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## STAFF REPORT

September 21, 2022

### **AGENDA ITEM**

Consider and take appropriate action to adopt Rate Order No. 2022-0921A amending water rates and setting an effective date of October 1, 2022.

### **DESCRIPTION**

The changes in the proposed Rate Order are shown below.

#### **Section 2.01 Water Service Rates.**

##### **Base Rates:**

METER SIZE	MONTHLY BASE RATE	
	Current	Effective Oct. 1
5/8" & 3/4"	\$18.54	<b>\$20.26</b>
1"	\$34.84	<b>\$38.08</b>
1.5"	\$61.79	<b>\$67.54</b>
2"	\$98.87	<b>\$108.06</b>
3"	\$187.37	<b>\$204.80</b>
4"	\$308.95	<b>\$337.68</b>
6"	\$617.91	<b>\$675.38</b>

##### **Volumetric Rates:**

Gallons Used	Rate per 1000 gallons	
	Current	Oct. 1
0 to 6,000	\$4.09	<b>\$4.60</b>
6,001 to 17,000	\$4.76	<b>\$5.35</b>
17,001 to 25,000	\$5.51	<b>\$6.19</b>
25,001 to 50,000	\$6.40	<b>\$7.19</b>
50,001+	\$7.44	<b>\$8.36</b>

### **ATTACHMENTS**

Rate Order 2022-0921A

### **RECOMMENDATION**

Staff recommends the adoption of Rate Order No. 2022-0921A amending water rates and setting an effective date of October 1, 2022.

**RATE ORDER  
TROPHY CLUB MUNICIPAL UTILITY DISTRICT NO.1  
ORDER NO. 2022-0921A**

**AN ORDER ESTABLISHING POLICIES, PROCEDURES, AND RATES FOR WATER AND SEWER SERVICE; PROVIDING FEES FOR CONNECTION, RECONNECTION, INSPECTION, ACCURACY READINGS, AND RETURNED CHECKS; REQUIRING DEPOSITS FOR SERVICE; PROVIDING A PENALTY FOR DELINQUENT PAYMENTS; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT.**

**WHEREAS**, Trophy Club Municipal Utility District No. 1 (the “District”) is the owner and/or operator of a water and sewer system designed to serve present and future inhabitants within the District and the Trophy Club Development; and

**WHEREAS**, the District’s most recent Rate Order was adopted on March 21, 2022 (Order No 2022-0321A), and additional modifications are needed. The District desires to establish all of its rate policies in a single new Rate Order; and

**WHEREAS**, the Board of Directors of the District has carefully considered the terms of this Rate Order No. 2022-0921A and is of the opinion that the following conditions and provisions should be established as the policies, procedures, and rates for obtaining service from the District’s water and sewer system.

**THEREFORE, IT IS ORDERED BY THE BOARD OF DIRECTORS OF TROPHY CLUB MUNICIPAL UTILITY DISTRICT NO. 1 THAT:**

**ARTICLE I  
TAP FEES AND CONNECTION POLICY**

**Section 1.01. Initiation of Water and Sanitary Sewer Connections.** Each person desiring a water and sanitary sewer service connection to the District’s System shall be required to pay such fees as set forth in this Order. No service shall be established or re-established until such fees are paid. All service connections are subject to all other rules, regulations, and policies of the District.

**A. Certification of System.** Connections shall not be made to the District’s System or portions of the System until the District’s engineer or District staff has certified that the System or applicable portion thereof is operable and meets all regulatory requirements.

**B. Backflow Prevention.** No water connections from any public drinking water supply system shall be allowed to any residential or commercial establishment where an actual or potential contamination hazard exists unless the public water facilities are protected from contamination.

At any residential or commercial establishment where an actual or potential contamination hazard exists, protection shall be required in the form of a backflow prevention assembly. The type of assembly required shall be specified by the District.

The existence of potential contamination hazards without installation having been made of the means of control and prevention as set out in the preceding paragraph; or the same having been installed, there is a failure to properly maintain the same, shall be considered sufficient grounds for immediate termination of water service. Service can be restored only when the health hazard no longer exists, or when the health hazard has been isolated from the public water system in accordance with the foregoing requirements.

All backflow prevention assemblies that are required according to this section shall be tested upon installation by a recognized backflow prevention assembly tester and certified to be operating within specifications. Backflow prevention assemblies that are installed to provide protection against health hazards must also be tested and certified to be operating within specifications at least annually by a recognized backflow prevention assembly tester.

The Customer shall, at his expense, properly install, test, and maintain any backflow prevention device required by this Rate Order. Copies of all testing and maintenance records shall be provided to the District within ten (10) days after maintenance and/or testing is performed.

If the Customer fails to comply with the terms of this Order, the District shall, at its option, either terminate service to the property or properly install, test, and maintain an appropriate backflow prevention device at the service connection at the expense of the Customer. Any expenses associated with the enforcement of this agreement shall be billed to the Customer.

**C. Availability of Access/Obstructions.** By application for connection to the District's System, the Customer shall be deemed to be granting to the District and its representatives a right of ingress and egress to and from the meter or point of service for such installation, maintenance, and repair as the District, in its judgment, may deem reasonably necessary. The Customer shall also be deemed to be granting to the District and its representatives a right of ingress and egress to the Customer's property, including the exterior of the Customer's premises, for the purpose of performing the inspections and completing the Customer's Service Inspection Certifications required by the District's rules and regulations. Taps and connections will not be made when, in the opinion of the District, building materials or other debris obstructs the work area or the work area is not completed or finished to grade. When sidewalks, driveways or other improvements have been constructed prior to application for service, such application shall be construed and accepted as the Customer's waiver of a claim for any damages to such improvements resulting from the reasonable actions of the District in installation of the connection.

At any residential or commercial establishment where an actual or potential contamination hazard exists, protection shall be required in the form of a backflow prevention assembly. The type of assembly required shall be specified by the District.

The existence of potential contamination hazards without installation having been made of the means of control and prevention as set out in the preceding paragraph; or the same having been installed, there is a failure to properly maintain the same, shall be considered sufficient grounds for immediate termination of water service. Service can be restored only when the health hazard no longer exists, or when the health hazard has been isolated from the public water system in accordance with the foregoing requirements.

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**Section 1.02. Residential Fire Lines, Connections, and Fees.** A residence of at least six thousand (6,000) square feet but less than eight thousand (8,000) square feet shall have installed on its one-inch (1") water service line, for fire protection, a one-inch (1") U-branch, with a separate meter and meter-box. The cost of installation, including parts, equipment, and labor shall be eight-hundred dollars (\$800.00), payable at the time of permitting.

A residence of eight thousand (8,000) square feet or greater, in addition to its regular one-inch (1") water service line, shall have installed a separate one-and one-half (1 ½ ") water service line for fire protection with its own meter and meter-box. The cost of connection and installation of the fire line and meter shall be either one thousand six hundred dollars (\$1,600.00) if the home is on the same side of the street as the waterline; or, if it is on the opposite side of the street from the waterline, necessitating boring, then the charge shall be five thousand nine hundred seventy five dollars (\$5,975.00), payable at the time of permitting to the District.

**Section 1.03. Connections by District.** All Connections to the District's water and sewer system shall be made with written approval of the District and in accordance with the District's Plumbing Code and its rules and regulations.

No person except the General Manager or his/her authorized agent shall be permitted to tap or make any connection to the mains or distribution piping of the District's water system, or make any repairs, additions to, or alterations in any meter, box, tap, pipe, cock or other fixture connected with the water system or any manhole, main, trunk or appurtenance of the District's sanitary sewer system. No sewer connection shall be covered in the ground and no house lead shall be covered in the ground before it has been inspected and approved by a licensed plumbing inspector with jurisdiction of the site.

**Section 1.04. Water and Sewer Tap Fees. Fees for water and sewer taps performed by the District are as follows:**

**Water Service Taps:**

Size	Fee for Tap	Bore (if applicable)
up to 1" Tap	\$ 2,500.00	\$5,000.00
2" Tap	\$ 3,500.00	\$10,000.00
3" Tap	Quoted at time of request	\$10,000.00
4" Tap	Quoted at time of request	\$10,000.00
6" Tap	Quoted at time of request	\$10,000.00
8" Tap	Quoted at time of request	\$10,000.00
10" Tap	Quoted at time of request	\$10,000.00

**Sewer Service Taps:** Actual cost plus 10%. An estimate will be provided prior to work being performed.

When water taps have been made by someone other than the District personnel, there is an installation/inspection fee of fifty dollars (\$50.00) plus the cost of the appropriate meter.

**Section 1.05. Inspections and Fees.** Fees for permits and for plumbing inspections (other than for sewer and backflow inspections referred to below in subparagraphs A and B) should be paid to the city or town in which the property is located or to the District if the property is not located within a city or town.

**A. Sewer Inspection and Fees.** Sewer connections and house service lines shall be inspected by the District. An inspection fee of one-hundred-fifty dollars (\$150.00) shall be paid to the District for each connection to the District sanitary sewer system. Installations that fail to conform at any time to the rules and regulations shall be disconnected. Any customer whose connection is disconnected for such failure shall be notified as to the basis for such disconnection. After noted deficiencies have been corrected, a re-inspection shall be made upon payment to the District of a re-inspection fee of twenty-five dollars (\$25.00), plus payment by the customer of all outstanding charges. If subsequent re-inspections are required before the sewer connection and service lines are in compliance with the rules and regulations, a re-inspection fee of twenty-five dollars (\$25.00) shall be paid to the District for each subsequent re-inspection. Inspections by the District requested after regular business hours will be charged at a minimum of one-hundred dollars (\$100.00).

**B. Backflow Inspections.** Backflow installations (residential and commercial) that require annual inspections must have a certified Backflow Technician perform the testing and submit the report annually to the District.

**C. Swimming Pool Discharge into Sanitary Sewer System.** New swimming pools permitted on or after June 24, 2005, shall have all backwash and/or drainage from said pool discharge into the sanitary sewer system. Owners of pools built or permitted prior to July 1, 2005, are not required to retrofit the pool equipment and tie into the sanitary sewer. However, swimming pool backwash and drainage must drain to grassy areas and is not permitted to flow into the storm drain system, creeks, or other waterways.

For swimming pools discharging to the sanitary sewer system, an indirect connection shall be made by means of an air break, discharging into a tailpiece installed a minimum of six inches (6") (or 152 mm) above adjacent grade. The tailpiece shall be connected to a minimum three-inch (3" or 76mm) p-trap not less than twelve inches (12" or 304 mm) below grade which discharges into the yard cleanout riser. Backwash systems shall not flow onto neighboring properties or into the storm sewer. The tie-in and inspection fee shall be seventy-five dollars (\$75.00) to be paid at the time of issuance of the pool permit.

**Section 1.06 Temporary Water Service-Construction Meters.**

**A. Construction Meters.** The District shall be authorized to make a temporary connection to any fire hydrant or flushing valve upon request for temporary water service. All temporary service shall be metered and billed to the temporary customer as provided herein. All unauthorized withdrawal of water from flushing valves, fire hydrants, or other appurtenances of the District's System is prohibited.

**B. Application and Deposit.** Each temporary customer desiring temporary water service shall be required to execute an application for such temporary service and shall provide a minimum-security deposit of one-thousand-seven-hundred-seventy-five dollars (\$1,775.00) for a three-inch (3") meter and RPZ; one-thousand-four-hundred-twenty-five dollars (\$1,425.00) for a smaller meter and smaller RPZ. The deposit shall be made by cashier's check or money order payable to the District. The deposit shall be used by the District to secure the payment for temporary water supplied by the District, the installation fee, and the cost of repair of any damages caused by the temporary customer. The balance of the security deposit, if any, shall be refunded after disconnection from the District's System.

**C. Construction Meter Fees and Rates.** Construction meters will be charged the same monthly rates (base fee and volumetric rate) for water as commercial accounts as set forth in Article II of this Rate Order.

**D. Temporary Construction Meter Use and Billing.** Construction meters can be rented by filing an application at the District office and payment of all required deposits. Upon approval of the application, a temporary meter and RPZ will be provided to the applicant. Installation on any fire hydrant or flush valve must be approved by the District and District meters may only be used within the District's service area. The location of installation must be indicated on the application and cannot be relocated unless notification is provided to and approved by the District in advance. Temporary meters may only be rented for a period of ninety (90) days and extensions may be approved upon request and approval. Failure to return a temporary meter or request a usage extension by the due date will result in repossession of the meter and forfeiture of the deposit.

Upon return of a temporary construction meter, an inspection of the meter and RPZ will be performed. Any and all damages to the meter and/or RPZ will be charged to the customer and deducted from the deposit. If the deposit does not cover the total amount of damages, the balance will be billed to the customer and payment must be received by the due date. Failure to pay all charges due will result in suspension of rental privileges until payment in full and may result in collection procedures.

**E. Return of Temporary Meter at District Request.** The District reserves the right to request the return of a temporary construction meter at any time determined

necessary by the District. Should Stage 2 Drought Restrictions or more stringent restrictions be implemented, all temporary construction meters must be returned within three (3) business days of notification by the District. Failure to promptly return the temporary meter within three business days will result in repossession of the meter and forfeiture of the deposit. Should District personnel be unable to locate the temporary meter for repossession, theft charges will be filed against the meter holder with local law enforcement.

**Section 1.07 Service Outside the District.** The rates and charges stated in this Rate Order are for services to customers and property located within the boundaries of the District. Cny service to a customer or property located outside the boundaries of the District shall be granted only upon approval by the Board of Directors of the District. Out of District customers will pay the adopted rates for in district customers plus 15% for both water and sewer base and volumetric rates. For the purpose of customer classification, Trophy Club Park at Lake Grapevine is considered “in-district” and subject to all rates and service provisions related to in-district customers.

**Section 1.08 Service to New Development and Extension of Facilities.**

**A. New Service Connections and Extension of Facilities.** New service connections and extension of facilities must be constructed and installed in accordance with the District’s Rules Governing New Service Connections and Extension of Facilities as approved through separate Resolution by the Board of Directors. **Applicants for Non-Standard Service must submit all required information and pay all fees prior to conveyance of facilities and service commencement.**

**B. Application Fee for Non-Standard Service.** Upon request for non-standard service an application fee of \$150 must be submitted.

**C. Design of Facilities.** CII water and wastewater facilities to be constructed to extend service to new developments must be designed by a professional engineer licensed in the State of Texas at the applicant’s expense. The District must approve the plans and specifications prior to the commencement of construction. Ct the time of plan review submittal, the applicant must provide payment to the District in the amount of \$2,500.00 as deposit for review of each set of plans and specifications reviewed by the District’s engineer. The actual final fee for plan review by the District’s engineer shall be provided to the applicant upon approval of the plans. If there is a balance due over the \$2,500 paid by the applicant at submittal, the balance due shall be paid by the applicant prior to receiving District approval of plans and specifications. District construction plans, and specifications shall be strictly adhered to, but the District reserves the right to change order any specifications, due to unforeseen circumstances during the design or construction of the proposed facilities, or as otherwise authorized by applicable laws, to better facilitate the operation of the facility. CII expenses and costs associated with a change order shall be charged to the



applicant. Service to new developments is subject to available capacity in the District's water and wastewater systems. All new potential developments must seek written approval from the General Manager that capacity is available to serve and may be required to install offsite improvements if capacity is not available with current system infrastructure.

**D. Inspection Fees.** The District will inspect all infrastructure during construction. Inspection fees of \$100 per lot must be paid to the District prior to a notice to proceed being issued. A minimum of \$500 for inspection fees is required if less than five (5) lots are to be developed.

**Section 1.09 Water Meter Fees.**

<b>METER SIZE</b>	<b>WATER METER FEE</b>
5/8"	\$318
1"	\$381
1-1/2"	\$780
2"	Quoted at Time of Purchase
3"	Quoted at Time of Purchase
4"	Quoted at Time of Purchase
6"	Quoted at Time of Purchase
8"	Quoted at Time of Purchase
10"	Quoted at Time of Purchase

Fees must be received by the District before any connection is installed.

A customer seeking service through an oversized connection line or from a meter larger than a one inch (1") standard meter shall follow the District's policy for new development as outlined in Section 1.07 above. Should approval be granted by the District, the customer agrees to pay the water and sewer rates as outlined in Article II of this Rate Order.

**Section 1.10. Fort Worth Impact Fee.** Each customer requesting an initial connection, shall also pay to the District the applicable City of Fort Worth Impact Fee.

**Section 1.11. Title to Facilities.** Title to all water meters, water and sewer taps, and all other appurtenances, including meter boxes, shall lie in the District.

**ARTICLE II**  
**SERVICE RATES**

**Section 2.01. Water Service Rates.** The following monthly rates for water service shall be in effect for each separate connection within the District. The base rate for each connection (meter) is calculated upon meter size and will be charged for each residential and commercial meter:

**(1) Water Rates Effective October 1, 2022**

**BASE RATES:**

<b>Meter Size</b>	<b>Monthly Base Rate</b>
5/8" & 3/4"	\$20.26
1"	\$38.08
1.5"	\$67.54
2"	\$108.06
3"	\$204.80
4"	\$337.68
6"	\$675.38

**VOLUMETRIC RATES:**

<b>Gallons Used</b>	<b>Rate per 1000 gallons</b>
0 to 6,000	\$4.60
6,001 to 17,000	\$5.35
17,001 to 25,000	\$6.19
25,001 to 50,000	\$7.19
50,001+	\$8.36

**(2) Multi-Unit Buildings.**

Each multi-unit building (apartments, townhomes, business complex, etc.) served by a single 5/8" meter or 1" meter shall be billed the base rate for the meter size servicing the building multiplied by the number of units in the building or complex.

**Section 2.02. Sewer Service Rates.** The following monthly rates for the collection and disposal of sewage shall be in effect for each separate connection within the District:

**Residential Sewer Rates:** The District uses winter averaging for the purpose of calculating sewer charges on utility bills. The sewer charges are based on average water consumption for three months (December, January, and February billing). The average consumption will be analyzed annually and take effect the first of April each year.

New customers will be assigned a default value user charge that is equal to the average winter water use for all residential customers. The winter average used for new residential customer is 7,000 gallons.

A customer with a water leak during the averaging months may request a reduction in the sewer usage calculation. Any customer filling a pool after resurfacing, construction or major repairs during the averaging months may request that their winter average calculation be adjusted. Requests for a reduction in sewer usage calculations must be submitted in writing to the General Manager and have documentation showing the construction or repairs as applicable to the issue. The General Manager or a duly authorized representative may adjust the metered water usage in determining the winter average. To assist in establishing winter averaging sewer rates, customers are encouraged to submit requests for sewer average reductions no later than March 15th.

**A. Residential Sewer Rates:**

<b>Base Rate:</b>	\$ 22.15
0 to 4,000	\$ 3.57
4,001 to 8,000	\$ 5.09
8,001 to 12,000	\$ 7.18
12,000+	\$ 10.22

**B. Commercial Sewer Rates:**

<b>Base Rate:</b>	\$ 22.15
<b>Volumetric Rate:</b>	\$ 6.78

\*Commercial sewer usage is billed based on actual water usage per month

**C. Multi-Unit Buildings.**

Each multi-unit building (apartments, townhomes, business complex, etc.) shall be billed the base rate for each meter servicing the building and sewer usage will be billed based on actual water usage per month.

**Section 2.03 Effluent Charge.** The effluent from the District's wastewater treatment plant will be sold pursuant to separate contracts entered into with the District and approved by its Board of Directors.

**Section 2.04. Master Meter (Cooling Tower Calculation).** The water usage from the master meter reading minus the reading from the "Blow Down" meter equals the "evaporation." Water usage less "evaporation" equals sewer usage for billing purposes.

**Section 2.06. Regulatory Assessment.** Pursuant to Section 5.235, Texas Water Code, and 30 TAC 291.76, the District shall collect and pay an annual regulatory assessment fee to the Texas Commission on Environmental Quality ("TCEQ") in the amount required by law on the total charges for retail water and sewer service billed to its customers annually. The regulatory assessment fee will be detailed separately on customer bills.

**Section 2.07. No Reduced Rates or Free Service.** All customers receiving water and/or sewer service from the District shall be subject to the provisions of this Order and shall be charged the rates established in this Order. No reduced rate or free service shall be furnished to any customer whether such user be a charitable or eleemosynary institution, a political subdivision, or municipal corporation; provided, however, this provision shall not prohibit the District from establishing reasonable classifications of customers.

**ARTICLE III**  
**SERVICE POLICY**

**Section 3.01. Security Deposits.** Security deposits shall be required as follows:

**A. Builder's Deposit.** A seventy-five dollar (\$75.00) security deposit shall be required of builders for each tap made by the District for such service connection, payable at or prior to the time that such tap is made, and the security deposit is refundable to the builder when the account is later transferred to an owner if that account and all other accounts of the builder are current at the time of the transfer; but, if that account or any other account of the same builder is not current at the time of such transfer to an owner, then the security deposit shall be applied against the outstanding balance of the builder's account(s) at the time of such transfer. The District shall deduct from the deposit the cost to repair any damage caused to the District's property by the builder or the builder's employees, contractors,

subcontractors, or agents and shall deduct any delinquent water and sewer service bills of the builder. In the event any amounts are deducted from the builder's deposit, it will be incumbent on the builder to reinstate the original amount of the deposit, and failure to do so will result in the suspension of any additional water taps for the builder.

**B. Residential Owners.** A security deposit of seventy-five (\$75.00) shall be required from each residential owner customer for a single-family home connected to the District's system. Upon discontinuation of service, the deposit shall be applied against amounts due, including disconnection fees.

**C. Commercial Deposits**

COMMERCIAL DEPOSITS		
METER SIZE	WATER	SEWER
3/4"	\$75	\$60
1"	\$100	\$100
1.5"	\$250	\$200
2"	\$500	\$320
3"	\$1,000	\$700
4"	\$1,800	\$1,200
6"	\$3,750	\$2,500
8"	\$5,400	\$3,600

**D. Residential Lessees.** A security deposit of one-hundred-fifty dollars (\$150.00) shall be required from each residential lessee customer for a single-family home. Upon discontinuation of service, the deposit shall be applied against amounts due, including any disconnection fees.

**E. Construction Meters.** See Section 1.06 above.

**F. Other customers.** A security deposit equal to two (2) months estimated average monthly water and sewer bill shall be required of all other customers including commercial and multi-unit accounts.

**G. Deposits.** The District does not pay interest on deposits. The interest drawn by the District on customer deposits is returned into the operating budget of the water/sewer fund to help in providing the lowest possible water and sewer rates for our customers.

**Section 3.02. Billing Procedures.** All accounts shall be billed in accordance with the following:

**A. Due Date and Delinquency.** Charges for water and sewer service shall be billed monthly. Payment shall be due on or before the twentieth (20<sup>th</sup>) day of the month in the month in which the bill was received. Unless payment is received on or before the twentieth (20<sup>th</sup>) day of the month, such account shall be considered delinquent. If the due date falls on a holiday or weekend, the due date for payment purposes shall be the next working day after the due date. The District shall charge a penalty on past due accounts calculated at the rate of fifteen percent (15%) per month on water and sewer charges. The rates for water and sewer service shall depend upon the type of user and upon whether the water used has been chemically treated, as provided in this Rate Order. All accounts not paid by the due date shall be deemed delinquent and failure to make payment thereafter may result in the termination of water and sewer service.

**B. Notice and Appeal.** Prior to termination of service, a customer who is delinquent in payment shall be sent a notice that service will be discontinued on or after the fifteenth (15<sup>th</sup>) day after the date of such notice unless payment in full is received before by such day disconnection is scheduled. Notice shall be sent by first class United States mail and shall inform the customer of the amount of the delinquent bill, the date service will be disconnected if payment is not made, and of the customer's right to contest, explain, or correct the charges, services, or disconnection. Service shall not be disconnected where a customer has informed the District of his or her desire to contest or explain the bill. If the customer appears before the Board, the Board shall hear and consider the matter and inform the customer of the Board's determination by sending written notice to the customer by first class United States mail stating whether or not service will be disconnected. In the event of a service is disconnected more than two (2) times per calendar year (January through December) for non-payment, an additional Security Deposit of \$150.00 will be required for Residential homeowners and \$150.00 for Lessees to restore service in addition to a \$50.00 service fee, and afterhours re-connection charges if applicable, and any outstanding balance in Arrears will need to be brought current. As set out above in Section 3.01. If payment is not received prior to the date that disconnection has been scheduled, a service charge of \$50.00 dollars will be added to the account. Reconections made outside of the District's normal business hours at the customer's request will be charged at an additional after hour's fee of one-hundred dollars (\$100.00).

**C. Business Hours.** For purposes of assessing the foregoing charges, "normal" or "regular" business hours shall mean only the hours between 8 a.m. and 5 p.m., Monday through Friday. All other times, including District holidays, are outside of the District's normal business hours and will result in the higher charge.

**D. Returned Checks and Bank Drafts.** A twenty-five-dollar (\$25.00) charge will be charged to the customer's account for any check or ACH bank draft returned by the bank. Any amounts due on an account which have been paid with a check or ACH

bank draft that has been returned by the bank must be paid in full by cash, cashier's check or money order, including all late charges and returned check charges, within ten (10) days from the day the District mails notice to the customer or otherwise notifies the customer that the check or ACH bank draft has been returned by the bank.

**E. Same-Day Service.** An additional charge of twenty-five dollars (\$25.00) shall be made when a customer requests same-day service. As an example, this charge will be implemented upon request by a customer for same-day service to start or terminate water and sewer service or to perform re-reads the same day as requested.

**F. Accuracy Reading Fee.** A meter accuracy reading fee in the amount of twenty-five dollars (\$25.00) shall be charged to a customer by the District for each meter accuracy reading made by the District for such customer when the original reading appears to be accurate. If the original meter reading appears to be in error, no fee will be charged. Each customer will be allowed one accuracy meter reading per calendar year at no charge. \*\*Should a customer request that a meter be removed, and bench tested by an outside source, then a fee of one-hundred-twenty-five dollars (\$125.00) will be charged to the customer. If the meter fails to meet American Water Works Association standards for in-service meters, then the customer will be given a credit offsetting the amount of the charge.

<https://www.awwa.org/publications/journal-awwa/abstract/articleid/34055179.aspx>

**G. Meter Data Logging Fee.** Each customer will be allowed one data log at no-cost per fiscal year. A fee of twenty-five dollars (\$25.00) shall be charged to a customer by the District for each meter data logging service performed thereafter. Meter data logging service can only be provided during regular business hours.

**Section 3.03. Entitlement.** Water and sewer service shall be provided to customers in accordance with all TCEQ rules covering minimum water and sewer standards.

**Section 3.04. Unauthorized and Extraordinary Waste.** The rates established herein are applicable for Domestic Waste as defined herein. Customers proposing to generate other types of waste will be assessed additional charges as established by the District.

**Section 3.05. Damage to District Facilities.**

**A. Damage to Meter and Appurtenances.** No person other than a duly authorized agent of the District shall tamper with or in any way interfere with a meter, meter box, service line or other water and/or sewer system appurtenance. The District reserves the right, immediately and without notice, to remove the meter or disconnect water service to any customer whose meter has been tampered with and to assess repair charges to the customer, plus a damage fee not to exceed five-thousand dollars (\$5,000.00), plus any applicable charge for same day service. The District also

reserves the right to file civil and/or criminal charges against any person or entity tampering with the District's public water system and/or sewer system.

**B. Repair.** It is the responsibility of the customer to maintain and repair the water service line from the point of connection to the District's water meter. The District reserves the right to repair any damage to the District's System and appurtenances without prior notice and to assess against any customer such penalties as are provided by law and such penalties provided for in this Rate Order in addition to those charges necessary to repair the portion of the System so damaged.

**C. Video.** If at any time a resident/customer wishes to have the District video their sewer line to help the resident determine the condition of their sewer line, the fee will be one-hundred-fifty dollars (\$150.00) payable to the District assessed on the next month's bill.

**Section 3.06. Easements.** Before service is established to any customer, the person requesting such service shall grant an easement of ingress and egress to and from the meter(s) for such maintenance and repair as the District, in its judgment, may deem necessary.

**Section 3.07. Required Service.** No service will be provided by the District unless the customer agrees to receive both water and sewer service, except that permanent irrigation only meters may receive water service only. Irrigation meters cannot be connected to any building plumbing.

**Section 3.08. Additional Charges.** In all cases where services are performed, and equipment or supplies are furnished to a party or entity not within the District, the charge to said party or entity shall be the District's cost of providing such services, equipment and/or supplies, plus fifteen percent (15%). This shall not apply to services, equipment and/or supplies furnished by the District under an existing Interlocal Agreement.

## **ARTICLE IV**

### **INDUSTRIAL WASTE**

**Section 4.01. Industrial Waste Policy.** The following policy regarding industrial waste shall be effective:

**A. Definition.** "Industrial waste" shall mean the water-borne solids, liquids, and/or gaseous wastes (including Cooling Water), resulting from any industrial, manufacturing, trade, business, commercial, or food processing operation or process, or from the development of any natural resource, or any mixture of such solids, liquids, or wastes with water or domestic sewage. The Clean Water Act of 1977, as amended, and the General Pretreatment Regulations contained in 40 C.F.R. 403



contain the requirements for user's discharge of industrial waste into wastewater facilities.

**B. Industrial Waste Discharge, Charges, and Rates.** If any customer of the District's sanitary sewer system proposes to discharge industrial waste into such system, the Board of Directors of the District shall request the recommendation of the District Engineer and shall establish rates and charges to provide for an equitable assessment of costs whereby such rates and charges for discharges of industrial waste correspond to the cost of waste treatment, taking into account the volume and strength of the industrial, domestic, commercial waste, and all other waste discharges treated and techniques of the treatment required. Such rates shall be an equitable system of cost recovery which is sufficient to produce revenues, in proportion to the percentage of industrial wastes proportionately relative to the total waste load to be treated by the District for the operation and maintenance of the treatment works, for the amortization of the District's indebtedness for the cost as may be necessary to assure adequate waste treatment on a continuing basis.

**C. Pretreatment.** The Board of Directors of the District shall rely upon the recommendation of the District Engineer and shall require pretreatment of any industrial waste that would otherwise be detrimental to the treatment works or to its proper and efficient operation and maintenance or will otherwise prevent the entry of such industrial waste into the treatment plant.

## **ARTICLE V**

### **ENFORCEMENT/CIVIL PENALTIES**

#### **Section 5.01. Enforcement.**

**A. Civil Penalties.** The Board hereby imposes the following civil penalties for breach of any rule of the District: The violator shall pay the District twice the costs the District has sustained due to the violation up to ten-thousand dollars (\$10,000.00). A penalty under this Section is in addition to any other penalty provided by the laws of this State and may be enforced by complaints filed in the appropriate court of jurisdiction in the county in which the District's principal office or meeting place is located. If the District prevails in any suit to enforce its rules, it may, in the same action, recover any reasonable fees for attorneys, expert witnesses, and other costs incurred by the District before the court. The court shall fix the amount of the attorneys' fees.

**B. Liability for Costs.** Any person violating any of the provisions of this Order and/or the rules and regulations governing water and sanitary sewer facilities, service

lines, and connections shall become liable to the District for any expense, loss or damage occasioned by the District by reason of such violation, and enforcement thereof shall be in accordance with Paragraph A of Section 5.01 of this Order.

**Section 5.02. Non-waiver.** The failure on the part of the District to enforce any section, clause, sentence, or provision of this Order shall not constitute a waiver of the right of the District later to enforce any section, clause, sentence, or provision of this Order.

**Section 5.03. Appeal.** Any determination by the District of any dispute regarding the terms and provisions of this order may be appealed to the Board of Directors of the District, which shall conduct a hearing on the matter. The District shall provide the customer with information regarding appeals and hearing procedures upon the customer's request.

## **ARTICLE VI**

### **MISCELLANEOUS**

**Section 6.01. Amendments.** The Board of the District has and specifically reserves the right to change, alter or amend any rate or provision of this Order at any time.

**Section 6.02. Severability.** The provisions of this Order are severable, and if any provision or part of this Order or the application thereof to any person or circumstance shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Order and application of such provision or part of this Order shall not be affected thereby.

## **ARTICLE VII**

### **REPEAL OF PREVIOUS ORDERS**

This Rate Order shall be known as the "2022-0921A Rate Order" (Order No. 2022-0921A ) of the District. All previous Orders adopted by the Board of Directors pertaining to the subject matter hereof are each hereby repealed in their entirety as of the effective date hereof.

## **ARTICLE VIII**

### **EFFECTIVE DATE**

**This Order shall be effective on October 1, 2022.**

**ARTICLE IX**  
**PUBLIC MEETING**

It is hereby found that the meeting at which this Order is adopted is open to the public as required by law, and that public notice of the time, place, and subject matter of said meeting and of the proposed adoption of this Order was given as required by law.

**ADOPTED AND APPROVED this 21<sup>st</sup> day of September 2022.**

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Kevin R. Carr, President  
Board of Directors

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Doug Harper, Secretary/Treasurer  
Board of Directors

(SEAL)