kept confidential. Such confidentiality does not prohibit the utility from disclosing this information to an official or employee of the state or a political subdivision of the state acting in an official capacity or an employee of the Corporation acting in connection with the employee's duties. Further, such confidentiality does not prohibit the Corporation from disclosing the name and address of each member 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. The Corporation shall give its applicants and customers notice of rights to confidentiality under this policy and all prevailing associated fees for such request.
- 2.8 CUSTOMER NOTICE PROVISIONS** -- The Corporation shall give written notice of monthly rate changes by mail or hand delivery to all consumers at least 30 days prior to the effective date of the new rate. The notice shall contain the old rates, new rates, effective date of the new rate, date of Board authorization, and the name and phone number of the Corporation's contact person designated to address inquiries about the rate change.
- 2.9 GRIEVANCE PROCEDURES** -- Any Member of the Corporation or individual demonstrating an interest under the policies of this Tariff in becoming a Member of the Corporation shall have an opportunity to voice concerns or grievances to the Corporation by the following means and procedures:
- 2.9.1** By presentation of concerns to the Corporation's manager or authorized staff member. If not resolved to the satisfaction of the aggrieved party then,
- 2.9.2** By presenting a letter to the Board of Directors stating the individual's grievance or concern and the desired result.
- 2.9.3** The Board of Directors shall respond to the complaint by communicating the Board's decision in writing. Any charges or fees contested as a part of the complaint in review by the Corporation under this policy shall be suspended until a satisfactory review and final decision has been made by the Board of Directors.
- 2.10 CUSTOMER SERVICE INSPECTIONS** -- The Corporation requires that a customer service inspection certification be completed prior to providing continuous water service to new construction and for all new members as part of the activation of standard and some non-standard service. Customer service inspections are also required on any existing service when the corporation has reason to believe that cross-connections or other potential contaminant hazards exist, or after any material improvement, correction or addition to the members' water distribution facilities. This inspection is limited to the identification and prevention of cross connections, potential contaminant hazards and illegal lead materials. (30 TAC 290.46(i-j))

2.11 SUBMETERING RESPONSIBILITY -- Submetering and Non-Submetering by Master Metered Accounts may be allowed in the Corporation's water distribution or sewer collection system provided the Master Metered Account customer complies with the Texas Commission on Environmental Quality Chapter 291 Subchapter H rules pertaining to Submetering. The Corporation has no jurisdiction or responsibility to the tenants; tenants receiving water under a Master Metered Account are not considered customers of the Corporation. Any interruption or impairment of water service to the tenants is the responsibility of the Master Metered Account Customer. Any complaints regarding submetering should be directed to the Texas Commission on Environmental Quality.

2.11.1 CBCWSC staff will check with the Master Metered Account Customer to:

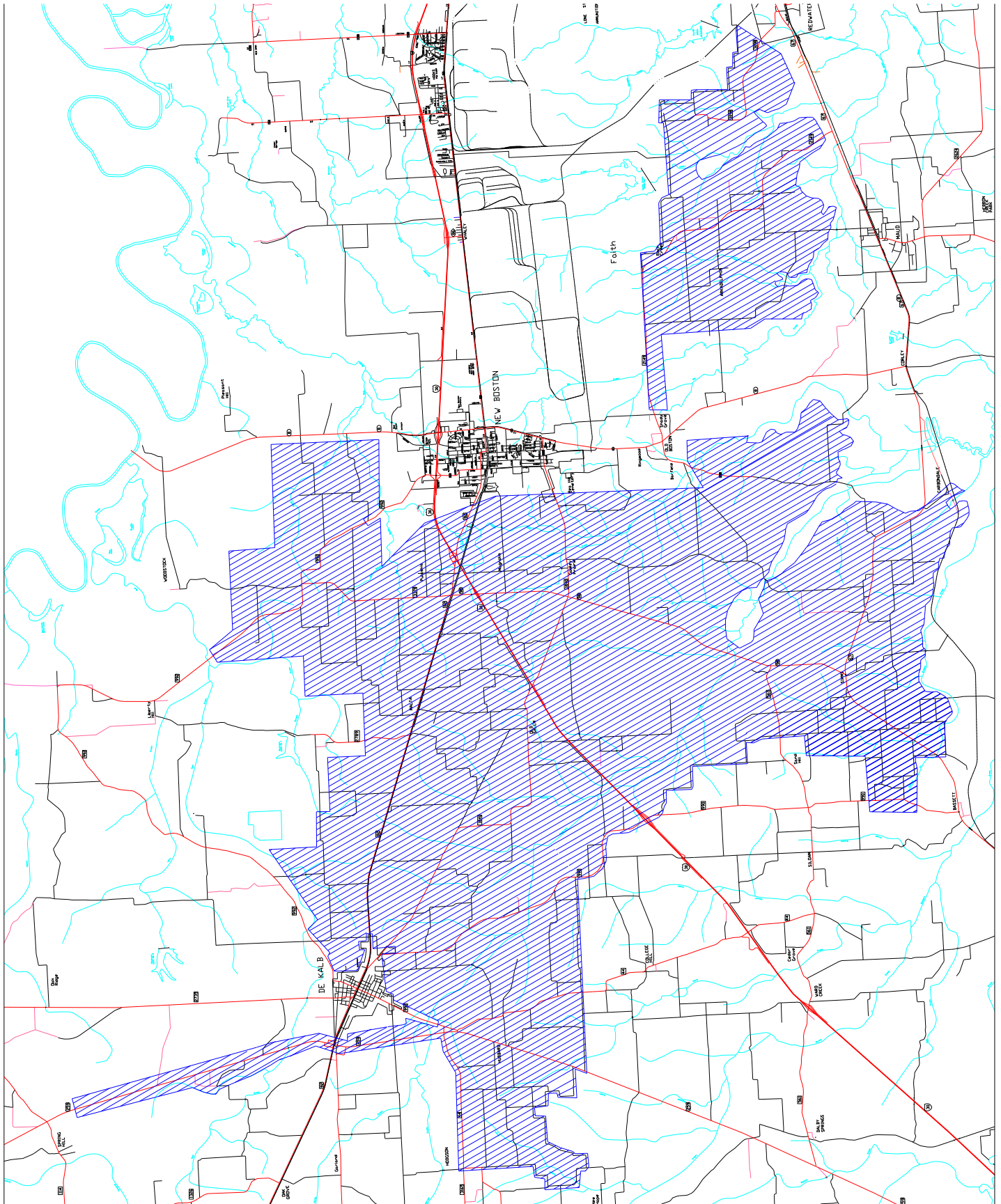
2.11.1.1 See if they have registered with the TCEQ, (Chapter 13 Texas Water Code Subchapter M.)

2.11.1.2 See that they do not charge their tenants more than the total amount of charges that you have billed. If the aggregate bill is greater than the Corporation's charge, the Master Metered Account Customer is considered by the TCEQ to be a separate Public Water System and will be required to comply with all TCEQ regulations.

2.11.1.3 Protect the System's CCN. Should the Master Metered Account Customer continue to violate these or other State regulations, the Corporation will need to request a Cease and Desist Order from the TCEQ. (Texas Water Code Chapter 13.252 and 30 TAC Chapter 291.118)

2.12 VOLUNTARY CONTRIBUTIONS POLICY -- The Corporation's board has approved and set up guidelines for accepting Voluntary Contributions on Behalf of Emergency Service Providers in our service area. The policy adopted sets up the guidelines for collection, accounting, and distribution of funds to the respective local Emergency Service Response entities. References: TAC Water Code Chapter 13.143 & Chapter 67.017 (See Voluntary Contribution Policy in Miscellaneous Section.)

SECTION 3: GEOGRAPHIC AREA SERVED



SECTION 4: RATES AND SERVICE FEES

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

4.1 Service Investigation Fee

The Corporation shall conduct a service investigation for each service application submitted at the Corporation office. An initial determination shall be made by the Corporation, without charge, as to whether the service request is Standard or Non-Standard. An investigation shall then be conducted and the results reported under the following terms:

- 4.1.1 All Standard Service requests shall be investigated without charge and all applicable costs for providing service shall be quoted in writing to the Applicant within ten (10) working days of application.
- 4.1.2 All Non-Standard Service requests shall be subject to a fee, appropriate to each project, of sufficient amount to cover all administrative, legal, and engineering fees associated with an investigation of the Corporation's ability to deliver service to the Applicant. The fee will be determined by all cost required in order for the Corporation to deliver:
 - 4.1.2.1 cost estimates of the project,
 - 4.1.2.2 detailed plans and specifications as per final plat,
 - 4.1.2.3 bid proposals,
 - 4.1.2.4 a Non-Standard Service Contract to the Applicant, and
 - 4.1.2.5 to provide other services as required by the Corporation for such investigation. A Non-Standard Service Contract shall be presented to the Applicant within a suitable amount of time as determined by the complexity of the project. (See Section 6.)

4.2 Membership Fee

At the time the application for service is approved, a Membership Fee must be paid for each service requested before service shall be provided or reserved for the Applicant by the Corporation. This fee is partially refundable (see 5.7)

- 4.2.1 The Membership Fee for water service is \$100.00 for each service unit.
- 4.2.2 Membership fee for oversized or Master Metered Accounts shall be based on multiples of meter size equivalence or actual connections served.

4.3 Easement Fee

When the Corporation determines that private right-of-way easements and/or facilities sites are necessary to provide service to the Applicant, the Applicant shall be required to make good faith efforts to secure easements in behalf of the Corporation and/or pay all costs incurred by the Corporation in validating, clearing, and retaining such right-of-way in addition to tap fees otherwise required pursuant to the provisions of this Tariff. The costs may include all legal fees and expenses necessary to attempt to secure such right-of-way and/or facilities sites in behalf of the Applicant.

4.4 Installation Fee

The Corporation shall charge an installation fee for service as follows:

- 4.4.1** Standard Service shall include all current labor, materials, engineering, legal, customer service inspection, and administrative costs necessary to provide individual metered water service thru a 5/8" X 3/4" meter. The cost of Standard Service is \$625.00 consisting of the following

4.4.1.1	Materials	\$800.00
4.4.1.2	Labor	\$222.50
4.4.1.3	Administrative	\$ 65.00

- 4.4.2** Non-Standard Service shall include any and all construction labor and materials, inspection, administration, legal, and engineering fees, as determined by the Corporation under the rules of Section 6 of this Tariff. Non-Standard Service would also include all costs of any pipeline relocations as per Section 5.3.4 of this Tariff or other system improvements.

- 4.4.3** Reset/Re-service fee (see 5.4.2)

4.4.3.1 A meter/property for which the Equity Buy-In Fee was paid in full or is not applicable will be charged the lesser of:

- 4.4.3.1.1 ½ of the Equity Buy-In Fee; OR
- 4.4.3.1.2 \$20.00/month for each month out of service.

4.4.3.2 A meter/property for which the equity buy in fee was not paid in full will not be considered a Reset/Re-service and will be charged the greater of:

- 4.4.3.2.1 the remaining balance of the Equity Buy-In Fee; OR
- 4.4.3.2.2 \$20.00/month for each month out of service up to ½ of the Equity Buy- In Fee.

4.5 Equity Buy-In Fee

4.5.1 Each Applicant shall be required to achieve parity with the contributions to the construction of the Corporation's facilities and capacity that have been made previously by existing members. The Equity Buy-In Fee will be applied to all Standard and Non-Standard Service installations. It will not be applied to a Reset/Re-service. The base fee is \$2,032.50. The fee is graduated based on the size of the meter.

4.5.2 The actual fee is determined by multiplying the base fee by the AWWA equivalent units associated with a particular size of meter as follows:

Meter Size AWWA Equivalent Units

5/8" X 3/4"	1
3/4"	1.5
1"	2.5
1.5"	5
2"	8
Etc.	Etc.

4.5.3 The Equity Buy-In Fee may be paid in installments. The number of installments will not exceed 24. The installments may be paid by a renter with an alternative billing arrangement with the permission of the land owner. Installment plans are non-transferable. Any remaining balance must be paid before the membership is transferred, or the transferee must enter into a separate installment plan. Until the Equity Buy-In Fee is paid in full, a meter/property is not eligible for service as a Reset/Re-service should service be stopped and restarted. (See 4.4.3.2)"

4.6 Rates

4.6.1 Service Availability or Minimum charge. This is the monthly charge for metered water service which is based on demand.

Meter Size	Charge
5/8" X 3/4"	\$40.00
1"	\$57.50
1.5"	\$70.00
2"	\$107.50

4.6.2 Gallonage charge for users \$0.00 per thousand for 2,000 gals or less
 \$17.77 per thousand for 2,001 - 20,000 gals
 \$19.27 per thousand for all over 20,000 gals

4.6.3 Customer Notice Provisions. The Corporation shall give written notice of monthly rate changes by mail or hand delivery to all consumers at least 30 days prior to the effective date of the new rate. The notice shall contain the old rates, new rates,

effective date of the new rate, date of Board authorization, and the name and phone number of the Corporation's contact person designated to address inquiries about the rate change.

4.6.4 Dry Tap (see definition, 1.9) \$20.00/month

4.7 Late Payment Fee

- 4.7.1** The Corporation shall charge a \$2.50 late fee. This fee will be applied to any payment received after 4pm on the 15th of the month, except when the 15th falls on a weekend or holiday, in which case the deadline will be extended to 4pm on the next business day.
- 4.7.2** Any extensions beyond the date established as the service disconnection date are subject to a \$10.00 processing fee at the discretion of the Corporation.
- 4.7.3** If any unauthorized balance is carried over to the next month, 5 percent of that balance will be charged to the account. Any account carrying over an unauthorized balance which is not paid within 90 days is subject to disconnection.

4.8 Service Charges

- 4.8.1** Reconnect Fee – After water service has been discontinued for non-payment or for violation of any of the Corporations Rules and Regulations, in order to restore service the member must pay all charges due on the account, including: service availability charges, gallonage charges, penalties, service fees, late fees, disconnection fees, returned check fees, tampering fees, and any outstanding balance if on a deferred payment plan. Normally, reconnections will only be performed during normal business hours. However, the Corporation may re-connect a meter during non-business hours if requested by a member at the discretion of the Corporation. There will be an additional charge of \$100.00. In order to restore service, the member must agree to pay all charges due on the account by noon on the next business day.
- 4.8.2** Service Trip Fee – The Corporation shall charge a trip fee of \$25.00 for any service call or trip to the Member's tap as a result of a request by the Member or resident (unless the service call is in response to damage of the Corporation's or another Member's facilities)
- 4.8.3** Disconnection Fee - A \$25.00 fee for disconnection will be charged to members requesting disconnection only or membership liquidation. Normally, disconnections will only be performed during normal business hours. The Corporation may disconnect a meter during non-business hours if requested by a member at the discretion of the Corporation. For non-emergency, non-business hours disconnections at the request of the member, there will be an additional charge of \$100.00. (see also 5.20)
- 4.8.3.1** Should the corporation initiate the disconnection due to non-payment or rule

violations, the member will be charged a \$50.00 fee.

4.8.3.2 The disconnection fee will be assessed against any delinquent account appearing on the disconnect list. (Except Dry Taps) An account is automatically added to the disconnect list if not paid by 4pm on the 25th, except when the 25th falls on a weekend or holiday in which case the deadline will be extended to 4pm on the next business day (unless arrangements have been made prior to 4pm on the 25th to receive a payment extension).

4.8.3.3 If a member stops the employee at the member's meter before the meter has been locked or removed and agrees to pay the bill the applicable disconnection fee will still be due. All charges due the corporation must be paid at the office by noon the next day or employees will return to the location and discontinue service.

4.9 Returned Check Fee

The Corporation shall charge a \$30.00 returned check fee on all checks returned to the Corporation by a Financial Institute for any reason.

4.10 Tampering/Equipment Damage 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 of \$350.00 plus the actual costs for all labor, material, and equipment necessary for repair, replacement, and other Corporation actions shall be charged. This fee shall be charged and paid before service is re-established. All components of this fee will be itemized, and a statement shall be provided to the Member. If the Corporation's facilities or equipment have been damaged due to negligence or unauthorized use of the Corporation's equipment, right-of-way, or meter shut-off valve, or due to other acts for which the Corporation incurs losses or damages, the Member shall be liable for all labor and material charges incurred as a result of said acts or negligence. Any charges resulting from damage will be charged to the Member's account (See paragraph 5.28)

4.11 Assessments

If at the end of the fiscal year, or in the event of emergency repairs, the Board of Directors determines the total amount derived from the collection of water or wastewater charges to be insufficient for the payment of all costs incident to the operation of the Corporation's system during the year in which such charges are collected, the Board shall make and levy an assessment against each Member of the Corporation as the Board may determine or as may be required by Rural Development, so that the sum of such assessments and the amount collected from water and other charges is sufficient to fully pay all costs of the operation,

maintenance, replacement and repayment on indebtedness for the year's operations. (Article XVIII of Bylaws, Section 1.)

4.12 Meter Test Fee

The corporation shall test a Member's meter upon written request of the Member. A meter testing fee of \$100.00 will be charged to the account if the meter is found to be under registering, or within AWWA standards. (See 5.26 and 5.27)

4.13 Recorded Deed Deposit If the recorded deed is not available in a timely manner, applicant may enter into a Recorded Deed Delivery Agreement at the discretion of the Corporation. A fully refundable \$75.00 deposit is required as a consideration for entering into the agreement.

4.14 Delinquent Dry Tap Fee. A fee of \$5.00 will be assessed on any "Dry Tap" not paid by the 22nd of the month, except when the 25th falls on a weekend or holiday, in which case the deadline will be extended to 4pm on the next business day.

4.15 Customer Service Inspection Fee. If the inspection is contracted by Central Bowie County WSC, the applicant/member will be charged a fee equal to the fee charged by the contractor.

4.16 Water Sample Fee. In the event that new facilities must be constructed in order to provide water service, one or more water samples must be taken before the facilities can be placed into service. The applicant/member will be charged a fee equal to the fee charged by the Laboratory.

4.17 Easement Filing Fee. When an easement(s) is(are) required to provide service, the applicant/member will be charged a fee equal to the fee charged by the County Clerk for recording the document(s) in the official county records.

4.18 Locate Fee: When other underground utilities have to be located through the Texas 811 system the applicant/member will be charged a fee of \$20.00.

4.19 Permit Fee(administrative): When a state or county permit is required in order to provide service, the applicant/member will be charged a fee of \$30.00.

4.20 Permit Fee(engineering): In the event that outside engineering/surveying is required in order to obtain service, the applicant/member will be charged a fee equal to the fee charged by the engineer/surveyor.

4.21 Customer History Fee: Should a customer request information and or documents requiring research a fee of \$30.00 which includes the first hour of research. Additional hours will be billed at \$20.00 per hour. Copies are \$2.00 per page.

SECTION 5: SERVICE RULES AND REGULATIONS

5.1 Service Entitlement

The Applicant(s) shall be considered qualified and entitled to water utility service when proper application has been made, terms and conditions of Service and Membership have been met and continue to be met, and all fees have been paid as prescribed. (30 TAC 291.85 (a))

5.2 Service Location and Classification

For the purposes of this Tariff, service requested by the Applicant(s) shall be for real estate designated to receive the service provided by the Corporation. Service shall be through a meter located on that designated real estate unless otherwise approved by the board. Service shall be divided into the following two classes:

5.2.1 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. This includes a 5/8" X 3/4" sized meter set on an existing pipeline. Only 5/8" X 3/4" meters will be installed for residential applications. In order to obtain a larger meter for other applications, a valid need for greater volume must be self-evident, demonstrated, or specified by a licensed professional engineer or architect.

5.2.2 Non-Standard Service is defined as any service request which requires a larger meter service, service to a Master Metered Account (see 5.3.2), or an addition to the supply, storage and/or distribution/collection system. The service requirements as prescribed by Section 6 of this Tariff shall be required of the Non-Standard Service Applicant prior to providing service.

5.3 Service Requirements

The Corporation's Service Application and Agreement Form shall be completed in full and signed by the Applicant(s). Where applicable in addition to the applicant any other person sharing an ownership interest in and receiving service at that property shall sign the Service Application and Agreement Form (Typically this would be the applicant's spouse). A Right-of-Way Easement Form, Sanitary Control Easement, or other such easement form, required by the Corporation, must be completed by the Applicant for the purpose of allowing future facility

additions. (30 TAC 290.47 Appendix C.) **NOTE:** This requirement may be delayed for Non-Standard Service requests.

- 5.3.1** 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 fee simple title to the real estate designated to receive service. (Texas Water Code 67.016 (e), and 13.002 (11). A copy of the recorded document will be delivered to the Corporation.
- 5.3.2** 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, unless the Corporation determines that installation of individual meters are not feasible. If the Corporation determines that installation of meters is not feasible, the property owner or manager shall install a plumbing system that is compatible with the installation of submeters or individual meters. The Corporation shall be entitled to the payment of costs, including the costs of individual meter installations, as provided in Section 6.4. The cost of individual meter installation shall be prepaid by the property owner as well as the cost of any additional facilities or supply occasioned by the total water/sewer service demand represented by full occupancy of the property, as determined under applicable provisions of Section 6. It shall be the responsibility of the property owner to obtain the memberships required for each individual meter. The Corporation shall consider master metering and/or non-standard sewer service to apartments, condos, trailer /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:
- 5.3.2.1** owned by the same person, partnership, cooperative, corporation, agency, public or private organization of any type but not including a family unit,
 - 5.3.2.2** directly inaccessible to public right-of-way, and
 - 5.3.2.3** considered a commercial enterprise i.e. for business, rental, or lease purposes.
- 5.3.3** 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. (30 TAC 291.81 (a) (1))
- 5.3.4** 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 any previous landowner's refusal to grant easement to the Corporation for the purpose of installing the water main and appurtenances, and the Corporation has documentation of such refusal, the Applicant, prior to receiving the requested service, shall grant easement required under this Tariff and in addition to the normally required fees for new customer

service, shall pay such sums as are reasonably necessary to cap the existing line in the ROW and construct the appropriate line or lines within that easement for the Corporation's system-wide service.

5.4 Activation of Standard Service

5.4.1 New Tap -- The Corporation shall charge a non-refundable service installation fee as required under Section 4 of this tariff. 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))

5.4.2 Re-Set/Re-Service--An applicant for service which a tap already exists, but for which the meter has been removed for any reason and the Equity Buy-In Fee has been paid in full or is not applicable, may be approved by the Corporation for service as a Re-set/Re-service provided that the Applicant pays any back-charges, penalties, and service charges of the previous account necessary to restore service. In addition, existing facilities must be in complete working order and meet current standards. Applicant is responsible for all costs required to restore/upgrade facilities to current standards. Any applicant unwilling to pay such fees and charges shall apply for service under the terms of this tariff for Standard Service.

5.4.3 Performance of Work -- All tap and equipment installations specified by the Corporation shall be completed by the Corporation staff or designated representative after all application requirements have been met. The tap for a standard service request shall be completed within five (5) working days whenever practicable, but not later than 10 working days. This time may be extended for installation of equipment for Non-Standard Service Request. (See Section 6)

5.4.4 Inspection of Customer Service Facilities -- The property of the Applicant/Member 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, inspect, test, maintain and provide all required documentation of any approved backflow prevention device required by the Corporation. (30 TAC 290.46(j))

5.5 Activation of Non-Standard Service

5.5.1 Activation of Non-Standard Service shall be conducted as prescribed by terms of Section 6 of this Tariff.

5.5.2 The same terms which apply under the Activation of Standard Service Sub-Section on Re-Set/Re-Servicing shall be applied to Non-Standard Re-Service requests. (See 5.3.2)

5.6 Changes in Service Classification

If at any time the Corporation determines that the customer service needs changed from those

originally applied for to a different service classification and the Corporation determines that additional or different facilities are necessary to provide adequate service, the Corporation shall require the Applicant/Member to re-apply for service under the terms and conditions of this Tariff. Applicant/Members failing to comply with this provision shall be subject to the Disconnection with Notice Provisions of this Tariff, Sub-Section 5.20.1.

5.7 Membership

5.7.1 Eligibility - The Corporation shall grant membership only to owners of real property on which the requested Standard or Non-Standard Service is to be provided. Eligibility for Membership shall not guarantee service to the Applicant or Transferee; however, qualification for service is a prerequisite to Membership eligibility for new Applicants or continued Membership for Transferees.

5.7.2 Membership - Upon qualification for service, qualification for Membership, and payment of the required fees, the Corporation shall certify the Applicant as a Member.

5.7.2.1 The Membership shall entitle the Member to one (1) connection to the Corporation's water/sewer utility service and one (1) share of Corporation Stock.

5.7.2.2 The Membership entitles the Member to one (1) vote in the election of directors and in such other matters requiring the approval of the Corporation's Members at any Annual or Special Membership Meeting of the Corporation as prescribed by the Corporation Bylaws.

5.7.2.3 Ownership of more than one (1) Membership shall not authorize the Member to cast more than one (1) vote at any annual or special meeting. Each Membership and Stock thereby represented may be assigned to the specified parcel of land originally designated to receive service at the time of application. (Texas Water Code 67.016)

5.7.2.4 In the event that the Corporation is conducting a potential Members survey for indications of interest in future service for the purpose of determining the feasibility of an initial construction or expansion project under RUS guidelines (see Sample Application Packet - RUS TX Bulletin 1780-8, Membership Survey Data Sheet), regular application procedures may be modified. An Indication of Interest Fee may be required prior to qualifications for receipt of service by the Applicant but shall only be used or applied as a Membership Fee for Membership purposes (upon issuance of a Membership) if service is ultimately received or reserved by the Applicant as a result of the planned project facilities. If service is not provided within the scope of this project, Indication of Interest Fees shall be refunded, less expenses, within sixty (60) days of the loan closing with the Rural Utilities Service.

- 5.7.2.2** In the event the applicant is in the process of construction the Membership will be considered TEMPORARY until such time as the final Customer Service Inspection is completed and the forms are returned as required. (See 1.33 and 5.1)

5.7.3 Transfers of Membership. (Texas Water Code 67.016)

- 5.7.3.1** A Member is entitled to transfer Membership in the Corporation only under the following circumstances

- 5.7.3.1.1** The Membership is transferred by will to a person related to the Transferor within the second degree by consanguinity; or
- 5.7.3.1.2** The Membership is transferred without compensation to a person related to the Transferor within the second degree by consanguinity; or
- 5.7.3.1.3** The Membership is transferred without compensation or by sale to the Corporation; or
- 5.7.3.1.4** The Membership is transferred as a part of the conveyance of real estate from which the Membership arose.

- 5.7.3.2** In the event that Membership is transferred pursuant to the provisions of Sub-Section 5.7.3.1 such transfer shall not be completed or recorded on the books and records of the Corporation until such time as the transferor has provided satisfactory evidence to the Corporation of such transfer. A transfer of Membership shall not be binding on the Corporation until such transfer has been approved as provided by Sub-Section 5.7.3.3

- 5.7.3.3** Qualifications for service upon transfer of Membership set forth in Sub-Section 5.7.3.1 and 5.7.3.2 shall be subject to approval of the Corporation and shall be recorded on the books and records of the Corporation only upon the following terms and conditions:

- 5.7.3.3.1** A Transfer Authorization Form has been completed by the Transferor and Transferee;
- 5.7.3.3.2** The Transferee has completed the required Application Packet;
- 5.7.3.3.3** All indebtedness due the Corporation has been paid; and
- 5.7.3.3.4** The Transferee demonstrates satisfactory evidence of ownership of the property designated to receive service and from which the Membership originally arose.

- 5.7.3.4** If the application packet and other information is not completed on the day transfer of membership is requested the corporation will give the transferee

written notice of 10 additional days to produce completed documentation to the corporation office. Service will be disconnected on the day following the 10th day according to disconnection with notice requirements. Additional time may be allowed at the directions of the manager or board.

- 5.7.4 Cancellation of Membership** -- To keep a Membership in good standing, a Service Availability Charge or a Reserved Service Charge must be paid monthly to the Corporation, whether or not water is used. Failure to pay this monthly charge to the Corporation shall jeopardize the Member's Membership standing and give rise to liquidation of the Membership Fee and forfeiture of the Membership. A Member may be relieved of this obligation to pay by surrendering the Membership, properly documented, to the Corporation. The Member shall also complete a Service Discontinuance Request Form prior to termination of service. However, a Member is not relieved of any obligations incurred prior to the date of surrender of a properly endorsed Membership prior to termination of service. Rights to future service at this tap shall be extended on an as-available basis and subject to the terms this Tariff. (Texas Water Code 67.016)
- 5.7.5 Liquidation Due To Delinquency** -- When the amount of the delinquent charges owed by the Member equals the Membership Fee, the Membership Fee shall be liquidated and the Membership canceled and transferred back to the Corporation. In the event the Member leaves a balance due on an account guaranteed under the terms of a Service Application and Agreement, and the delinquent Member owns more than one Membership, the Corporation may liquidate as many of the Member Guarantor's Membership Fees as necessary to satisfy the balance due the Corporation, provided proper notice has been given. (See 5.20.1) The Corporation shall collect any remaining account balances by initiation of legal action. Re-instatement of service shall be subject to the terms of this Tariff.
- 5.7.6 Cancellation Due To Policy Non-Compliance** -- The Corporation may cancel a Membership anytime a Member fails to comply with policies of the Corporation, including but not limited to Member's failure to provide proof of ownership of the property from which the Membership arose. (Texas Water Code 67.016)
- 5.7.7 Re-assignment of Canceled Membership** -- The Corporation, upon cancellation of Membership under the provisions of this Tariff, may re-assign the Membership rights thereby granted to any person who satisfactorily demonstrates eligibility for Membership, including but not limited to proof of ownership of the property from which the Membership arose. (Texas Water Code 67.016)
- 5.7.8 Mortgaging of Memberships** -- Nothing herein shall preclude a Member from mortgaging his/her Membership. However, notification to the holder of any security interest (mortgagee/lien-holder) of account status of Member/mortgagor will be provided only upon satisfactory completion of requirements for such conditions under the Membership Mortgage Agreement. Prior to the cancellation of any Membership as provided under 5.7.4 or 5.7.5, the Corporation will notify the holder of any security interest in the Membership. The holder of the security interest also

must hold a security interest in the real property at which water service is provided under the Membership. The Corporation may transfer the Membership to the holder of such security interest in lieu of cancellation, provided the holder of the security interest pays in full all delinquent and unpaid obligations and provided further that the holder of the security interest has secured title to the real property from which the Membership arose. The Corporation may withhold cancellation of a Membership pending the resolution of any foreclosure proceedings or similar legal proceedings by the holder of the security interest.

5.7.9 Cancellation and Re-Assignment of Membership as a Result of Bankruptcy Proceedings -- Upon notice of the filing of a petition in bankruptcy, the Corporation may require the posting of a deposit or other form of security, acceptable to the Corporation, as a condition for continuing utility service. Unless special circumstances require otherwise, the amount of security shall equal the amount of charges for the month of greatest use during the preceding 12 months. The Corporation shall not require the payment of any security prior to the expiration of 20 days following the date on which the petition is filed. Failure to provide this security by the date specified by the Corporation may result in termination of service according to the Disconnection with Notice Provisions of Section 5.20.1 of this tariff, with a copy of the notice to the bankruptcy Trustee.

5.8 Owners and Renters

Any Member, renting or leasing real estate property designated to receive service according to the terms of this tariff to other parties, is responsible for all charges due the Corporation. 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 any and all unpaid bills left by the renter/lessee. The owner shall be required to sign an Alternate Billing Agreement. The Member shall take responsibility for any necessary deposits from the renter/lessee to ensure payment of a past due bill. The Corporation will notify the Member of the renter's past due payment status. Such notification will be subject to a service charge.

5.9 Ownership

If the ownership of any property and/or membership is ever in dispute, contested, questioned, or challenged as a result of any actual, implied, purported, perceived or similar event, document, circumstance, death, divorce, court proceeding, or will, CBCWSC reserves the right to take no action except as directed by the court until such time as the matter is resolved through appropriate legal action.

5.10 Denial of Service

The Corporation may deny service for the following reasons:

- 5.10.1** Failure of the Applicant or Transferee to complete all required easements, forms and pay all required fees and charges;
- 5.10.2** Failure of the Applicant or Transferee to comply with rules, regulations, policies,

and bylaws of the Corporation;

- 5.10.3** Existence of a hazardous condition at the Applicant's property which would jeopardize the welfare of the Members/Users of the Corporation upon connection;
- 5.10.4** Failure of Applicant or Transferee to provide representatives or employees of the Corporation reasonable access to property, for which service has been requested;
- 5.10.5** Failure of Applicant or Transferee to comply with all governmental rules and regulations of the Corporation's tariff on file with the state regulatory agency governing the service applied for by the Applicant;
- 5.10.6** Failure of Applicant or Transferee to provide proof of ownership, to the satisfaction of the Corporation, of property for which the tap has been requested, and/or
- 5.10.7** Applicant's service facilities are known to be inadequate or of such character that satisfactory service cannot be provided.

5.11 Applicant's or Transferee's Recourse

In the event the Corporation refuses to serve an Applicant under the provisions of these rules, the Corporation must notify the Applicant, in writing, on the basis of its refusal. The Applicant may file for an appeal, in writing, with the Board of Directors of the Corporation.

5.12 Insufficient Grounds for Refusal of Service

The following shall not constitute sufficient cause for the refusal of service to an Applicant:

- 5.12.1** Delinquency in payment for service by a previous occupant of the premises to be served;
- 5.12.2** Failure to pay a bill to correct previous under billing due to misapplication of rates more than six (6) months prior to the date of application;
- 5.12.3** Violation of the Corporation's rules pertaining to operation of non-standard 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;
- 5.12.4** Failure to pay a bill of another customer as guarantor thereof unless the guarantee was made in writing to the Corporation as a condition precedent to service;
- 5.12.5** 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;
- 5.12.6** 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.

5.13 Deferred Payment Agreement

The Deferred Payment Plan may be offered if due to extraordinary circumstances member's monthly bill is unusually large and exceeds their ability to pay it. The Corporation may offer a deferred payment plan to a Member who cannot pay an outstanding balance in full and is willing to pay the balance in reasonable installments as determined by the Corporation; including any late penalty fees or interest on the monthly balance to be determined as per agreement. The member must then, in addition to their monthly charges for water used, pay reasonable installments on their outstanding balance plus late fees and interest. Entering the Deferred Payment plan is at the discretion of the Corporation. -

5.14 Charge Distribution and Payment Application

5.14.1 The Service Availability Charge or the Reserved Service Charge -- is for the billing period from the 1st day of the month to the last day of the month. Charges shall be prorated for meter installations and service termination's falling during the billing period. Billings for this amount are due on the first of the month following the month in which the charge occurred. All services shall be subject to this charge whether or not the service is in use by the Member.

5.14.2 Gallonage -- Gallonage Charge is defined as water usage in excess of the water allotment included in the Service Availability Charge shall be charged at the rate specified in Section 4 and shall be billed in 10 gallon increments. Water charges for usage exceeding the monthly allotment are based on monthly meter readings and are calculated from reading date to reading date. Readings used in all billing calculations shall be taken by the Member. Payments for the total usage are due on the 1st day of each month.

5.15 Due Dates, Delinquent Bills, and Service Disconnection Date

All bills are due monthly and are considered the responsibility of each person signing the Service Application and Agreement Form.

5.16 Billing

5.16.1 Charges for water service are due monthly unless otherwise authorized by the Corporation or unless service is rendered for a period of less than a month. Payment is due on the 1st of each month.

5.16.2 If payment is not made for regular or additional water charges or any other indebtedness to the corporation by the 15th day of the month, the account is considered delinquent, a penalty shall be applied as described in Section 4 and the member shall be subject to disconnection by the corporation.

5.16.3 A member's water service may be disconnected if the bill has not been paid by

the 25th and if proper notice has been given. Proper notice shall consist of a mailing or hand delivery at least five (5) days prior to a stated date of disconnection. If the member should request to be reconnected to the facilities of the Corporation, after water service has been discontinued for nonpayment, and the member pays the amount due the Corporation on all bills plus a disconnection fee. (see 4.8.4)

5.16.4 Water service will be reconnected during regular working hours.

5.16.5 If the past due date for the regular or final billing is on a weekend or holiday, the past due date for payment purposes shall be the next day the Corporation office is open for business after said weekend or holiday.

5.16.6 Charges shall be paid by mailing a check or money order to the address noted on the bill on a date that will insure receipt thru normal mail of the payment by the utility on or before the due date. Bills may also be paid at the office of the Corporation during normal working hours or after hours by placing payment in drop box.

5.16.7 Upon written request, any residential customer 60 years of age or older who occupies the entire premises of a dwelling receiving water utility service from the Corporation shall receive extension of the past due date, without penalty. The extension shall not exceed 10 days beyond the usual 15 day payment period for a total of no more than 25 days from the date the bill is issued. The request may specify extension of the late payment periods for current and subsequent billings. (Reference Utilities Code Section 182.001 - 182.005)

5.17 Posting of Payments

All payments shall be posted against previous balances prior to posting against current billings.

5.18 Records Location and Availability

The records of the Corporation shall be kept in the Corporation Office in New Boston, TX. These records may, upon request, be examined by any Member of the Corporation. The records may not be removed from the Corporation's office.

5.19 Service Agreement

5.19.1 The Corporation shall sell and deliver water service to the Applicant and the Applicant shall purchase, receive, and/or reserve service from the Corporation, in accordance with the by-laws 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.

- 5.19.2** 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
- 5.19.3** 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 the service Agreement
- 5.19.4** If this agreement is completed for the purpose of assigning utility service as a part of a rural domestic water 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:
- 5.19.4.1.** The number of taps to be considered in the design and
- 5.19.4.2.** The number of potential ratepayers considered in determining the financial feasibility of constructing
- 5.19.4.2.1** a new water system or
- 5.19.4.2.2** expanding the facilities of an existing water system.
- 5.19.5** 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.
- 5.19.6** All water shall be metered by meters to be furnished and installed by the Corporation. The meter connection is for the sole use of the Member or customer and is to provide service to only one (1) dwelling or one (1) business. Extension of pipe(s) to transfer utility service from one property to another, to

share, resell, or sub meter water to any other persons, dwellings, businesses, or property, etc., is prohibited. EXCEPTION: A member with service to a property having one(1) address and one(1) entrance may have additional connections per meter provided that the member purchases additional memberships and pays an additional monthly service availability or minimum charge for each additional connection. Each additional connection will be allotted 2,000 gallons of water per month free of gallonage charges.

5.19.7 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.

5.19.8 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:

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

5.19.8.2 No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the proper installation of an air gap 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.

5.19.8.3 No connection which allows condensing, cooling, or industrial process

water to be returned to the public drinking water supply is permitted.

- 5.19.8.4** No pipe or pipe fitting which contains more than 0.25 % lead may be used for the installation or repair of plumbing on or after June , 1986, at any connection which provides water for human consumption.
- 5.19.8.5** No solder or flux which contains more than 0.2 % lead may be used for the installation or repair plumbing on or after July 1, 1988, at any connection which provides water for human consumption.
- 5.19.9** 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.
- 5.19.10** 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.
- 5.19.11** 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.
- 5.19.12** 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.
- 5.19.13** 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.

- 5.19.14** In order for a member to receive and continue to receive service, the member (and/or renter if applicable) must allow the corporation and/or their designated agents and/or designated contractors access to the member's property at all reasonable and necessary times. Access will be limited as defined by the easement of record for that particular property and the terms of the Tariff and Service Agreement. The corporation and/or their designated agents and/or designated contractors must be allowed to construct, install, maintain, replace, upgrade, parallel, inspect, test and operate any existing or additional facilities as necessary to serve that Applicant as well as the Corporation's purposes in providing system wide service for existing or future members. Denial of access for the aforementioned purposes shall be considered by the corporation failure to comply with the rules, regulations, policies, and bylaws of the Corporation and grounds for denial of service under paragraph 5.10 or disconnection of service under paragraph 5.20. (see also 5.19.1 and 5.19.3)
- 5.19.15** If the Corporation determines that a current member has no signed service agreement on file, the member will be required to execute a service agreement in order to continue receiving service. (see 5.10.1) Additionally, if no easement of record can be identified for a member's property the member will be required to execute a permanent recorded easement in order to continue receiving service. (see 5.19.13)

5.20 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. In instances of nonpayment of sewer service or other violations by a Member who is not a water customer, the Corporation has the option to disconnect the sewer tap or take other appropriate actions.

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

5.20.1.1 Returned Checks -- The Corporation shall mail, via the U.S. Postal Service, a notice requiring redemption of the returned instrument within ten (10) days of the date of the notice to be made in the Corporation office. Redemption of the returned instrument shall be made by cash, money order, or certified check. Failure to meet these terms shall initiate disconnection of service. (See Miscellaneous Transaction Forms) Any such instruments returned as insufficient or non-negotiable for any reason for any two billing periods within a 12-month period shall be considered evidence of bad credit risk by the Corporation. The Member/Customer in violation shall be placed on a "cash-only" basis for a period of 12 months. **NOTE:** "cash only," means certified check, money order, or cash.

5.20.1.2 Failure to pay a delinquent account for utility service, failure to timely

provide a deposit or other security under Section 5.7.9, or failure to comply with the terms of a deferred payment agreement (See 5.13);

- 5.20.1.3** Violation of the Corporation's rules pertaining to the use of service in a manner which interferes with the service of others or the operation of non-standard equipment if a reasonable attempt has been made to notify the Member and the Member is provided with a reasonable opportunity to remedy the situation;
- 5.20.1.4** Failure of the Member to comply with the terms of the Corporation's Service Agreement, Tariff, Drought Contingency Plan, Bylaws, or Special Contract provided that the Corporation has given notice of said failure to comply, and Member has failed to comply within a specified amount of time after notification.
- 5.20.1.5** Failure to provide access to the meter under the terms of this Tariff or to property at which water service is received when there is reason to believe that a hazardous condition or policy violation exists for which access is necessary to verify.
- 5.20.1.6** Misrepresentation by any Applicant or Transferee of any fact on any form, document, or other agreement required to be executed by the Corporation.
- 5.20.1.7** Failure of Member to re-apply for service upon notification by the Corporation that Member no longer meets the terms of the service classification originally applied for under the original service application.
- 5.20.1.8** Cancellation of membership by Member on an account that the Member holds for water service to the Member's renter/lessee, even if the renter/lessee has kept the account balance current under an Alternate Billing Agreement. (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/LEESSEES.)

5.20.2 Disconnection Without Notice -- Water utility service may be disconnected without notice for any of the following conditions:

- 5.20.2.1** A known dangerous or hazardous condition exists for which service may remain disconnected for as long as the condition exists, including but not limited to a violation of the Texas Sanitation and Health Protection Law 4477-1, or there is reason to believe a dangerous or hazardous condition exists and the Member refuses to allow access for the purpose of confirming the existence of such condition and/or removing the

dangerous or hazardous condition (See 5.19.8, 5.19.10, and 30 TAC 290.46 (j));

5.20.2.2 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

5.20.2.3 In instances of tampering with the Corporation's meter or equipment, by-passing the meter or equipment, or other diversion of service. **NOTE:** Where reasonable, given the nature of the reason for disconnection, a written statement providing notice of disconnection and the reason therefore shall be posted at the place of common entry or upon the front door of each affected residential unit as soon as possible after service has been disconnected.

5.20.3 Disconnection Prohibited -- Utility service may not be disconnected for any of the following reasons:

5.20.3.1 Failure of the Member to pay for merchandise or charges for non-utility service provided by the Corporation, unless an agreement exists between the Applicant and the Corporation whereby the Member guarantees payment of non-utility service as a condition of service;

5.20.3.2 Failure of the Member to pay for a different type or class of utility service unless a fee for such service is included in the same bill;

5.20.3.3 Failure of the Member to pay charges arising from an under billing occurring due to any misapplication of rates more than six (6) months prior to the current billing;

5.20.3.4 Failure of the Member to pay the account of another Member as guarantor thereof, unless the Corporation has in writing the guarantee as a condition precedent to service;

5.20.3.5 Failure of the Member to pay charges arising from an under billing due to any faulty metering, unless the meter has been tampered with or unless such under billing charges are due under the Inoperative Meters subsection 5.25 of this tariff.

5.20.3.6 Failure of the Member to pay estimated bill other than a bill rendered pursuant to an approved meter reading plan, unless the Corporation is unable to read the meter due to circumstances beyond its control.

5.20.4 Disconnection on Holidays and Weekends -- Unless a dangerous condition exists or the Member requests disconnection, service shall not be disconnected on a day, or on a day preceding a day, when personnel of the Corporation are not available to the public for the purpose of making collections and reconnecting service.

5.20.5 Disconnection Due to Utility Abandonment -- The Corporation may not abandon a Member or a Certificated Service Area without written notice to its Members and all similar neighboring utilities and approval from the Texas Commission on Environmental Quality.

5.20.6 Disconnection for Ill and Disabled -- The Corporation may not discontinue service to a delinquent residential Member permanently residing in an individually metered dwelling unit when that Member 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 Member seeks to avoid termination of service under this Sub-section, the Member must have the attending physician call or contact the Corporation within sixteen (16) days of issuance of the bill. A written statement must be received by the Corporation 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 Corporation and Member's physician. The Member shall enter into a Deferred Payment Agreement.

5.20.7 Disconnection of Master-Metered Accounts and Non-Standard Sewer Services -- When a bill for water utility services is delinquent for a master-metered service complex (defined as a complex in which a single meter serves two (2) or more residential dwelling units), the following shall apply: (30 TAC SUBCHAPTER H. 291.126)

5.20.7.1 The Corporation shall send a notice to the Member as required. This notice shall also inform the Member that notice of possible disconnection will be provided to the tenants of the service complex in five (5) days if payment is not rendered before that time.

5.20.7.2 At least five (5) days after providing notice to the Member and at least five (5) days prior to disconnection, the Corporation shall post at notices, stating "Termination Notice" in public areas of the service complex notifying the residents of the scheduled date for disconnection of service.

5.20.7.3 The tenants may pay the Corporation for any delinquent bill in behalf of the owner to avert disconnection or to reconnect service to the complex.

5.20.8 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 Tariff service may be terminated with notice.

5.21 Billing Cycle Changes

The Corporation reserves the right to change its billing cycles if the workload requires such practice. After a billing period has been changed, the billings shall be sent on the new change

date unless otherwise determined by the Corporation.

5.22 Back-billing

The Corporation may back-bill a Member for up to four (4) years (48 months) for meter error, misapplied meter multiplier, incorrect meter readings, or error in computing a Member's bill. Failure to pay the most recent six (6) months billing will result in disconnection of service. Back-billing shall not extend beyond current Membership except in cases involving the transfer of a Membership conditioned upon payment of delinquent obligations by the Transferee, as provided in Section 5.7.8.

5.23 Disputed Bills

In the event of a dispute between the Member and the Corporation regarding any bill, the Corporation shall forthwith make and conduct an investigation as shall be required by the particular case, and report the results in writing thereof to the Member. All disputes under this Subsection must be submitted to the Corporation, in writing, prior to the due date posted on said bill except in cases involving the transfer of a Membership conditioned on payment of delinquent obligations by the Transferee, as provided under Sub-Section 5.7.8.

5.24 Inoperative Meters

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

5.25 Meter Test on Request of Customer

The Corporation shall test any Member's meter upon written request of the Member. The meter will be temporarily replaced, removed, and sent to a third-party testing facility. If the meter is found to be under registering or within the accuracy standards of The American Water Works Association, a test fee as prescribed in 4.12 of this Tariff shall be imposed. The meter may or may not be permanently replaced, depending on the test results. (See 4.12 and 5.27)

5.26 Bill Adjustment Due To Meter Error

In the event a tested meter is faulty or inaccurate by under registering, or within the accuracy standards of The American Water Works Association, a test fee as prescribed in Section 4.12 of this Tariff shall be imposed. In the event the test results indicate that the meter is faulty or inaccurate, by over registering, 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, but not extending beyond current Membership except in cases involving the transfer of a Membership conditioned on payment of delinquent obligations by the Transferee. The billing adjustment shall be made to the degree of the meter's inaccuracy as determined by the test. The Member shall complete a Meter Test Request Form prior to the test. (See 4.12 and 5.26)

5.27 Meter Tampering and Diversion

For purposes of these Sections, meter-tampering, by-passing, or diversion shall all be defined as tampering with the Corporation's service equipment, by-passing the same, or other instances of diversion, such as:

- 5.27.1** removing a locking or shut-off device used by the Corporation to discontinue service,
- 5.27.2** physically disorienting the meter,
- 5.27.3** attaching objects to the meter to divert service or to by-pass,
- 5.27.4** inserting objects into the meter, and
- 5.27.5** other electrical and mechanical means of tampering with, by-passing, or diverting service.
- 5.27.6** The burden of proof of meter-tampering, by-passing, or diversion 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 meter-tampering as provided for in these Sections is initiated. A court finding of meter 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 28.03.

5.28 Meter Relocation

Relocation of services shall be allowed by the Corporation provided that:

- 5.28.1** The property of the new location requested is owned by the current member of the meter to be moved.
- 5.28.2** A current easement for the proposed location has been granted to the Corporation;
- 5.28.3** The Member pays the actual cost of relocation plus administrative fees, and
- 5.28.4** Service capacity is available at proposed location and within CBCWSC's CCN.
- 5.28.5** No transfer of Membership is involved;

5.29 Prohibition of Multiple Connections to a Single Tap. No more than one (1) residential, commercial, or industrial service connection is allowed per meter. 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 5.3.2). Any unauthorized sub metering or diversion of service shall be considered a Multiple Connection and subject to disconnection of service. If the Corporation has sufficient reason to believe a Multiple Connection exists, the Corporation shall discontinue service under the Disconnection with Notice provisions of this Tariff. EXCEPTION: A member with service to a property having one(1) address and one(1) entrance may have additional connections per meter provided that the member purchases additional memberships and pays an additional monthly service availability or minimum charge for each additional connection. Each additional connection will be allotted 2,000 gallons of water per month free of gallonage charges.

5.30 Member's Responsibility

- 5.30.1** The Member shall provide access to the meter at all reasonable times for the purpose of reading, installing, checking, repairing, or replacing the meter. as per the easement and service agreement. Member shall provide a key to locked gates. If access to the meter is hindered or denied preventing the reading of the meter, an estimated bill shall be rendered to the Member for the month; and a notice shall be sent to the effect that access could not be gained. If access is denied for three (3) consecutive months after proper notification to the Member, then service shall be discontinued and the meter removed with no further notice.
- 5.30.2** The Member shall be responsible for compliance with all utility, local, and state codes, requirements, and regulations concerning on-site service and plumbing facilities.
 - 5.30.2.1** All connections shall be designed to ensure against back-flow or siphonage into the Corporation's water supply. In particular, livestock water troughs shall be plumbed above the top of the trough with air space between the discharge and the water level in the trough. (30 TAC 290.46)
 - 5.30.2.2** The use of pipe and pipe fittings that contain more than 0.25% lead or solder and flux that contain more than 0.2% lead is prohibited for any plumbing installation or repair of any residential or non-residential facility providing water for human consumption and connected to the Corporation's facilities. Customer service pipelines shall be installed by the applicant. (30 TAC 290.46)
 - 5.30.2.3** 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.
- 5.30.3** A Member owning more than one (1) Membership shall keep all payments current on all accounts. Failure to maintain current status on all accounts shall be enforceable as per Service Application and Agreement executed by the Member.
- 5.30.4** The Corporation'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 Corporation shall be subject to charges as determined by the Corporation's Tariff as amended from time to time by the Board of Directors.

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

SECTION 6

DEVELOPER, SUBDIVISION AND NON-STANDARD SERVICE REQUIREMENTS

6.1 Corporation's Limitations

All Applicants shall recognize that the Corporation must comply with local, state, and federal rules and regulations as promulgated from time to time, and with covenants of current indebtedness. The Corporation is not required to extend retail utility service to an Applicant in a subdivision where the responsible party (Applicant/Developer) of the applicable property (subdivision) has failed to comply with the terms of this policy. Section 13.2502 of the Texas Water Code requires that notice be given herein or by or by alternative means to the Developers/Applicants.

6.2 Purpose

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

- 6.2.1** For purposes of the Section, the term "Applicant" shall refer to the individual or entity that desires to secure Non Standard Service from the Corporation. The Applicant must be the same person or entity that is authorized to enter into a contract with the Corporation setting for the terms and conditions pursuant to which Non-Standard Service will be furnished to the property.
- 6.2.2** In most cases, the Applicant shall be the owner of real property for which Non-Standard Service is sought.
- 6.2.3** In the event that the Applicant is other than the owner of real property, the Applicant must furnish evidence to the Corporation that it is authorized to request Non-Standard Service on behalf of such owner, or that it otherwise has authority to request Non-Standard Service for the real property.

6.3. 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.

- 6.3.1** Examples of non-standard services for a single tract of land can include, but are not limited to, road bores, extensions to the distribution system, service lines exceeding 1" diameter and service lines exceeding 5 feet.
- 6.3.2** Non-residential service applications typically will be considered non-standard.
- 6.3.3** For the purposes of this Tariff, Applications subject to this Section shall be defined as Non-Standard.

- 6.3.4** This Section may be altered or suspended for planned facility expansions when the Corporation extends its indebtedness.
- 6.3.5** The Board of Directors of the Corporation 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.
- 6.3.6** This Section sets forth the general terms and conditions pursuant to which the Corporation will process Non-Standard Service Requests. The specific terms and conditions pursuant to which the Corporation will provide non-standard 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.

6.4. Non-Standard Service Application

The Applicant shall meet the following requirements prior to the initiation of a Non-Standard Service Contract by the Corporation:

- 6.4.1** The Applicant shall provide the Corporation a completed Service Application and Agreement giving special attention to the item(s) on SPECIAL SERVICE NEEDS OF THE APPLICANT.
- 6.4.2** A final plat 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.
- 6.4.3** A Non-Standard 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 all remaining expenses that have been, or will be incurred by the Corporation and Corporation shall have no obligation to complete processing of the request until all remaining expenses have been paid.
- 6.4.4** 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, service may be extended provided that:

- 6.4.4.1** The service location is not in an area receiving similar service from another retail utility;
- 6.4.4.2** The service location is not within another retail utility's CCN; and
- 6.4.4.3** The Corporation's Certificate of Convenience and Necessity 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 Certificate of Convenience and Necessity, 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 legal, surveying and engineering fees incurred by Corporation in securing the amendment).

6.5. Design

The Corporation shall study the design requirements of the Applicant's required facilities prior to initiation of a Non-Standard Service Contract by adopting the following schedule:

- 6.5.1** The Corporation's Consulting 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.
- 6.5.2.** The Consulting Engineer's fees shall be paid out of the Non-Standard Service Investigation Fee under Section 4.
- 6.5.3** The Consulting Engineer shall submit to the Corporation a set of detailed plans, specifications, and cost estimates for the project.
- 6.5.4.** The Corporation's Engineer shall ensure all facilities for any Applicant to meet the demand for service as platted and/or requested in the plans or plat submitted in 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 the Applicant's facility requirements.

6.6 Non-Standard Service Contract

Applicants requesting or requiring Non-Standard Service may be required to execute a written contract, drawn up by the Corporation's Attorney, in addition to submitting the Corporation's Service Application and Agreement. Said contract shall define the terms of service prior to construction of required facilities. The service contract may include, but is not limited to:

- 6.6.1** 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.
- 6.6.2** Procedures by which the Applicant shall accept or deny a contractor's bid, thereby committing to continue or discontinue the project.
- 6.6.3** Front-end Capital Contributions required by the Corporation in addition to the other costs required under this Section.
- 6.6.4** Monthly Reserved Service Charges as applicable to the service request.
- 6.6.5** Terms by which service capacity shall be reserved for the Applicant and duration of reserved service with respect to the impact the Applicant's service demand will have upon the Corporation's system capability to meet other service requests.
- 6.6.6** Terms by which the Applicant shall be reimbursed or compensated for fees duplicated in assessments for monthly rates and Capital Contributions.
- 6.6.7** Terms by which the Corporation shall administer the Applicant's project with respect to:
 - 6.6.7.1** Design of the Applicant's service facilities;
 - 6.6.7.2** Securing and qualifying bids;
 - 6.6.7.3** Execution of the Service Agreement;
 - 6.6.7.4** Selection of a qualified bidder for construction;
 - 6.6.7.5** Dispensing advanced funds for construction of facilities required for the Applicant's service;
 - 6.6.7.6** Inspecting construction of facilities; and
 - 6.6.7.7** Testing facilities and closing the project.
- 6.6.8** Terms by which the Applicant shall indemnify the Corporation from all third party claims or lawsuits in connection with the project.
- 6.6.9** 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.

6.6.10 Terms by which the Board of Directors shall review and approve the Service Contract pursuant to current rules, regulations, and bylaws.

6.6.11 The Corporation and the Applicant must execute a Non-Standard Service Contract prior to the 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 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), 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, or take any other lawful action determined appropriate by the Board of Directors of the Corporation.

6.7. Property and Right-of-Way Acquisition

With regard to construction of facilities, the Corporation shall require private right-of-way easements or private property as per the following conditions:

- 6.7.1** 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 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.
- 6.7.2** All costs associated with facilities that must be installed in public right-of-ways on behalf of the Applicant, due to the inability of the Applicant to secure private right-of-way easements, shall be paid by the Applicant. Alternatively, Applicant shall pay all costs, including legal and other professional fees, and the condemnation award in the event Corporation secures such private easements or facility sites through eminent domain proceedings.
- 6.7.3** The Corporation shall require an exclusive dedicated right-of-way 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 facilities.
- 6.7.4** Easements and facilities sites shall be prepared for the construction of the Corporation's pipeline and facility installations in accordance with the Corporation's requirements and at the expense of the Applicant.

6.8. 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, 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 and best bidder in accordance with the following criteria:

- 6.8.1** The Applicant shall sign the Service Contract noting willingness to proceed with the project and shall pay all costs in advance of construction associated with the project;
- 6.8.2** The Contractor shall provide an adequate bid bond under terms acceptable to the Corporation;
- 6.8.3** The Contractor shall secure adequate performance and payment bonding for the project under terms acceptable to the Corporation;
- 6.8.4** The Contractor shall supply favorable references acceptable to the Corporation;
- 6.8.5** The Contractor shall qualify with the Corporation as competent to complete the work; and
- 6.8.6** The Contractor shall provide adequate certificates of insurance as required by the Corporation.

6.9 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 Non-Standard Service Contract.

6.10. Construction.

- 6.10.1** 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, road sleeves may be installed prior to road construction to avoid road damage during construction of Applicant's facilities.
- 6.10.2** The Corporation shall, at the expense of the Applicant, inspect the facilities to ensure compliance with Corporation standards.
- 6.10.3** Construction plans and specifications shall be strictly adhered to, but the Corporation reserves the right to change-order 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.

6.11. Service within Subdivisions

The Corporation's objective to provide service to any customer located within a subdivision governed by this section is strictly limited to the nonstandard service specified by the Applicant. The Applicant is responsible for paying for all costs necessary for non-standard 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 within such subdivision before the Corporation is obligated to provide water service. In addition, Corporation may elect to pursue any remedies provided by the Non-Standard Service Contract. Applicant is advised that purchasers of lots also may have legal recourse to the Applicant under Texas law.

Central Bowie County Water Supply Corporation Tariff

THE BOARD OF DIRECTORS OF CENTRAL BOWIE COUNTY WATER SUPPLY CORPORATION ESTABLISHES THAT :

1. This Tariff of the Central Bowie County Water Supply Corporation, serving in Bowie County consisting of Sections 1. through 6. and forms inclusive, is adopted and enacted as the current regulations and policies effective as of 4th Nov 2008
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. The Secretary of the Corporation shall maintain the original copy as approved and all previous copies for exhibit.
5. Rules and regulations of state or federal agencies having jurisdiction shall supersede any terms of this policy. If any section, paragraph, sentence, clause, phrase, word, or words of this policy are declared unconstitutional or invalid for any purpose, the remainder of this policy shall not be affected.

PASSED and APPROVED this 4th day of Nov 2008. The vote was

Yeas 7 Nays 0 Abstained 0

Central Bowie County Water Supply Corporation



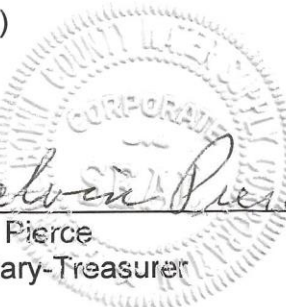
Robert Knox
President

(SEAL)

Attest:



Calvin Pierce
Secretary-Treasurer



Change Log:

January 5, 2010, Paragraph 4.5, Resolution 010510, Deleted: "The Corporation shall charge a \$2,032.50 Equity Buy-In Fee for all new connections." Added: "The base fee is \$2,032.50. The fee is graduated based on the size of the meter. The actual fee is determined by multiplying the base fee by the AWWA equivalent units associated with a particular size of meter as follows: Meter Size – $\frac{5}{8}$ " X $\frac{3}{4}$ " / $\frac{3}{4}$ " / 1" / 1.5" / 2" / Etc. AWWA Equivalent Units – 1 / 1.5 / 2.5 / 5 / 8 / Etc."

March 1st, 2011, Paragraph 4.5, Resolution 030111, Added: "The Equity Buy-In Fee will be applied to all Standard and Non-Standard Service installations. It will not be applied to a Reset/Re-service."

September 11, 2012, Paragraph 1.9-1.37. Renumbered to 1.10-1.38. Added: "1.9 DRY TAP – An active meter, with a current membership in good standing, which is not currently being utilized by member. Dry Tap status is available only by request and through coordination with the Corporation. Disconnection Fee or Service Trip Fee may apply. The Corporation's valve to the meter is closed and locked by the Corporation. In order to be used by the member, the lock must be removed and valve turned on by the Corporation during normal business hours." Paragraph 4.6. Added: "4.6.5 Dry Tap (see definition, 1.9) \$15.00/month"

October 2, 2012, Paragraphs 5.19.6 and 5.30. Added: "EXCEPTION: A member with service to a property having one(1) address and one(1) entrance may have additional connections per meter provided that the member purchases additional memberships and pays an additional monthly service availability or minimum charge for each additional connection. Each additional connection will be allotted 2,000 gallons of water per month free of gallonage charges."

May 14, 2013, Resolution 051413a:

Paragraph 1.9, after last sentence, Add: "The fee is \$15.00 per month."

Paragraph 1.21, after "existed" add: "and the Equity Buy-In Fee has been paid in full or is not applicable." Delete: "within the last 12 months." Add: "Dry Tap rules apply to those locations where a meter is in place and a mutual agreement has been signed to discontinue service. Locations without a meter (box and tap only) shall be charged a Reset/Re-service Fee determined by the lesser of:

- a. $\frac{1}{2}$ of the Equity Buy-In Fee; OR
- b. \$15.00/month for each month out of service."

Paragraph 4.4.3, Strike "\$400.00" and replace with:

"4.4.3.1 A meter/property for which the Equity Buy-In Fee was paid in full or is not applicable will be charged the lesser of:

- 4.4.3.1.1 $\frac{1}{2}$ of the Equity Buy-In Fee; OR
- 4.4.3.1.2 \$15.00/month for each month out of service.

4.4.3.2 A meter/property for which the equity buy in fee was not paid in full will not be considered a Reset/Re-service and will be charged the greater of:

- 4.4.3.2.1 the remaining balance of the Equity Buy-In Fee; OR

4.4.3.2.2 \$15.00/month for each month out of service up to ½ of the Equity Buy- In Fee.”

Paragraph 4.5, Delete all and replace with:

“4.5 Equity Buy-In Fee

4.5.1 Each Applicant shall be required to achieve parity with the contributions to the construction of the Corporation’s facilities and capacity that have been made previously by existing members. The Equity Buy-In Fee will be applied to all Standard and Non-Standard Service installations. It will not be applied to a Reset/Re-service. The base fee is \$2,032.50. The fee is graduated based on the size of the meter.

4.5.2 The actual fee is determined by multiplying the base fee by the AWWA equivalent units associated with a particular size of meter as follows:

Meter Size AWWA Equivalent Units

5/8” X 3/4”	1
3/4”	1.5
1”	2.5
1.5”	5
2”	8
Etc.	Etc.

4.5.3 The Equity Buy-In Fee may be paid in installments. The number of installments will not exceed 120. The installments may be paid by a renter with an alternative billing arrangement with the permission of the land owner. Installment plans are non-transferable. Any remaining balance must be paid before the membership is transferred, or the transferee must enter into a separate installment plan. Until the Equity Buy-In Fee is paid in full, a meter/property is not eligible for service as a Reset/Re-service should service be stopped and restarted.(See 4.4.3.2)”

Paragraph 5.2.2, after Section strike “F” and replace with “6”

Paragraph 5.4.2, 1st sentence, after “reason” add: “and the Equity Buy-In Fee has been paid in full or is not applicable.” Delete “within the last 12 months,” After the word ”Corporation” insert “for service as a Re-set/Re-service”

All paragraphs, Strike all occurrences of: “Capital Development Fee” and replace with “Equity Buy In Fee”

receive and continue to receive service, the member (and/or renter if applicable) must allow the corporation and/or their designated agents and/or designated contractors access to the member's property at all reasonable and necessary times. Access will be limited as defined by the easement of record for that particular property and the terms of the Tariff and Service Agreement. The corporation and/or their designated agents and/or designated contractors must be allowed to construct, install, maintain, replace, upgrade, parallel, inspect, test and operate any existing or additional facilities as necessary to serve that Applicant as well as the Corporation's purposes in providing system wide service for existing or future members. Denial of access for the aforementioned purposes shall be considered by the corporation failure to comply with the rules, regulations, policies, and bylaws of the Corporation and grounds for denial of service under paragraph 5.10 or disconnection of service under paragraph 5.20. (see also 5.19.1 and 5.19.3)"

June 4, 2013, Paragraph 5.19.15. Resolution 060413. Added: If the Corporation determines that a current member has no signed service agreement on file, the member will be required to execute a service agreement in order to continue receiving service. (see 5.10.1) Additionally, if no easement of record can be identified for a member's property the member will be required to execute a permanent recorded easement in order to continue receiving service. (see 5.19.13)

November 4, 2014, Resolution 110414, Paragraphs 1.19 and 5.3.1. After each sentence, insert "A copy of the recorded document will be delivered to the corporation." Add paragraph: **4.13 Recorded Deed Deposit** If the recorded deed is not available in a timely manner, applicant may enter into a Recorded Deed Delivery Agreement at the discretion of the Corporation. A fully refundable \$75.00 deposit is required as a consideration for entering into the agreement.

December 2, 2014, Resolution 120214, Paragraph 4.8.4.2, after the first sentence add: (Except Dry Tap) Add paragraph **4.14 Delinquent Dry Tap Fee**. A fee of \$5.00 will be assessed on any "Dry Tap" not paid by the 22nd of the month, except when the 22nd falls on a weekend or holiday, in which case the deadline will be extended to 4pm on the next business day.

May 2, 2017, Resolution 050217, Paragraph 4.4.1, last sentence, "\$400.00" replaced with "567.50". Paragraph 4.4.1.1, "\$135.00" replaced with "\$302.50".

July 3, 2018, Resolution 070318a, Paragraph 5.19.8.4, strike "8.0%" and replace with "0.25%", strike "on or after July 1, 1988" and replace with "after June 1986", paragraph 5.31.2.2, strike "8.0%" and replace with "0.25%"; Resolution 070318b, Paragraph 4.8.1.3, after the words "substantially incorrect", insert the phrase "(differs in gallons by more than 200% of the 12-month average usage for the particular account)".

August 7, 2018, Resolution 080718, Paragraph 1.17, after the word "extensions," insert "meters larger than 5/8" X 3/4," Paragraph 1.28, after the word "tap" insert "(thru a 5/8" X 3/4" meter)". Paragraph 4.4.1 after the word "service" insert "(thru a 5/8" X 3/4" meter)", Paragraph 5.2.1, Strike the last sentence and replace with: "This includes a 5/8" X 3/4" sized meter set on an existing pipeline. Only 5/8" X 3/4" meters will be installed for residential applications. In order to obtain a larger meter for other applications, a valid need for greater volume must be self-evident, demonstrated, or specified by a licensed professional engineer or architect."

December 3, 2019, Resolution 12032019, Paragraph 4.6.2, second line, strike "\$5.00" and replace with "\$7.00", Paragraph 4.6.2, third line, strike "\$6.00" and replace with "\$8.50", Paragraph 4.10. first sentence, strike "\$50.00" and replace with "\$65.00", paragraph 4.8.4.1, second sentence, strike the phrase "one year" and replace with "twelve months".

January 7, 2020, Resolution 01072020, Paragraph 4.6.3, strike "\$1.60" and replace with "\$3.14".

October 5, 2021, Resolution 10052021, Paragraphs 4.12, 5.26, 5.27 delete all and replace IAW the Resolution

March 1, 2022, BOD meeting, Paragraphs 4.4.,1 strike "\$567.50" and replace with "625.00". Paragraph 4.4.1.1, strike "302.50" and replace with "\$360.00".

October 3, 2023, Resolution 10032023, Paragraph 4.4.1, First sentence: delete "engineering, legal, customer service inspection" Second sentence: after the phrase "Standard Service", insert the phrase "does not include the Equity Buy In Fee, Membership Fee, or Customer Service Inspection Fee. The cost of Standard Service" and strike "\$625.00" and replace with "\$1,087.50"

Paragraph 4.4.1.1 strike "\$360" and replace with "\$800"

Paragraph 4.4.1.2 strike "\$200.00" and replace with "\$222.50"

Paragraph 4.4.3.1.2 strike "\$15.00" and replace with "\$16.00"

Paragraph 4.4.3.2.2 strike "\$15.00" and replace with "\$16.00"

Paragraph 4.5.3 strike "120" and replace with "24"

Paragraph 4.6.1 strike "\$25.00" and replace with "\$29.50", strike "\$40.00" and replace with "45.50", strike \$50.00 and replace with \$55.50", strike \$100.00" and replace with "107.50"

Paragraph 4.6.2 strike "7.00" and replace with "11.55", strike "\$8.50" and replace with \$13.05"

Paragraph 4.6.3 Leak Discount: Delete paragraph in its entirety

Paragraph 4.6.5 strike "\$15.00" and replace with "\$16.00"

Paragraph 4.7.1 strike "10th" and replace with "15th", two occurrences

Paragraph 4.8.1 Meter Reading Fee: Delete paragraph in its entirety

Paragraph 4.8.3 strike "12.50" and replace with "\$25.00"

Paragraph 4.8.4.2 strike "22nd" and replace with "25th", three occurrences

Paragraph 4.9 Strike "25.00" and replace with "\$30.00"

Add Paragraph 4.15 Customer Service Inspection Fee. If the inspection is contracted by Central Bowie County WSC, the applicant/member will be charged a fee equal to the fee charged by the contractor.

Add Paragraph 4.16 Water Sample Fee. In the event that new facilities must be constructed in order to provide water service, one or more water samples must be taken before the facilities can be placed into service. The applicant/member will be charged a fee equal to the fee charged by the Laboratory.

Add Paragraph 4.17 Easement Filing Fee. When an easement(s) is(are) required to provide service, the applicant/member will be charged a fee equal to the fee charged by the County Clerk for recording the document(s) in the official county records.

Add Paragraph 4.18 Locate Fee: When other underground utilities have to be located through the Texas811 system the applicant/member will be charged a fee of \$20.00.

Add Paragraph 4.19 Permit Fee(administrative): When a state or county permit is required in order to provide service, the applicant/member will be charged a fee of \$30.00.

Add Paragraph 4.20 Permit Fee(engineering): In the event that outside engineering/surveying is required in order to obtain service, the applicant/member will be charged a fee equal to the fee

charged by the engineer/surveyor.

Add Paragraph 4.21 Customer History Fee: Should a customer request information and or documents requiring research a fee of \$30.00 which includes the first hour of research. Additional hours will be billed at \$20.00 per hour. Copies are \$2.00 per page.

Paragraph 5.14.2 Delete sentences 3 and 4.

Paragraph 5.16.2 strike "10th" and replace with "15th"

Paragraph 5.16.3 strike "22nd" and replace with "25th"

Paragraph 5.21: Delete paragraph in its entirety

Changes to the Table of Contents and paragraph numbers as required to reflect deletions and additions as specified in this resolution

Apr 2, 2024, BOD meeting, Paragraph 4.8.3.1: Delete the escalating fee and replace with flat rate of \$50.00.

December 3, 2024, BOD meeting, adjust the rate structure, effective January 1st, for bills due Feb 1st.

February 4, 2025, Resolution 02042025a: Paragraph 1.9: Delete the last sentence. Paragraphs 4.4.3.1.2, 4.4.3.2.2, and 4.6.4: Strike "\$16.00" and replace with "\$20.00". Paragraph 4.6.1 Strike "\$29.50" and replace with "\$40.00", strike "\$45.50" and replace with "57.50", strike \$55.50 and replace with \$70.00", strike \$107.50" and replace with "142.00".

Paragraph 4.6.2 Strike the phrases: "\$11.55 per thousand for 2,001 - 20,000 and \$13.05 per thousand for all over 20,000 and replace with \$15.00 per thousand for 2,001 - 20,000, and \$16.50 per thousand for all over 20,000"

Paragraph 4.8.1 Add "Normally, reconnections will only be performed during normal business hours. However, the Corporation may re-connect a meter during non-business hours if requested by a member at the discretion of the Corporation. There will be an additional charge of \$100.00. In order to restore service the member must agree to pay all charges due on the account by noon on the next business day."

Paragraph 4.8.3, delete entirely and replace with "A \$25.00 fee for disconnection will be charged to members requesting disconnection only or membership liquidation. Normally, disconnections will only be performed during normal business hours. The Corporation may disconnect a meter during non-business hours if requested by a member at the discretion of the Corporation. For non-emergency, non-business hours disconnections at the request of the member, there will be an additional charge of \$100.00. (see also 5.20)

Paragraph 4.8.3.1, Delete "\$25.00 fee the first time, \$50.00 the second time, and \$75.00 the third time. After the third disconnection within twelve months for non-payment or rule violations the membership will be liquidated. (see 5.7)" and replace with " \$50.00 fee."

Paragraph 4.10, Strike "\$65.00" and replace with "\$350.00".