

## MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 8

### WATER CONSERVATION PLAN

#### INTRODUCTION

Montgomery County Municipal Utility District No. 8 (the "District") is located along Walden Road in Montgomery County, Texas. The district serves an estimated population of 6,615 based upon the average of 3 people per residential connection. MUD 9 serves an estimated population of 7,140 people based upon average of 3 people per residential connection. The total population served by this water system is 13,755.

The District establishes and collects fees from water and sewer customers based on an official rate order for the purpose of paying operational and maintenance costs of the District's facilities.

It is important to note that the District shares its water system jointly with Montgomery County Municipal Utility District No. 9 ("MUD No. 9") through multiple continuously open interconnects. The water system is considered one system and the numbers contained in this plan and the attached Water Conservation Utility Profile (TWDB-1965) pertain to the water system as a whole including MUD No. 9.

The District's current operator is Hays Utility North Corporation. As used herein, the term "District Operator" shall mean Hays Utility North Corporation or such other qualified entity engaged from time to time by the District as its operator.

#### I. FIVE-YEAR AND TEN-YEAR TARGETS

The District shall use reasonable efforts to reduce water loss, the average gallons per capita and municipal use of water. Such efforts shall include the following:

- A. Continued monthly water accountability auditing;
- B. Continued testing, repair and replacement of water meters as well as leak detection efforts; and
- C. Distributing water conservation information to the District's water customers.

These efforts are designed to aid the District in meeting the following goals for water savings:

Current Annual Averages: Currently the District's Average Percentage of Lost Water is 4% and the average Gallons Per Capita is 93 gals.

Five-Year Target: Within five (5) years of the date hereof, the District shall attempt to maintain an average Percentage of Lost Water of 10.0% or less and an average Gallons Per Capita of 95 gals.

Ten-Year Target: Within ten (10) years of the date hereof, the District shall attempt to maintain an average Percentage of Lost Water of 10.0% or less and an average Gallons Per Capita of 95 gals.

## II. METERING DEVICES

The District's policy calls for the installation and inspection of meters on all new service connections. The District's Board of Directors has instructed the District's Operator to routinely replace residential water meters once they register at least 1,000,000 gallons and the commercial water meters that register at least 10,000,000 gallons. The TCEQ requires all metering devices be 95% accurate.

## III. UNIVERSAL METERING

The District's policy calls for the installation and inspection of meters on all new service connections. At present, all active water service connections are metered.

Meter Repair: Meters that are repairable shall be repaired by the District Operator or sent to an approved meter repair shop. Generally, all residential meters shall be replaced when they become defective or reach a total usage of one million gallons. In some cases where larger meters are used (generally by commercial customers) it is possible that these meters can be repaired. When a faulty meter is discovered, a new meter shall be immediately installed, and the old meter will be repaired if practical and reused.

Meter Replacement: The District maintains an inspection program to identify and replace faulty meters within the distribution system. The District's Board of Directors has instructed the District's Operator to replace those meters that appear to be faulty or inaccurate.

## IV. UNACCOUNTED-FOR WATER USE

The District's Operator conducts routine inspections in the District for leaks, illegal connections and abandoned services, etc., during periodic inspections. The Board has historically engaged independent contractors to perform leak detection tests when system accountability suggests an undetected leak exists.

## IX. CONTINUING PUBLIC EDUCATION & INFORMATION

The District will promote water conservation by informing the public of ways to conserve water. The following methods will be used to inform water users:

- a. Distribution of educational materials to all customers. Educational materials utilized will include those prepared by the Texas Water Development Board;
- b. Inclusion of water conservation tips in monthly billing statements to the District's customers;
- c. Provide educational links on website: [www.montgomerycountymud8.com](http://www.montgomerycountymud8.com)
- d. Distribution of general conservation information to new customers applying for service; and
- e. Adjust water rates as necessary to encourage conservation.

## X. WATER RATE STRUCTURE

The District utilizes a water rate structure to encourage water conservation by implementing tiers of increasing rates for water usage.

## XI. ENFORCEMENT PROCEDURE & PLAN ADOPTION

The District Operator is authorized and directed to implement applicable provisions of this water conservation plan.

## XII. COORDINATION WITH REGIONAL WATER PLANNING GROUPS

The District's Service area is located within the Lone Star Groundwater Conservation District and the District will provide a copy of this Water Conservation Plan to the Lone Star Groundwater Conservation District.

## XIII. PROGRAM FOR LEAK DETECTION, REPAIR AND WATER LOSS ACCOUNTING

Leak Detection: The District's Operator will conduct routine leak detection inspections within the District. Leak repairs on private customer owned lines will be the responsibility of the customer at the customers expense.

Repair: The District will repair leaks on all water lines located in public easements or rights-of-way. The District's Operator is authorized to make such repairs as they are identified.

Water Loss Accounting: The District's Board of Directors previously authorized the District's operator to prepare a monthly report which compares the amount of water billed to the amount of water produced.

#### XIV. RECORD MANAGEMENT SYSTEM

The District's Operator was instructed by the Board of Directors to maintain records of water pumped, water deliveries, water sales, and water loss which allow for the desegregation of water sales and uses into residential, commercial, public, institutional, and industrial classes.

#### XV. FIVE-YEAR REVIEW

The District shall review and update the water conservation plan every five (5) years, or more frequently, as appropriate, based on an assessment of previous five-year and ten-year targets and any other new or updated information.

**DROUGHT CONTINGENCY PLAN  
FOR  
MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 8**

Adopted April 10, 2019

**Section 1: Declaration of Policy, Purpose, and Intent**

In order to conserve the available water supply and protect the integrity of water supply facilities, with particular regard for domestic water use, sanitation, and fire protection, and to protect and preserve public health, welfare, and safety and minimize the adverse impacts of water supply shortage or other water supply emergency conditions, Montgomery County Municipal Utility District No. 8 (the "District") hereby adopts the following regulations and restrictions on the delivery and consumption of water.

Water uses regulated or prohibited under this Drought Contingency Plan (the "Plan") are considered to be non-essential and continuation of such uses during times of water shortage or other emergency water supply condition are deemed to constitute a waste of water which subjects the offender(s) to penalties as defined in Section 11 of this Plan.

**Section 2: Public Involvement**

Opportunity for the public to provide input into the preparation of the Plan was provided by the District by means of posting of the District's Board Meeting agenda at the regularly designated posting location.

**Section 3: Public Education**

The District will periodically provide the public with information about the Plan, including information about the conditions under which each stage of the Plan is to be initiated or terminated and the drought response measures to be implemented in each stage. This information will be provided by means of utility billing inserts, direct mailings from the District's operator and/or community newsletters, as directed by the Board of Directors.

**Section 4: Coordination with Regional Water Planning Groups**

The service area of the District is located within Region H. The District has provided a copy of this Plan to Region H and made the Plan available to the Texas Commission on Environmental Quality.

## **Section 5: Authorization**

The President of the Board of Directors ("President"), or his/her designee is hereby authorized and directed to implement the applicable provisions of this Plan upon determination that such implementation is necessary to protect public health, safety, and welfare. The President, or his/her designee, shall have the authority to initiate or terminate drought or other water supply emergency response measures as described in this Plan.

## **Section 6: Application**

The provisions of this Plan shall apply to all persons, customers, and property utilizing water provided by the District. The terms "person" and "customer" as used in the Plan include individuals, corporations, partnerships, associations, and all other legal entities.

## **Section 7: Definitions**

For the purposes of this Plan, the following definitions shall apply:

Aesthetic water use: water use for ornamental or decorative purposes such as fountains, reflecting pools, and water gardens.

Commercial and institutional water use: water use which is integral to the operations of commercial and non-profit establishments and governmental entities such as retail establishments, hotels and motels, restaurants, and office buildings.

Conservation: those practices, techniques, and technologies that reduce the consumption of water, reduce the loss of waste of water, improve the efficiency in the use of water or increase the recycling and reuse of water so that a supply is conserved and made available for future or alternative uses.

Customer: any person, company, or organization using water supplied by the District.

Domestic water use: water use for personal needs or for household or sanitary purposes such as drinking, bathing, heating, cooking, sanitation, or for cleaning a residence, business, industry, or institution.

Even number address: street addresses, box numbers, or rural postal route numbers ending in 0, 2, 4, 6, or 8 and locations without addresses.

Industrial water use: the use of water in processes designed to convert materials of lower value into forms having greater usability and value.

Landscape irrigation use: water used for the irrigation and maintenance of landscaped areas, whether publicly or privately owned, including residential and commercial lawns, gardens, golf courses, parks, and rights-of-way and medians.

Non-essential water use: water uses that are not essential nor required for the protection of public, health, safety, and welfare, including:

(a) irrigation of landscape areas, including parks, athletic fields, and golf courses, except otherwise provided under this Plan;

(b) use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle;

(c) use of water to wash down any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;

(d) use of water to wash down buildings or structures for purposes other than immediate fire protection;

(e) flushing gutters or permitting water to run or accumulate in any gutter or street;

(f) use of water to fill, refill, or add to any indoor or outdoor swimming pools or Jacuzzi-type pools;

(g) use of water in a fountain or pond for aesthetic or scenic purposes except where necessary to supply aquatic life;

(h) failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s); and

(i) use of water from hydrants for construction purposes or any other purposes other than fire fighting.

Odd numbered address: street addresses, box numbers, or rural postal route numbers ending in 1, 3, 5, 7, or 9.

## **Section 8: Triggering Criteria for Initiation and Termination of Drought Response Stages**

The President, or his/her designee, shall monitor water supply and/or demand conditions on a daily basis and shall determine when conditions warrant initiation or termination of each stage of the Plan. Public notification of the initiation or termination of drought response stages shall be by means of notices provided as a billing insert, a direct mailing, and/or signs posted in the District. The Operator for the District shall notify directly, or cause to be notified directly, the Texas Commission on Environmental Quality.

The triggering criteria stated below are based on percentage of total water production capability:

(a) **Stage 1 – MILD Water Shortage Conditions**

Requirements for initiation: Customers shall be requested to voluntarily conserve water and adhere to the prescribed restrictions on certain water use, defined in Section 7 – Definitions, voluntary supply management procedures May thru October or at the discretion of the Board of Directors.

Requirements for termination: Stage 1 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of three consecutive days or at the discretion of the Board of Directors or their designee.

(b) **Stage 2 – MODERATE Water Shortage Conditions**

Requirements for initiation. Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses provided in Section 7 of this Plan when average water usage exceeds 200% of average daily flow for three consecutive days, average well run hours are at or above 15 hours for three consecutive days, or at the discretion of the Board of Directors.

Requirements for termination: Stage 2 of this Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of three consecutive days. Upon termination of Stage 2, Stage 1 becomes operative.

(c) **Stage 3 – SEVERE Water Shortage Conditions**

Requirements for initiation: Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses provided in Section 7 of this Plan when average water usage exceeds 225% of average daily flow for three consecutive days, average well run hours are at or above 18 hours for three consecutive days, or at the discretion of the Board of Directors.

Requirements for termination: Stage 3 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of three consecutive days operative or at the discretion of the Board of Directors or their designee. Upon termination of Stage 3, Stage 2 becomes operative.

(d) **Stage 4 – CRITICAL/EMERGENCY Water Shortage Conditions**

Requirements for initiation: Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses for Stage 3 of this Plan when average water usage exceeds 250% of average daily flow for three consecutive days, average well run hours are at or above 20 hours for three consecutive days, when any of



the water plant facilities cannot meet the water supply demand, or natural or man-made contamination of the water supply source(s) is discovered, or at the discretion of the Board of Directors.

Requirements for termination: Stage 4 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of three consecutive days operative or at the discretion of the Board of Directors or their designee. Upon termination of Stage 4, Stage 3 becomes operative.

## **Section 9: Drought Response Stages**

The President, or his/her designee, shall monitor water supply and/or demand conditions on a daily basis and, in accordance with the triggering criteria set forth in Section 8 of the Plan, shall determine that a moderate, severe, or critical/emergency condition exists and shall implement the following actions upon notification via a billing insert, direct mailing, and/or signs posted in the District.

### **Stage 1: MILD Water Shortage Conditions**

Goal: Achieve a voluntary five percent reduction in total daily water demand  
Voluntary Water Use Restrictions.

(a) Water consumers are requested to voluntarily limit the irrigation of landscaped areas, and to irrigate landscapes only between the hours of midnight and 10:00 a.m. and 8:00 p.m. to midnight on designated watering days.

(b) All operations of the District shall adhere to water use restrictions prescribed for Stage 2 of the Plan.

(c) Water customers are requested to practice water conservation and to minimize or discontinue water use for non-essential purposes.

### **Stage 2 – MODERATE Water Shortage Conditions**

Goal: Achieve a 10 percent reduction in total daily water demand.

Water Use Restrictions: Under threat of penalty for violation, the following water use restrictions shall apply to all persons:

(a) Irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems shall be limited to Sundays and Thursdays for customers with a street address ending in an even number (0, 2, 4, 6 or 8), and Saturdays and Wednesdays for customers with a street address ending in an odd number (1, 3, 5, 7 or 9), and irrigation of landscaped areas is further limited to the hours of 12:00 midnight until 10:00 a.m. and between 8:00 p.m. and 12:00 midnight on designated watering days. However, irrigation of landscaped areas is permitted at any time if

it is by means of a hand-held hose, a faucet filled bucket or watering can of five (5) gallons or less, or drip irrigation systems.

(b) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight. Such washing, when allowed, shall be done with a hand-held bucket or a hand-held hose equipped with a positive shutoff nozzle for quick rinses. Vehicle washing may be done at any time on the immediate premises of a commercial car wash or commercial service station. Further, such washing may be exempted from these regulations if the health, safety, and welfare of the public is contingent upon frequent vehicle cleansing, such as garbage trucks and vehicles used to transport food and perishables.

(c) Use of water to fill, refill, or add to any indoor or outdoor swimming pools, wading pools, or Jacuzzi-type pools is prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight.

(d) Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.

(e) Use of water from hydrants shall be limited to fire fighting related activities, or other activities necessary to maintain public health, safety, and welfare, except that use of water from designated fire hydrants for construction purposes may be allowed under special permit from the District.

(f) Use of water for the irrigation of golf course greens, tees, and fairways is prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight. However, if the golf course utilizes a water source other than that provided by the District, the facility shall not be subject to these regulations.

(g) The following uses of water are defined as non-essential and are prohibited:

1. wash down of any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
2. use of water to wash down buildings or structures for purposes other than immediate fire protection;
3. use of water for dust control;

4. flushing gutters or permitting water to run or accumulate in any gutter or street; and

5. failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s).

(h) Water distribution pressure levels may be adjusted to help achieve the goals of this plan.

### **Stage 3 – SEVERE Water Shortage Conditions**

Goal: Achieve a 15 percent reduction in total daily water demand.

Water Use Restriction. All requirements of Stage 2 shall remain in effect during Stage 3 except:

(a) Irrigation of landscaped areas shall be limited to designated watering days between the hours of 6:00 a.m. and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight and shall be by means of hand-held hoses, hand-held buckets, or drip irrigation only. The use of hose-end sprinklers or permanently installed automatic sprinkler systems are prohibited at all times.

(b) The watering of golf course tees is prohibited unless the golf course utilizes a water source other than that provided by the District.

(c) The use of water for construction purposes from designated fire hydrants under special permit is to be discontinued.

### **Stage 4 – CRITICAL/EMERGENCY Water Shortage Conditions**

Goal: Achieve a 20 percent reduction in total daily water demand.

Water Use Restrictions for Reducing Demand. All requirements of Stage 2 and Stage 3 shall remain in effect except:

(a) Irrigation of landscaped areas shall be limited to designated watering days between the hours of 6:00 a.m. and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight and shall be by means of hand-held hoses, hand-held buckets, or drip irrigation only. The use of hose-end sprinklers or permanently installed automatic sprinkler systems are prohibited at all times.

(b) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle not occurring on the premises of a commercial car wash and commercial service stations and not in the immediate interest of public health, safety, and welfare is prohibited. Further, such vehicle washing at commercial car

washes and commercial service stations shall occur only between the hours of 6:00 a.m. and 10:00 a.m.

(c) The filling, refilling, or adding of water to swimming pools, wading pools, and Jacuzzi-type pools is prohibited.

(d) Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.

(e) No applications for new, additional, expanded, or increased-in-size water service connections, meters, service lines, pipeline extensions, mains, or water service facilities of any kind shall be allowed or approved.

### **Section 10: Enforcement**

(a) No person shall knowingly or intentionally allow the use of water from the District for residential, commercial, industrial, agricultural, governmental, or any other purpose in a manner contrary to any provision of this Plan, or in any amount in excess of that permitted by the drought response stage in effect at the time pursuant to action taken by the President, or his/her designee, in accordance with provisions of this Plan.

(b) Any violations of these rules and regulations adopted by the District may result in monetary penalties. The customer will receive written notice of their specific violation and will be notified of the penalties of the subsequent violations. Each day that one or more of the provisions of this Plan are violated shall constitute a separate offense. The first violation by a customer shall result in a warning. The second violation shall result in a penalty of up to \$100, and any subsequent violations shall result in a penalty of up to \$500 per occurrence, the amount of said penalties to be in the discretion of the Board of Directors. Following the third violation, the President of the Board of Directors or his/her designee shall, upon due notice to the customer, be authorized to discontinue water service to the premises where such violations shall have occurred. For the purposes of this section, "due notice" shall be accomplished via direct mail (which may or may not be included in the notification of the assessment of the third penalty), or by the placement of a door hanger on the premises where such violations have occurred. Services discontinued under such circumstances shall be restored only upon payment of all penalties due and payment of a reconnection charge and costs, as designated by the provision of this Plan and the District's Rate Order. In addition, suitable assurance must be given to the President of the Board of Directors that the same action shall not be repeated while the Plan is in effect.

(c) Any person, including a person classified as a water customer of the District, in apparent control of the property where a violation occurs or originates shall be presumed to be the violator, and proof that the violation occurred on the

person's property shall constitute a rebuttable presumption that the person in apparent control of the property committed the violation, but any such person shall have the right to show that he/she did not commit the violation. Parents shall be presumed to be responsible for violations of their minor children and proof that a violation, committed by a child, occurred on property within the parents' control shall constitute a rebuttable presumption that the parent committed the violation, but any such parent may be excused if he/she proves that he/she had previously directed the child not to use the water as it was used in violation of this Plan and that the parent could not have reasonably known of the violation.

### **Section 11: Variances**

The Board of Directors, or their designee, may, in writing, grant temporary variance for existing water uses otherwise prohibited under this Plan if:

- (a) compliance with this Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is in effect; or
- (b) alternative methods can be implemented which will achieve the same level of reduction in water use; or
- (c) it is determined that failure to grant such variance would cause an emergency condition adversely affecting the health, sanitation, or fire protection for the public or the person requesting such variance; or
- (d) in the opinion of the President of the Board of Directors, or his/her designated appointee, a temporary variance is warranted for a business that uses outdoor water in their primary business practice, such as turf growers, nurseries and commercial car washers, or for any customer for any other reason.

Persons requesting an exemption from the provisions of this Plan shall file a petition for variance with the District within five days after the Plan or a particular drought response stage has been invoked. All petitions for variances shall be reviewed by the Board of Directors, or their designee, and shall include the following:

- (a) Name and address of the petitioner(s);
- (b) Purpose of water use;
- (c) Specific provision(s) of the Plan from which the petitioner is requesting relief;
- (d) Detailed statement as to how the specific provision of the Plan adversely affects the petitioner or what damage or harm will occur to the petitioner or others if petitioner complies with this Plan;

- (e) Description of the relief requested;
- (f) Period of time for which the variance is sought;
- (g) Alternative water use restrictions or other measures the petitioner is taking or proposes to take to meet the intent of this Plan and the compliance date;
- (h) Other pertinent information.

Variations granted by the District shall be subject to the following conditions, unless waived or modified by the Board of Directors or their designee:

- (a) Variations granted shall include a timetable for compliance.
- (b) Variations granted shall expire when the Plan is no longer in effect, unless the petitioner has failed to meet specified requirements.

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

#### **Section 12: Severability**

It is hereby declared to be the intention of the Board of Directors that the sections, paragraphs, sentences, clauses, and phrases of this Plan are severable and, if any phrase, clause, sentence, paragraph or section of this Plan shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Plan since the same would not have been enacted by the Board of Directors without the incorporation into this Plan of any such unconstitutional phrase, clause, sentence, paragraph, or section.

# **DISTRICT RATE ORDER**

## **MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 8**

### **MONTGOMERY COUNTY, TEXAS**

#### **AMENDED ORDER ESTABLISHING RATES FOR WATER AND SEWER SERVICES; PROVIDING FEES FOR CONNECTION, RECONNECTION, AND INSPECTION; PROVIDING A PENALTY FOR DELINQUENT PAYMENTS; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT**

Amended: July 9, 2003  
Amended: June 8, 2005  
Amended: September 13, 2005  
Effective: January 1, 2006  
Effective: January 31, 2008  
Amended: June 11, 2008  
Amended: November 12, 2008  
Effective: December 1, 2008  
Amended: October 14, 2009  
Effective: December 1, 2009  
Amended: April 14, 2010

Effective: May 1, 2010  
Amended: June 16, 2010  
Effective: August 1, 2010  
Amended: February 9, 2011  
Amended: April 9, 2014  
Amended: September 10, 2014  
Amended: February 12, 2015  
Amended: October 11, 2017  
Amended: March 13, 2019

**AMENDED ORDER ESTABLISHING RATES FOR WATER AND SEWER SERVICES;  
PROVIDING FEES FOR CONNECTION, RECONNECTION, AND INSPECTION;  
PROVIDING A PENALTY FOR DELINQUENT PAYMENTS; AND CONTAINING  
OTHER PROVISIONS RELATING TO THE SUBJECT**

STATE OF TEXAS §  
COUNTY OF MONTGOMERY §  
MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 8 §

**WHEREAS**, Montgomery County Municipal Utility District No. 8, of Montgomery County, Texas (the "District") owns a water and sewer system designed to serve present and future inhabitants within, and within the vicinity of, the District; and

**WHEREAS**, the Board of Directors of the District (the "Board") has previously adopted orders establishing rates for water and sewer service, providing fees for connection, reconnection and inspection, providing a penalty for delinquent payments and containing other provisions relating to the use of the District's water and sewer system; and

**WHEREAS**, it is necessary that fees, penalties and conditions established by said orders be revised; and

**WHEREAS**, the Board has carefully considered the matter and has determined that the following fees, charges and conditions should be established for service from the District's water and sewer system; and

**WHEREAS**, on June 8, 2005, the Board determined that the tap fee should be increased to \$1,000.00;

**WHEREAS**, on September 13, 2005, the Board has determined that it is necessary to increase the water and sewer rates to produce revenues sufficient to fund all operating and maintenance expenses;

**WHEREAS**, on January 9, 2008, the Board determined that it is necessary to increase the water and sewer base rates sufficient to fund all operating and maintenance expenses; and

**WHEREAS**, on June 11, 2008, the Board determined that it is necessary to amend the Rate Order to implement the Operator's charges for District services; and

**WHEREAS**, on November 12, 2008, the Board determined it was necessary to increase the water and sewer rates sufficient to fund all operating and maintenance expenses; and

**WHEREAS**, on October 14, 2009, the Board determined that it was necessary to increase the water and sewer rates sufficient to fund all operating and maintenance expenses; and

**WHEREAS**, on April 14, 2010, the Board determined that it was necessary to increase the water and sewer rates for multifamily connections sufficient to fund related operating and maintenance expenses; and



**WHEREAS**, on June 16, 2010, the Board determined that it was necessary to assess a Groundwater Reduction Plan Fee ("GRP Fee") for each water connection, equivalent to \$0.53 per 1,000 gallons of water usage, such being required to provide revenues to pay for expenses related to the District's groundwater reduction plan to comply with the Lone Star Groundwater Conservation District ("LSGCD") regulations; and

**WHEREAS**, on February 9, 2011, the Board determined that it was necessary to adopt a formal policy regarding consent to encroachments in, on, or under utility easements within the District boundaries; and

**WHEREAS**, on April 9, 2014, the Board determined that it was necessary to amend the Rate Order to address new lead content requirements in plumbing fixtures; and

**WHEREAS**, on September 10, 2014, the Board determined that it was necessary to amend the Rate Order to increase the water and sewer rates sufficient to fund all operating and maintenance expenses, eliminate the GRP fee and increase the Operator's charges for District services; and

**WHEREAS**, on February 12, 2015, the Board determined that it was necessary to amend the Rate Order to increase water rates sufficient to fund all operating and maintenance expenses, add a fee for reimbursement of non-scheduled costs and a fee for establishing automatic draft payments on accounts;

**WHEREAS**, on October 11, 2017, the Board determined that it was necessary to amend the Rate Order to increase the Operator's charges for District services; and

**WHEREAS**, on March 13, 2019, the Board determined that it was necessary to amend the Rate Order to address individual waterline flushing requests and assess a fee for same.

**NOW, THEREFORE, BE IT ORDERED BY THE BOARD OF DIRECTORS OF MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 8, THAT:**

**Section 1:**     Inspection Fee. All connections to the District's water and sewer system shall be made in accordance with the District's rules and regulations. No sewer connection or house lead shall be covered in the ground before a representative of the District has inspected the connection. The charge for making such inspection shall be \$115.00.

**Section 2:**     Tap Fees.

A.     All Users Other Than Non-Taxable Users. Prior to connection to the District's water system, a tap fee shall be paid to the District equal to three (3) times the District's actual cost of installing the tap, meter, and necessary service lines, and repairing or restoring any yards, sidewalks, streets or other improvements affected by the installation, except that the tap fee for a 3/4-inch water meter shall be \$1,255.00 and the tap fee for a 1-inch water meter shall be three (3) times the Operator's actual cost. The fees for taps over 1-inch shall be three (3) times the Operator's actual cost.

Prior to connection to the District's sanitary sewer system, a tap fee of \$480.00 shall be paid to the District by all residential users and a tap fee equal to three (3) times the District's actual cost of installing the sanitary sewer tap and necessary service lines, and repairing or restoring any yards, sidewalks, streets or other improvements affected by the installation shall be paid to the District by all other users.

Connections to the District's water system shall not be allowed prior to an approved sewer inspection, and all such connections shall be inspected by the District's or its subcontractor.

B. Non-Taxable Users.

- (1) Non-taxable users (including schools and churches) shall pay a tap fee equal to the District's actual cost of installing the tap, meter and any necessary service lines and the cost of repairing or restoring any yards, sidewalks, streets or other improvements affected by the installation (as determined by the District) plus the user's pro rata share of the District's actual cost of the facilities necessary to provide District services to the non-taxable user that have been or will be fully or partially financed by the District's tax bonds (as determined by the Board) (the "Installation Costs").
- (2) The District will produce an estimate of the Installation Costs, which will then be approved by the Board. The user shall pay the estimated Installation Costs, prior to installation of the tap. If the actual Installation Costs are greater than the estimated Installation Costs paid by the user, the difference must be paid by the user before the District will provide service to the user. If the actual Installation Costs are less than the estimated Installation Costs paid by the user, a refund for the difference shall be issued to the user.

C. Connect and Reconnect Fees. Upon the commencement of service, each user shall pay a connection fee in addition to said tap fee in the amount of \$80.00 and, thereafter, a reconnection fee of \$80.00 shall be charged each time service is commenced to a new user. Payment of all fees under this Section must be in the form of cash, cashier's check or money order.

**Section 3:** Sewer Connections. All connections to the District's sewer system shall be made in accordance with the District's Rules and Regulations Governing Sewer Lines, Sewer Connections, and Water Main Connections.

**Section 4:** Platting Requirement. Prior to initially connecting to the District's water, sewer or drainage systems, a user shall submit to the District's Operator proof that the user's property has been platted in accordance with any governmental platting requirements or that the property is legally exempt from the platting process. Acceptable proof of platting includes a copy of the recorded plat.

**Section 5:** Maintenance and Repair. It shall be the responsibility of each user to maintain the water and sewer lines from the point of connection to the District's water and sewer system to the building or other structure served. A user shall not cover or otherwise obstruct or place a water

meter in a condition of inaccessibility for purposes of periodic reading by the District's Operator. Any costs incurred by the District in uncovering or making accessible water meters which have become obstructed because of actions of a user shall be charged to the user.

**Section 6:** Regulatory Assessment. Pursuant to the Texas Water Code, each user of the District's water and sanitary sewer system is hereby assessed a charge of one-half of one percent of the District's charge for water and sewer service. This assessment is included in the rate schedules listed below and will be forwarded to the Texas Commission on Environmental Quality ("TCEQ"), as required by the Texas Water Code, and used to pay costs and expenses incurred in its regulation of water districts.

**Section 7:** Water and Sewer Rates. Charges for water and sewer service shall be billed monthly. All bills shall be due and payable on the 10th day after the date of the statement for such charge. Unless payment is received on or before the 10th day after the date of such statement, such account shall be considered delinquent and a penalty of ten percent (10%) of the unpaid balance shall be assessed against the account. If during any twelve-month period a user submits two (2) checks to the District which are returned unpaid for any reason, all future payments for utility bills must be made in the form of cash, cashier's check or money order. The rates for water and sewer service shall depend upon the type of user. Monthly rates for water and sewer service are hereby established as follows:

### **WATER**

#### **Single Family Homes, Townhouse Units, Multi-Family Buildings, Apartments and Condominiums:**

A. Single family homes, townhouse units, multi-family buildings and apartments shall be billed as follows:

| <b><u>Gallons Used</u></b> | <b><u>Rate</u></b>       |
|----------------------------|--------------------------|
| 0 - 4,000 gallons:         | \$12.00 flat fee         |
| 4,001 – 10,000 gallons:    | \$2.25 per 1,000 gallons |
| 10,001 – 15,000 gallons:   | \$2.50 per 1,000 gallons |
| 15,001 – 20,000 gallons:   | \$3.00 per 1,000 gallons |
| 20,001 – 30,000 gallons:   | \$3.50 per 1,000 gallons |
| Over 30,000 gallons:       | \$5.00 per 1,000 gallons |

#### **Commercial:**

Each business unit occupied by a separate business, including separate establishments within a single building, shall each be deemed to be a single family home for purposes of water service.

#### **Clubs:**

Each club shall be deemed to be a single family home for purposes of water service.

- B. Multi-family buildings shall be billed based on the average usage per unit as follows:

**LSGCD District Fee:**

The LSGCD assesses a fee for each 1,000 gallons of groundwater withdrawn by the District in a calendar quarter. Each user of District water for any purpose, whether builder, single family residential, non-single family residential, or any other type of user, shall be charged, in addition to the water rates set forth above, an amount for each 1,000 gallons of water delivered to such user in a billing cycle equal the fees charged to the District by the LSGCD for each 1,000 gallons of water withdrawn during that cycle, plus \$0.01.

**SEWER**

**Single Family Homes, Townhouse Units, Multi-Family Buildings, Apartments and Condominiums:**

A single family home, townhouse unit, unit in a multi-family building, apartment or condominium shall be considered one unit. Commencing with the initial occupancy of any unit, such building will be billed at a rate of \$26.00 per unit per month (flat rate).

**Commercial:**

The term "Commercial," whether referring to connections or District water and sewer service, shall mean and include any office building, hotel, restaurant, retail store, clubhouse, warehouse, service station, or other establishment rendering a service or offering a product for sale to the public, excluding multi-family buildings and any establishment generally considered a single family home.

| <b><u>Gallons Used</u></b> | <b><u>Rate</u></b>       |
|----------------------------|--------------------------|
| 0 - 1,000 gallons:         | \$26.00 flat fee         |
| Over 1,000 gallons:        | \$0.40 per 1,000 gallons |

**Section 8:** District Policy Relating to Service to Property Located Outside the Boundaries of the District. It is hereby declared that it is the policy of the District to provide water and sewer service to property located within five (5) miles of the boundaries of the District only if the District's Board affirmatively finds that the provision of such service will not adversely affect the District's ability to provide water and sewer service to property within the District. Any such service shall be pursuant to a written water supply and/or sewer service contract with the District. Such contract shall provide that:

A. The owners of the property to be served shall construct the water and sewer lines required to connect with the District's system at their own expense and in accordance with standards set by the District's Engineer;

B. Once constructed, these water and sewer lines, along with necessary easements, shall be deeded, free of charge, to the District;

C. The owner shall pay for the capacity reserved for the property to be served in the water and sewer plants;

D. The owner shall reimburse the District for all costs associated with contracting with the landowner and in connecting its systems with the systems built within the tract, including legal and engineering fees and other costs reasonably attributable thereto;

E. Rates for water and sewer service per connection shall be two (2) times the rates charged per connection within the District; and

F. The owners of the property to be served agree to have the land to be served included within the District if and when annexation is determined to be feasible by the Board of the District.

**Section 9:**     Disconnection.

A. The District reserves the right to terminate service to any customer who fails to pay all charges by the 30th day after the due date or who is in violation of the District's Rate Order as same may be amended from time to time (this "Rate Order"). In either event, service shall be disconnected only after sending written notice by United States first class mail to the user and providing the user an opportunity to appear in person or by written correspondence at a scheduled meeting of the Board to contest, explain or correct the charges, services, or disconnection. The written notice shall inform the user of the amount of the delinquent payment or of the violation to the Order, the date service will be disconnected if payment of all outstanding charges is not made or the violation not remedied, and of the right to contest, explain, or correct the charges, services, or disconnection by presenting in person or in writing such matter to the Board. A written statement by the District's Operator that the notice was so mailed shall be prima facie evidence of delivery of same. If the user appears before the Board in person or by written correspondence, the Board shall hear and consider the matter and inform the user of the Board's determination by sending written notice to the user at the address of the connection by United States first class mail stating whether service will be continued or disconnected.

B. Any person, corporation or other entity who violates any provision of this Rate Order, in addition to being subject to the penalties described in Section 13, shall be subject to having water and sewer service terminated; provided, however, that prior to disconnecting service for such violations, the District shall give written notice by first class mail or otherwise, to such person, corporation or other entity, of the pending disconnection, and shall give such person, corporation or other entity the opportunity to contest, explain or correct the violation of the Rate Order at a meeting of the Board of the District. Such disconnection shall be in addition to penalties that may be imposed by the District under Section 13.

C. If service to a user is disconnected for any cause, a reconnection fee of \$80.00, all outstanding charges on the account (including late payment charges), and an additional \$100.00 security deposit as described in Section 23 of this Rate Order shall be collected before service is again commenced to such user. The additional \$100.00 security deposit shall be required to be paid each time service is restored following termination for nonpayment of a delinquent bill until the total security deposit equals \$200.00 for owners and \$250 for lessees or tenants, after which

no additional deposits shall be required so that the total security deposit shall not exceed \$200.00 for owners and \$250 for tenants. Payment of fees and charges under this Section must be in the form of cash, cashier's check, or money order.

D. Any reconnection must be made by the District. In the event that an unauthorized reconnection is made, the District shall be authorized to remove the user's meter, and the user shall be subject to the penalties provided in Section 13.

**Section 10:** Easements. Before service is begun to any user, or once begun, before reconnection is made, the person requesting such service shall grant an easement of ingress and egress to and from the meter for such maintenance and repair as the District, in its judgment, may deem necessary.

**Section 11:** Meters. After a meter has been set, the customer shall at all times keep the space occupied by the meter and the box free from rubbish or obstructions of any kind.

**Section 12:** Unauthorized Service. Unauthorized service from the District's water, sewer, and drainage system is hereby prohibited. Any costs incurred by the District in terminating unauthorized service, including the removals of the materials used in making the unauthorized connection, will be charged to the user. No service shall be provided by the District until the entire amount of the legal fees and other costs incurred by the District, all penalties imposed by the District, and all fees and charges are paid. Unauthorized service is that obtained without the District's prior approval, inspection, or installation.

**Section 13:** Penalty for Violation. Any person, corporation, or other entity who:

- A. violates any Section of this Order; or
- B. makes unauthorized use of District services or facilities; or
- C. causes damages in any way to District facilities; or
- D. causes damage to District facilities by using such facilities in a manner or for a purpose contrary to the purpose for which such facilities were designed or otherwise; or
- E. uses or permits the use of any septic tank or holding tank within the District; or
- F. violates the District's Rules and Regulations Governing Sewer Lines and Sewer Connections; or
- G. violates the District's Order Adopting Drought Contingency Plan;

shall be subject to a penalty of up to \$5,000.00 for each such violation. Each day that a violation continues shall be considered a separate violation.

This penalty shall be in addition to the other penalties, fees and charges provided by this Rate Order and the laws of the State of Texas and in addition to any other legal rights and remedies of the District as may be allowed by law.

**Section 14: Plumbing Regulations; Prohibition Against Cross-Connections and Unacceptable Plumbing Practices; Penalty for Violation.** Pursuant to Chapter 290 of the Texas Administrative Code, the District adopts the following plumbing regulations, which apply to all users of the District's potable water distribution system.

A. Plumbing Fixtures. A user is not permitted to install any plumbing fixture which is not in compliance with a state approved plumbing code and the plumbing code, if any, required by the city in whose jurisdiction the District is located.

B. Prohibition Against Water Contamination. No direct connection between the District's potable water distribution system and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the District's potable water distribution system by the installation of an air-gap or an appropriate backflow prevention device in accordance with state plumbing regulations. In addition, all pressure relief valves and thermal expansion devices must be in accordance with state plumbing codes and the plumbing code, if any, required by the city in whose jurisdiction the District is located.

C. Backflow Prevention Assemblies. All sprinkler systems, spas and pools determined by the District to pose a potential high health hazard must have backflow prevention assemblies installed by the user at the user's sole cost and expense. In addition, the District, in its sole discretion, may require a non-single family residential user to install a backflow prevention assembly at any meter(s) servicing such a user's property. The District, in its sole discretion, also may require any user to install other backflow prevention assemblies at any fixture in order to prevent contamination of the District's potable water distribution system or if the user's plumbing system poses a high health hazard. A high health hazard is defined by the TCEQ as a "cross-connection, potential cross-connection, or other situation involving any substance that could cause death, illness, spread of disease, or has a high probability of causing such effects if introduced into the potable drinking water supply." If the District determines that a user must install a backflow prevention assembly as a protection against a high health hazard, the backflow prevention assembly used must comply with a state approved plumbing code and the plumbing code, if any, required by the city in whose jurisdiction the District is located, and must be tested and certified at least annually by a recognized backflow prevention assembly tester. A list of certified backflow prevention assembly inspectors can be obtained from the local office of the TCEQ.

The user is responsible for insuring that all backflow prevention assemblies are tested upon installation by a recognized backflow prevention assembly tester. The test must be performed by the District or its subcontractor. The cost, which is due and payable prior to the test, is \$100.00 for all users. The user is solely responsible for the cost of this test. If the District requires the installation of a backflow prevention assembly in order to prevent a serious threat to the District's public water supply, then the District, in its sole discretion, may immediately terminate service to the user. In that event, service will not be restored until the backflow prevention assembly has been installed and tested and a signed and dated original of a Backflow Prevention Assembly Test and Maintenance Report in the form attached to this Rate Order as Exhibit "A" has been provided to the District.

If the District determines that a backflow prevention assembly must be installed pursuant to this Rate Order for reasons other than to eliminate a serious threat to the District's public water system, the user must install the backflow prevention assembly within five (5) working days

after receipt of notice from the District that such installation is required. In addition, the user must provide the District with a signed and dated original of a Backflow Prevention Assembly Test and Maintenance Report in the form attached to this Rate Order as Exhibit "A" within three (3) working days of the installation of the backflow prevention assembly and within three (3) working days of any subsequent repair, maintenance or testing of such assembly. If the user fails to provide the testing certificate within this time, the District, in its discretion, may terminate service to the user pursuant to the terms of this Rate Order. The District will retain such reports for a minimum of three (3) years.

D. Customer Service Inspections. A customer service inspection is required prior to the time the District (i) provides continuous water service to new construction, (ii) provides water service to private plumbing facilities that have been added to existing construction or materially improved or corrected, or (iii) continues service to a user when the District has reason to believe that cross-connections or other unacceptable plumbing practices exist. The cost of such customer service inspection will be the sole responsibility of the user. For single family residential service, the District shall perform this inspection. The cost is \$145.00 for all users. All fees relating to the customer service inspection shall be paid by the user prior to the inspection, and if the inspection is made in connection with new construction, the fee will be collected with the tap fee.

Prior to initiating service to new construction or buildings containing new plumbing fixtures, the user must provide the District with a signed and dated user

Service Inspection Certification in the form attached to this Rate Order as Exhibit "B." The District will retain such inspection certifications for a minimum of ten (10) years. In connection with this final plumbing inspection, the user shall allow its property to be inspected by the District or its subcontractors during normal business hours for possible cross-connections and other unacceptable plumbing practices which violate this Rate Order. The District or its subcontractors may, at the discretion of the District and/or the District, periodically inspect a user's plumbing system during normal business hours for the purpose of identifying possible cross-connections and other unacceptable plumbing practices which violate this Rate Order.

E. Prohibition Against Cross-Connections. No cross-connection between the District's potable water distribution system and a private water system is permitted. Where an actual air gap is not maintained between the public water supply and a private water supply, an approved reduced pressure-zone backflow prevention assembly must be properly installed and such assembly must be annually inspected and tested by a certified backflow prevention device tester. If the inspection is conducted by the District, a fee of \$65.00 will be charged for such inspection. A list of certified backflow prevention device testers may be obtained from the local office of the TCEQ. By accepting service from the District, all users agree to allow such annual inspection and testing of backflow prevention assemblies to take place during normal business hours. If any user refuses to allow such annual inspection and testing, service to such user will be discontinued until such inspection and testing is completed.

No connection which allows water to be returned to the District's potable water distribution system is permitted. This includes, but is not limited to, any device pursuant to which water is removed from the District's potable water distribution system, circulated through



a user's system for condensing, cooling and heating of fluids or industrial processes, including but not limited to, a heat exchange system, and routed back to the District's potable water distribution system.

F. Notice of Unacceptable Plumbing Practices. The District shall notify the user in writing of any cross-connection or other unacceptable plumbing practice which has been identified during the customer's service inspection, the final plumbing inspection, any periodic reinspection, or any other inspection. At its sole cost and expense, the user shall immediately correct any unacceptable plumbing practice on its premises and properly install, test and maintain any backflow prevention device required by the District within two (2) working days of receipt of notice of the improper cross-connection. The user shall provide copies of all testing and maintenance records on such devices to the District within three (3) working days of the testing or maintenance. If the user fails to correct the noted unacceptable plumbing practice, the District may immediately terminate water service or, at the user's sole cost and expense, eliminate the cross-connection or correct the unacceptable plumbing practice.

G. Penalty for Violation. The failure of a user to comply with the terms of this Section will be considered a violation of this Rate Order. If such a violation occurs, or if the District determines the existence of a serious threat to the integrity of the District's water supply, the District, in its sole option, may, in addition to all other legal remedies available to it, including those remedies set out in this Rate Order, immediately terminate service or, at the user's sole cost and expense, install the plumbing fixtures or assemblies necessary to correct the unacceptable plumbing practice. If the District terminates service in order to preserve the integrity of the District's water supply, service will be restored only when the source of the potential contamination no longer exists or until additional safeguards have been taken. Any and all expenses associated with the enforcement of this Section shall be billed to the user.

**Section 15:** No Free Service. No free service shall be granted to any user for services furnished by the District's water and sewer system, whether such user is a charitable or eleemosynary institution, a political subdivision or municipal corporation, and all charges for water and sewer service shall be made as required herein.

**Section 16:** Required Service. No service shall be given to any user of the District's water and sewer system within the boundaries of the District unless such user agrees to take both water and sewer service.

**Section 17:** Irrigation System Inspections and Fees. Every user who plans to construct or install an irrigation system that utilizes water not from the District's system shall notify the District's in writing prior to commencing construction of the irrigation system. Upon notification by the User of the intention to construct or install such an irrigation system, the User shall pay an inspection fee of \$60.00. The District will conduct annual inspections and testing of such irrigation systems to ensure that there are no cross-connections with the District's water system and that the appropriate backflow prevention assemblies are in place and operable. The annual inspection and testing of such irrigation systems will take place during normal business hours, and the cost of the inspection is \$60.00.

**Section 18:** Grease Trap Inspection. For each grease trap installed, there shall be charged an initial inspection fee of \$65.00. There shall be an inspection every 30 days of each grease trap installed within the District. The District shall charge a monthly flat rate inspection fee of

\$65.00 for each grease trap inspected. If the District is required to reinspect the grease trap, such reinspection shall be charged at the same \$65.00 rate. The Board of the District may determine at any time to reinspect any grease trap facility.

**Section 19:** Reimbursement of Non-Scheduled Costs. If a customer requests an inspection of water and/or wastewater lines for failure and it is determined that the customer's water and/or wastewater lines have failed, the District shall assess a fee of \$50.00 for the inspection.

**Section 20:** Waterline Flushing. Individual water line flushing requests should be brought before the Board prior to the Operator performing such services. If a customer requests flushing of an individual water line, the District shall assess a fee of \$100 for such service.

**Section 21:** Quality of Sewage.

A. Domestic Waste. Only ordinary liquid and water-carried waste from domestic activities that is amenable to biological treatment and that is discharged from sanitary conveniences of buildings connected to a public sanitary sewer system shall be discharged into the District's sanitary sewer lines. Waste resulting from any process of commerce or industry may not be discharged into the District's sanitary sewer lines except as authorized pursuant to the following subsection.

B. Commercial and Industrial Waste. All discharges other than waste described in subsection A are prohibited unless the user has applied to and received written authorization from the District for such discharge. The applicant must file a statement with the District containing the following information:

- (1) Name and address of applicant;
- (2) Type of industry, business, activity, or other waste-creative process;
- (3) Quantity of waste to be discharged;
- (4) Typical analysis of the waste;
- (5) Type of pretreatment proposed; and
- (6) Such other information as the District may request in writing.

The District shall have the right to reject any application for discharge of non-domestic waste into the District's sanitary sewer lines if the District determines in its sole discretion that the proposed discharge may be harmful to the District's sanitary sewer system or the environment. The District also shall have the right in approving any application for the discharge of non-domestic waste to impose any limitations on such discharge that the District determines in its sole discretion to be necessary to protect the District's sanitary sewer system or the environment.

C. National Categorical Pretreatment Standard. If a user is subject to a national categorical pretreatment standard pursuant to regulations promulgated by the Environmental Protection Agency under Section 307 of the federal Clean Water Act, the user is prohibited from discharging pollutants into the District's sanitary sewer system in violation of applicable categorical pretreatment standards.

D. District Testing; Pretreatment. The District shall have the right to sample and test any user's discharge at the discretion of the District, with no limit as to the frequency of the tests,

and to charge the user for the District's cost of such sampling and testing. The District also shall have the right to require pretreatment, at the user's expense, of any discharge of non-domestic waste if the District determines in its sole discretion that pretreatment of such waste is necessary to protect the District's sanitary sewer system or the environment, even if pretreatment is not otherwise required pursuant to the preceding subsection.

**Section 22:** Prohibited Discharge. No discharges shall be made into the District's storm sewer system, other than storm sewer water run-off. All waste discharged into the District's sanitary sewer system shall conform to the requirements hereof and shall consist only of waste amenable to biological treatment or other processes employed by the District from time to time. No person may discharge into the District's sanitary sewer system any waste which by itself or by interaction with any other waste may:

- A. Injure or interfere with the processes or physical properties or facilities of the District's sanitary sewer system;
- B. Constitute a hazard to humans or animals;
- C. Create a hazard in receiving waters of the effluent of the sanitary sewer system; or
- D. Cause the District to be unable to comply with the terms of any discharge permit.

Discharges prohibited by the foregoing parameters include, but are not limited to, materials which exert or cause: excessive discoloration or concentrations of suspended solids, or chlorine demands in excess of the ability of the sanitary sewer system to adequately treat and dispose of such waste in compliance with applicable regulatory requirements. Prohibited discharges also include, but are not limited to, the following materials which, if present in sufficient quantities, may cause or result in a violation of the foregoing parameters: ashes, cinders, sand, mud, grass clippings, straw, shavings, metal, glass, rags, tar, plastic, wood or wood products, oil, grease, garbage (other than properly shredded garbage), paper or paper products, chemicals, paint residues, or bulk solids.

**Section 23:** Returned Checks. In the event that a user's check is returned because of insufficient funds, a charge of \$50.00 shall be added to the user's bill to cover the District's cost of handling.

**Section 24:** Customer Deposits. A \$100.00 deposit shall also be required on customer connections and accounts if one of the following occurs with respect to the account:

- A. Service is discontinued for non-payment or violation of this Rate Order; or
- B. The water meter for the account is tampered with or damaged.

Deposits shall be held by the District to insure prompt payment of all charges for water and sewer service. No interest shall be allowed on such deposits.

**Section 25:** Security Deposits. Prior to initiating service to each single family residence, including townhouses, the District's Operator shall require satisfactory evidence of ownership. The District's Operator shall collect a \$100 security deposit for service to each new customer

who owns the residence to which service is provided. If the owner of a single family residence wishes to have an account transferred into the name of a lessee or tenant, a deposit of \$150.00 shall be required of the tenant prior to service being initiated, or an endorsement from the owner evidencing owner's agreement to remain liable for prompt payment of all charges for water and sewer service will be required. Whenever a single family residence, including a townhouse, which is connected to the District's system, is leased or rented, the lessee or tenant shall have the water and sewer service account transferred into the name of the lessee or tenant and shall be responsible for the payment of all water and sewer charges incurred after the earlier of the date that the account is transferred or the date that the residence is first occupied by the lessee or tenant. The lessee or tenant shall be responsible for the payment of all water and sewer charges incurred after the date of occupancy by the lessee or tenant regardless of whether said account is transferred.

Security deposits may not be transferred from one customer to another; provided, however, a customer who moves from one address to another within the District may have the security deposit from the account at the previous address transferred to the account at the new address. Security deposits shall be held by the District in escrow to assure prompt payment of all charges for water and sewer service. No interest will be allowed on such deposits.

If a homeowner within the District moves into a rental property, the homeowner may obtain a waiver of the deposit required for lessees and tenants, provided that the Board finds that the person requesting the waiver has a favorable payment history with the District. If a homeowner within Montgomery County Municipal Utility District No. 9 moves into a rental property in the District, the homeowner may also obtain a waiver of the deposit, provided that such person presents a statement from the Board of Directors of Montgomery County Municipal Utility District No. 9 to the effect that such person has a favorable payment record with that district.

**Section 26:** Builder's Deposit. A \$300.00 deposit shall be required of builders for each residence, commercial building, or other structure constructed within the District. The deposit shall be paid at the time a request for a water tap is made. The deposit shall be refunded within 30 days after approval by the District of the water and sewer connection; provided, however, the deposit shall be forfeited as a penalty in the event the builder violates any provision of this Rate Order or the District's Rules and Regulations Governing Sewer Lines, Sewer Connections and Water Main Connections, as amended from time to time. Further, the deposit may be forfeited and used by the District to pay the cost of repair of any damage caused to District property by a builder or any agent or subcontractor of a builder. In the case of forfeiture, the affected builder shall have the responsibility to reinstate the original amount of the deposit prior to any further construction in the District. The District's Operator may accept, in lieu of the individual deposits described herein, one deposit of \$500.00 per builder prior to making any water taps for said builder. The deposit described herein may be applied by the District to the cost of repair of any damage caused to the District property by a builder or a builder's agent or subcontractor, whereupon it will be the builder's responsibility to reinstate the original amount of the deposit prior to the District's Operator making any additional water taps for said builder.

**Section 27:** Automatic Draft. The District shall assess a fee in the amount of \$25.00 for establishing automatic draft payments on a customer's account.

**Section 28:** Drainage Facilities. No connection to the District's drainage and storm sewer facilities shall be made unless authorized and inspected by the District's Operator. Any cost incurred by the District in authorizing and inspecting such a connection shall be paid by the proposed user before the connection becomes operational.

Any individual or entity who violates this Section shall pay all costs incurred by the District relating to the illegal connection, including the following:

- A. Discovery, uncovering, inspection, modification, and restoration costs.
- B. Disconnection and line repair costs.
- C. Any damages to the District's drainage and storm sewer facilities or other related damages occurring as a result of the illegal use of and connection to the District's facilities.

**Section 29:** Consent to Encroachment. The District requires all property owners, who own property on which services are provided by the District, who plan to construct any structure or improvement, over, under, or within any easement which contain District facilities (i.e., water lines, sewer lines, storm sewer lines, or other facilities) to obtain consent from the District authorizing such encroachment. Any user required to obtain a consent to encroachment must first request that the District conduct an inspection to determine the location of District facilities within said easement. The cost for the District's inspection shall be \$150.00, payable to the District.

If it is determined that a consent to encroachment is required, then the property owner of such property shall submit a written request for the consent to encroachment, as well as a \$500.00 application fee, payable to the District, as a retainer. The actual cost to the property owner shall not exceed the cost to the District, plus 20 percent. The District shall then prepare the necessary documents for the property owner's signature, as well as the approval of any lienholder on such property.

The District, by granting the consent to encroach, does not waive any right of entry upon the easement for the purposes of inspecting, repairing, or replacing District property. The District also reserves the right to remove any structure that obstructs any easement, whether said easement contains District property or not.

In the event that installation, repair, replacement, modification or alteration of the encroachments causes damage to the District facilities within such easement or any future facilities the District constructs within such easement, then the property owners of said property shall pay all costs incurred by the District for repairing such facilities or performing any remedial work to the surrounding area due to drainage or pollution resulting from such damage to the facilities.

Should the location of the encroachments within the easement prevent or hinder the District from operating District facilities in accordance with applicable statutes, laws, rules, and/or regulations, then the property owner shall be obligated to remove the encroachments from the easement upon written notice from the District, at no cost to the District.

The District reserves the right to refuse service to any customer who occupies the property on which an easement exists which has encroachments which impair the District's facilities, or hinder District operation, maintenance or repair of said facilities, and where the property owner has not cooperated with the District direction as to paying for damages or removing the encroachments as required by the District.

**Section 30:** Superseding Orders. This Rate Order supersedes all prior orders, resolutions and other actions of the Board of the District concerning fees, charges and other conditions relating to water and sewer services.

\* \* \* \* \*

**EXHIBIT "A"**  
**Backflow Prevention Assembly Test and Maintenance Report**

The following form must be completed for each assembly tested. A signed and dated original must be submitted to the public water supplier for record keeping purposes:

**BACKFLOW PREVENTION ASSEMBLY TEST AND MAINTENANCE REPORT**

NAME OF PWS: \_\_\_\_\_

PWS I.D. #: \_\_\_\_\_

LOCATION OF SERVICE: \_\_\_\_\_

The backflow prevention assembly detailed below has been tested and maintained as required by TCEQ regulations and is certified to be operating within acceptable parameters.

G Not needed at this address

**TYPE OF ASSEMBLY**

G Reduced Pressure Principle

G Pressure Vacuum Breaker

G Double Check Valve

G Atmosphere Vacuum Breaker

Manufacturer: \_\_\_\_\_

Size: \_\_\_\_\_

Model Number: \_\_\_\_\_

Located At: \_\_\_\_\_

Serial Number: \_\_\_\_\_

|                            | Reduced Pressure Principle Assembly              |                            |                         | Pressure Vacuum Breaker |             |
|----------------------------|--|----------------------------|-------------------------|-------------------------|-------------|
|                            | Double Check Valve Assembly                      |                            | Relief Valve            | Air Inlet               | Check Valve |
|                            | 1st Check  | 2nd Check                  |                         | Opened at<br>_____ psid | _____ psid  |
| Initial Test               | DC-Closed Tight G<br>RF - _____ psid<br>Leaked G | Closed Tight G<br>Leaked G | Opened at<br>_____ psid | Did not open G          | Leaked G    |
| Repairs and Materials Used |  |                            |                         |                         |             |
| Test After Repair          | DC-Closed Tight G<br>RF - _____ psid<br>Leaked G | Closed Tight G             | Opened at<br>_____ psid | Opened at<br>_____ psid | _____ psid  |

The above is certified to be true.

Firm Name: \_\_\_\_\_

Certified Tester: \_\_\_\_\_

Firm Address: \_\_\_\_\_

Cert. Tester No.: \_\_\_\_\_

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

**EXHIBIT "B"**  
**Service Inspection Certification**

Name of PWS \_\_\_\_\_  
PWS I.D. # \_\_\_\_\_  
Location of Service \_\_\_\_\_

I, \_\_\_\_\_, upon inspection of the private plumbing facilities connected to the aforementioned public water supply do hereby certify that, to the best of my knowledge:

|   | Compliance | Non-Compliance |
|---|------------|----------------|
| No direct connection between the public water supply and a potential source of contamination exists. Potential sources of contamination are isolated from the public water system by an air gap or an appropriate backflow prevention assembly in accordance with state plumbing regulations. Additionally, all pressure relief valves and thermal expansion devices are in compliance with state plumbing codes. | 9          | 9              |
| No cross-connection between the public drinking water supply and a private water system exists. Where an actual air gap is not maintained between the public water supply and a private water supply, an approved reduced pressure-zone backflow prevention assembly is properly installed and a service agreement exists for annual inspection and testing by a certified backflow prevention device tester.     | 9          | 9              |
| No connection exists which would allow the return of water used for condensing, cooling or industrial processes back to the public water supply.  | 9          | 9              |
| No pipe or pipe fitting which contains more than 0.25% lead exists in private plumbing facilities installed on or after January 31, 2014.   | 9          | 9              |
| No solder or flux which contains more than 0.2% lead exists in private plumbing facilities installed on or after July 1, 1988.  | 9          | 9              |
| No plumbing fixture is installed which is not in compliance with a state approved plumbing code.  | 9          | 9              |

Water service shall not be provided or restored to the private plumbing facilities until the above conditions are determined to be in compliance.

I further certify that the following materials were used in the installation of the plumbing facilities:

|               |      |   |           |   |              |   |       |   |
|---------------|------|---|-----------|---|--------------|---|-------|---|
| Service lines | Lead | 9 | Copper    | 9 | PVC          | 9 | Other | 9 |
| Solder        | Lead | 9 | Lead Free | 9 | Solvent Weld | 9 | Other | 9 |

I recognize that this document shall become a permanent record of the aforementioned Public Water System and that I am legally responsible for the validity of the information I have provided.

\_\_\_\_\_  
Signature of Inspector

\_\_\_\_\_  
Registration Number

\_\_\_\_\_  
Title

\_\_\_\_\_  
Type of Registration

\_\_\_\_\_  
Date

\_\_\_\_\_  
License Expiration Date