



COMPANY POLICY

Water Service Tariff **Policy No. PL001** **Revision 49, Effective 08-04-2026**

Aqua Water Supply Corporation

415 Old Austin Hwy., P. O. Drawer P, Bastrop, Texas, 78602, (512) 303-3943

This Tariff is effective for Aqua WSC's operations under the following Certificate(s) of Convenience and Necessity: CCN **10294**.

This Tariff is effective in the following counties: Bastrop, Caldwell, Fayette, Gonzales, Lee, Travis, and Williamson.

This Tariff is effective in the following subdivisions or systems: Various subdivisions located in areas identified on the Public Utility Commission of Texas water service area maps.

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1. Purpose

To define Aqua Water Supply Corporation's service rates, rules, regulations, policies, and procedures used to recover the costs to members of water treatment, water storage, transmission facilities, and infrastructure maintenance as well as billing, collection, and all other overhead costs.

2. Scope

This policy applies to prospective and current Aqua Water Supply Corporation members.

3. Definition of Terms

3.1 Aqua WSC

The Aqua Water Supply Corporation as represented by its Board of Directors.

3.2 Aqua WSC's System

Aqua WSC's production, treatment, storage facilities, and General-Purpose Transmission Facilities used to provide water service to Aqua WSC's members and those individuals and entities contracting with Aqua WSC.

3.3 Board of Directors or Board

The duly elected members of the Board of Directors of Aqua Water Supply Corporation.

3.4 Capacity Reservation Agreement

A contractual agreement between Aqua WSC and a Developer, legal entity, or individual to reserve available water capacity in Aqua WSC's System for a specific amount of time.

3.5 Capacity Reservation Fee

A commitment fee to reserve available water capacity in Aqua WSC's System for a specific amount of time as stated in a Nonstandard Service Agreement, or the fee included in the System Development Fee for a tract of land resulting from the subdivision of a larger tract of land that occurred on or after May 2, 1984.

3.6 Certificate of Convenience and Necessity (CCN)

A specified geographic area designated by the Public Utility Commission of Texas (PUC) in which the holder has the exclusive right to provide retail water service. Chapter 13 of the Texas Water Code requires a CCN holder to provide continuous and adequate service to the area within its CCN boundary.

3.7 Costs of Construction

All expenses associated with constructing, installing, and placing a facility into operation including, but not limited to, planning, engineering, clearing, surveying, legal, land acquisition, acquisition of rights-of-way, and the construction contract.

3.8 Developer

An individual, partnership, corporation, or other legal entity that has: subdivided land or desires to subdivide land for new or existing residential, commercial, or other purposes; requests water service to a commercial, industrial, or institutional development; or requests more than two (2) water service connections on a single contiguous tract of land.

3.9 Developer Project

The construction of facilities by a Developer to serve a Development owned or controlled by the Developer. This can include water lines and related equipment necessary to transport water from General Purpose Transmission Facilities to provide water service to individual lots in a Subdivision, which facilities will be deeded to Aqua WSC.

3.10 Development

The addition or modification to existing structures that require additional or expanded water service; the subdivision of land for residential, commercial, or other purposes, where new or additional water service is requested; any request for water service to a commercial, industrial, or institutional establishment; or any request for water service involving more than two (2) connections on a single tract of land. For a step-by-step overview on the process to secure water service to a development please see Aqua WSC's **Developer Guide**, and Section 8 of this Tariff.

3.11 District

A political subdivision of the State of Texas authorized under Article 16, Section 59, or Article III, Section 52, of the Texas Constitution to provide water, sewage, drainage, and other services within the District boundaries.

3.12 Dwelling, Dwelling Unit, or Residence

A home, house, mobile home, manufactured home, apartment unit, or any unit in a multi-unit residential structure maintaining a restroom facility and area for preparation or storage of foods. A recreational vehicle that is not located in a recreational vehicle park shall be considered a dwelling under this Tariff if it is connected to an Aqua WSC meter and is used for human habitation.

3.13 Engineering

A person or firm licensed by the State of Texas and contracted or employed by Aqua WSC to provide engineering and/or engineering consulting services.

3.14 Feasibility Study

The report prepared by Engineering to determine if sufficient water capacity is available to a specific tract of land, and if construction of certain improvements to Aqua WSC's System is required before capacity is available.

3.15 Flag Lot

A parcel of land generally situated behind a lot or lots that front a street and is accessible from the street only over a narrow access strip. A Flag Lot does not have street frontage except along the width of the access strip.

3.16 General Purpose Transmission Facilities

Those pumps, filters, lines, chlorination units, and the like are designed to provide water service to more than one service connection

3.17 Living Unit Equivalent (LUE)

The equivalent of one single family residence which can be adequately served by a 5/8" X 3/4" water meter.

3.18 Manufactured Home or Manufactured Housing

A structure transportable in one or more sections which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities. This term includes any structure defined as a mobile home, "tiny home," HUD-code manufactured home, or manufactured home by Texas Occupations Code, Chapter 1201.

3.19 Manufactured Housing Park

A single tract of land on which parking spaces for manufactured homes are rented to the general public primarily for non-transient use and for which rent is paid at intervals of one month or longer.

3.20 Meter Certificate

A certificate issued by Aqua WSC as compensation for the dedication of a permanent water line easement across private property or for other consideration.

3.21 Meter Setting Fee

The cost to set the appropriately sized meter for providing the requested water service but not including any associated costs such as line extensions or road crossings.

3.22 Monthly Customer Charge

The cost to have water available at a meter (also known as the Monthly Base Rate).

3.23 Multiple Connection Service

A single meter serving multiple connections, including, but not limited to, an apartment building, condominium, manufactured housing community, or mobile home park. Multiple Connection Service requires approval by Aqua WSC's General Manager.

3.24 Nonstandard Water Service Agreement

Any agreement entered between Aqua WSC and an applicant for the purpose of providing water service to a property that does not qualify for Standard Service, including but not limited to a property that has been subdivided by the Developer or will be subdivided by the Developer, commercial developments, townhouses, condominiums, and cluster homes. Aqua WSC A Nonstandard Service Agreement can also be used for the purpose of delivering the following services: wholesale service; fire flow; construction of improvements; multiple connection service; or any other service determined by Aqua WSC.

3.25 Production and Storage Facilities

The equipment, structures, and appurtenances necessary to produce, treat, and store water from groundwater or surface water sources for delivery to General Purpose Transmission Facilities.

3.26 Recreational Vehicle

A vehicle built on a single chassis, is self-propelled or permanently towable by a light duty truck and is not primarily designed for use as a permanent dwelling, but as temporary living quarters for recreational, camping, travel, or seasonal use.

3.27 Recreational Vehicle Park (RV Park)

A property on which parking spaces for recreational vehicles are rented to the general public for transient use.

3.28 Repeated Field Response Fee

The fee assessed for each field visit to a service location beyond two (2) visits required within a rolling 12-month period for the same unresolved issue, violation, or condition, where the need for the repeat visit is attributable to the customer's action, inaction, or failure to remedy the issue.

3.29 Service Area

That area to which Aqua WSC may lawfully provide water service, whether within or outside the area described by the Certificate of Convenience and Necessity (CCN) held by Aqua WSC.

3.30 Standard Service

Water service to a residential single-family home on a single compliant lot provided through a 5/8" simple meter, as of August 4th, 2026.

3.31 Subdivision

The division of any lot, tract, or parcel of land within the Service Area of Aqua WSC, into two or more lots or sites occurring on or after May 2, 1984 for the purpose of sale or development, whether immediate or future, including re-subdivision of land for which a plat has been filed and recorded.

3.32 Subsequent User Fee

This fee, collected by Aqua WSC, intends to reimburse a Developer or entity who has entered into a Subsequent User Agreement with Aqua WSC and who has previously paid Aqua WSC for infrastructure that can enable Aqua WSC to serve properties other than the Developer's property.

3.33 System Development Fee

The cost for a new member meter connection to recover costs of existing and future capacity enhancing capital improvements. This fee can also be considered an Impact Fee.

3.34 Tap Fee

The sum of the Meter Setting Fee and the System Development Fee.

3.35 Usage Charge

The charge billed for the quantity of water delivered through a metered point of delivery.

4. Responsibilities

4.1 Board of Directors

Creates a statement of mission and purpose articulating the goals, means, and the constituents to be served by Aqua WSC. Sets goals and creates policies in support of this mission and provides direction, guidance, governance, and oversight to ensure Aqua WSC is on track with regard to meeting its goals. Determines feasibility of providing water service to an area and approves any agreement to provide water service.

4.2 General Manager

Executes the policies, plans, and directives of the Board of Directors (Board) to meet Aqua WSC's goals as articulated in the mission. Assists the Board in developing and disseminating policies and plans to the staff. Ensures the staff understand and executes planning directives and policies and brings staff ideas and/or concerns to the Board's attention. Negotiates and executes contracts for water service to areas in Aqua Water Supply Corporation's Retail Water CCN.

4.3 Assistant General Manager

Executes the policies, plans, and directives of the Board and General Manager to meet Aqua WSC's goals as articulated in the mission. Assists the General Manager in developing and disseminating policies and plans to the staff. Ensures the staff understands and executes planning directives and policies and brings staff ideas and/or concerns to the General Manager's attention.

4.4 Engineering Manager

Directs Engineering to plan, manage, direct, and coordinate engineering operations for water treatment systems and facilities, capital improvement projects, right-of-way functions, and Development Services.

5. Rate Schedule

5.1 Rates

5.1.1 Standard Service

The monthly charge for Standard Service is the sum of the Monthly Customer Charge and the Usage Charge. The Usage Charge is applicable to all water that flows through the meter during the monthly billing period.

Meter Type And Size	Monthly Customer Charge	Gallons Included	Usage Charge per 1,000 Gallons - 1 to 10,000 -	Usage Charge per 1,000 Gallons - 10,001 to 20,000 -	Usage Charge per 1,000 Gallons - Over 20,001 -
5/8" Simple	\$38.60	-0-	\$5.80	\$8.70	\$10.40
3/4" Simple	\$38.60	-0-	\$5.80	\$8.70	\$10.40
1" Simple	\$38.60	-0-	\$5.80	\$8.70	\$10.40

As of August 4th, 2026, Aqua WSC no longer installs 3/4" Simple or 1" Simple meters for Standard Service.

Texas Commission on Environmental Quality (TCEQ) Assessment:

Aqua WSC collects a regulatory assessment fee for each meter as established by TCEQ.

Lost Pines Groundwater Conservation District Assessment:

Aqua WSC collects a usage assessment fee for each meter as established by the Lost Pines Groundwater Conservation District.

5.1.2 Nonstandard Service

The monthly charge for Nonstandard Service is the sum of the Monthly Customer Charge and the Usage Charge. The Usage Charge is applicable to all water that flows through the meter during the monthly billing period.

Meter Size	Monthly Customer Charge	Gallons Included	Usage Charge per 1,000 Gallons
5/8"	\$38.60	-0-	\$7.90
3/4"	\$38.60	-0-	\$7.90
1"	\$38.60	-0-	\$7.90
1-1/2"	\$193.00	-0-	\$7.90
2"	\$386.00	-0-	\$7.90
3"	\$965.00	-0-	\$7.90
4"	\$1930.00	-0-	\$7.90

6"	\$4368.10	-0-	\$7.90
8"	\$7169.30	-0-	\$7.90

As of August 4th, 2026, Aqua WSC no longer installs 1-1/2" meters due to limited commercial availability.

TCEQ Assessment:

Aqua WSC collects a regulatory assessment fee for each meter as established by TCEQ.

Lost Pines Groundwater Conservation District Assessment:

Aqua WSC collects a usage assessment fee for each meter as established by the Lost Pines Groundwater Conservation District.

5.1.2.1 Multiple Connection Service – Transient Use

A business such as a recreational vehicle park or motel that serves transient customers pays only one Monthly Customer Charge for water service to customers of the business. For example, a recreational vehicle park pays only one Monthly Customer Charge for water service provided to recreational vehicles regardless of the number of such vehicles served by the meter. Similarly, a motel pays only one Monthly Customer Charge for water service provided to motel rooms regardless of the number of rooms served by the meter.

5.1.2.2 Multiple Connection Service – Non-Transient Use

The Monthly Customer Charge for apartments, multi-unit residential structures, condo regimes, or manufactured housing parks is equal to the Monthly Customer Charge for a 5/8" meter times the number of dwelling units connected to the master meter on the date of meter reading each month or times the number of Living Unit Equivalents of the dwelling units as determined by Aqua WSC.

5.1.2.3 Recreational Vehicles and Manufactured Homes – General Provisions

When any recreational vehicle used for human habitation is parked in a location other than a recreational vehicle park and is connected to a meter, the member must pay a Monthly Customer Charge for that vehicle.

5.2 Connection Fees

5.2.1 System Development Fee

The cost for a new member meter connection to recover costs of existing and future capacity enhancing capital improvements. This fee can also be considered an Impact Fee. This fee increases each year on June 1st as shown in the table below.

Year	2026	2027	2028	2029	2030
Fee per LUE	\$8,400	\$9,700	\$11,200	\$12,900	\$14,900
Effective	Current	6/1/2027	6/1/2028	6/1/2029	6/1/2030

5.2.2 Single Residential Dwelling

- (1) For lots located within compliant subdivisions where capacity is reserved or for properties not located within a subdivision; and
- (2) Meter Installation – Straight Set (no line extension, no road crossing); and

- (3) In accordance with 30 Texas Administrative Code §290.46(j), all new water connections require a Customer Service Inspection (CSI) and payment of a corresponding inspection fee.

Meter Type & Size	Meter Setting Fee	+	System Development Fee	=	Tap Fee	+	Membership Fee	+	CSI Fee	=	Total Fee
5/8" simple	\$470.00		\$8,400.00		\$8,770.00		\$100.00		\$100.00		\$9,070.00

5.2.3 Subdivisions or Non-Compliant Subdivisions Requiring Capacity Reservation

- (1) For lots resulting from the subdivision of a larger tract of land that occurred on or after May 2, 1984; and
- (2) Capacity was not previously reserved; and
- (3) Meter Installation – Straight Set (no line extension, no road crossing).

Aqua WSC includes a **\$600** Capacity Reservation Fee as a component of the System Development Fee for each LUE served in a Subdivision or non-compliant subdivision.

Capacity Reservation Fee

\$600.00 per LUE

Meter Type & Size	Meter Setting Fee	+	System Development Fee *	=	Tap Fee	+	Membership Fee	+	CSI Fee	=	Total Fee
5/8" simple	\$470.00		\$9,000.00		\$9,470.00		\$100.00		\$100.00		\$9,670.00

* \$600 of the System Development Fee is the Capacity Reservation Fee.

5.2.4 Non-standard Service:

For all Nonstandard Services, Aqua WSC determines the size meter assembly required to meet the requested sustained maximum GPM. Aqua WSC also calculates the appropriate Meter Set Fee and System Development Fee associated with the requested meter. Aqua WSC calculates the System Development Fee by equating the demand placed on the system by the requested maximum GPM to the demand placed on the system by an equivalent number of LUEs. The Tap Fee for Nonstandard Service – Single Owner includes the actual cost for purchasing and installing the appropriate size and type meter. The Membership Fee for Nonstandard Service – Single Owner is **\$100.00**.

5.2.5 Additional Connection Charges

There are several additional potential fees related to installation and connection of a water meter. These fees are outlined below.

5.2.5.1 Charge for Service Taps, Line Extensions and Road Crossings

Aqua WSC determines the cost to construct service taps, including installation of meter boxes, line extensions, and road crossings on a case-by-case basis established from the cost of labor and materials at the time of construction.

5.2.5.2 Nonstandard Service

Aqua WSC considers requests for water service or supplemental water service other than those specified in this Tariff, including those in the **Nonstandard Water Service** section of this Tariff, as subject to additional connection charges, including, but not limited to, line extension costs and road bore costs. Aqua WSC will determine these charges on a case-by-case basis.

5.2.5.3 Easements

When Aqua WSC determines that private right-of-way easements are necessary to provide service to an applicant, the applicant must pay all costs incurred by Aqua WSC to obtain these easements.

5.2.5.4 Backflow Prevention/Pressure Booster

When Aqua WSC determines that backflow prevention is required in connection with a meter, the applicant must pay all costs for materials and installation of a backflow prevention assembly.

5.3 Miscellaneous Fees

5.3.1 Membership Fee

The Membership Fee is not refundable and applies to each service connection to Aqua WSC's System.

Membership Fee	\$100.00
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5.3.2 Membership Transfer Fee

In the event the member sells the property receiving service, Aqua WSC will charge a membership transfer fee to transfer the membership to the new customer.

Membership Transfer Fee	\$25.00
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5.3.3 Customer Service Inspection Fee

The State of Texas mandates that any requests for new service from a public water supply include a Customer Service Inspection (CSI) conducted by a licensed Customer Service Inspector. Nonstandard Service accounts must hire an outside inspector that meets TCEQ's license requirements. Aqua WSC will also conduct a Customer Service Inspection when there is a request to transfer service from a membership that has not had an inspection within the preceding 12 months, and whenever there is a request to reconnect a service after that service has been discontinued for at least six months prior to the request.

Customer Service Inspection Fee	\$100
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5.3.4 Cross-Connection Permit and Fees

The Texas Commission on Environmental Quality (TCEQ) requires that an appropriate backflow prevention assembly be installed on any service connection where a potential contamination hazard exists, and that the backflow prevention assembly be tested upon installation.

Aqua WSC's backflow prevention program identifies potential sources of contamination to Aqua WSC's System on a member's property and determines the degree of the hazard. Backflow prevention assemblies installed at locations classified as a non-health hazard must be tested every three (3) years.

An irrigation system installed on a site with an on-site sewage facility (OSSF), such as a septic tank, is considered a health hazard. All health hazard cross-connections require the installation of

a backflow prevention assembly known as a reduced pressure principal backflow prevention assembly, or RPBA. RPBAs installed at locations classified as a health hazard must be tested every year.

It is the Member's responsibility to hire a licensed Backflow Prevention Assembly Tester to complete the TCEQ-required Backflow Prevention Assembly Test and Maintenance Report and submit it to Aqua WSC within 10 days of testing. Members may obtain a list of licensed testers by contacting Aqua WSC.

For all new irrigation systems that will be connected to the public potable water supply, the homeowner or contractor must install a TCEQ-approved backflow prevention assembly and obtain a Cross-Connection Permit from Aqua WSC prior to installation of the irrigation system and satisfy the **\$25.00 Permit Fee**.

If a Member fails to obtain the required Cross-Connection Permit and/or complete the required Backflow Prevention Assembly Test, Aqua WSC will complete a test at the members' expense of **\$200** per test. In the event a member refuses to allow such testing, Aqua WSC will follow established TCEQ guidelines in dealing with the potential for contamination. Repeat failures by the Member to obtain the required Cross-Connection Permit or Backflow Prevention Assembly Test will result in service disconnection.

Cross-Connection Permit Fee	\$25.00
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Test for Contamination Hazards	\$200.00
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5.3.5 Meter Reconnection Fees

There are several fees related to reconnecting a previously disconnected water service.

Base Reconnection Fee	\$60.00
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Re-Service Fee	Monthly Customer Charge x number of months inactive up to \$250.00
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Temporary Reconnection Fee	\$60.00
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Past Due Balance	As applicable
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When there has not been a change in ownership or right of possession pursuant to a contract for deed or any other applicable deed, a member must pay a Reconnection Fee before Aqua WSC will restore service to a member's disconnected meter. Aqua WSC charges a Base Reconnection Fee of **\$60.00** and a Re-Service Fee for all reconnections. The Re-Service Fee is the number of months in which the meter was inactive times the Monthly Customer Charge, or **\$250.00**, whichever is less. For purposes of this calculation, the inactive period is rounded down to the nearest full month. The Reconnection Fee includes the sum of the Base Reconnection Fee plus the Re-Service Fee plus any past due balances owed for water service at the time of disconnection. At service locations where equipment tampering or an unauthorized connection resulted in forfeiture of membership and tap rights, Aqua WSC requires the former member to make full payment of the Membership Fee and the Tap Fee in effect at the time service is requested. Additionally, Aqua WSC requires the former member to make full payment of any applicable Equipment Damage Fees.

When a member transfers membership from one service location to another service location, but retains ownership of the former service location, the member must pay a Reconnection Fee before Aqua WSC will restore service to the former service location. Aqua WSC charges a Base Reconnection Fee of **\$60.00** and a Re-Service Fee for all reconnections. The Re-Service Fee is the number of months in which the meter was inactive times the Monthly Customer Charge, or **\$250.00**, whichever is less. For purposes of this calculation, the inactive period is rounded down to the nearest full month. The Reconnection Fee includes the sum of the Base Reconnection Fee plus the Re-Service Fee. Additionally, the member must pay a Membership Fee of **\$100.00** to obtain a new membership at the former service location. For example, if the member transfers service to a new location and the former service location remains inactive for 20 months, the

charges to restore service will be: A Base Reconnection Fee of **\$60.00** plus a Re-Service Fee of **\$250.00** plus a Membership Fee of **\$100.00**, totaling **\$410.00**.

When there has been a change in ownership or right of possession pursuant to a contract for deed or any other applicable deed, a new member must pay a Reconnection Fee before Aqua WSC will restore service to that location. Aqua WSC charges a Base Reconnection Fee of **\$60.00** for all reconnections, plus a Membership Fee or Membership Transfer Fee, whichever is applicable. Aqua WSC requires payment of a Membership Fee in all cases where the previous membership was forfeited. Aqua WSC does not charge a Re-Service Fee, and the new member is not responsible for any past due balance. At service locations where equipment tampering or an unauthorized connection resulted in forfeiture of membership and tap rights, Aqua WSC requires the new owner to make full payment of the Membership Fee and the Tap Fee in effect at the time service is requested.

The maximum time Aqua WSC will temporarily reconnect a service for renovation or construction is 30 days. The fee to temporarily reconnect a service is **\$60.00** plus consumption at the rate in effect per 1,000 gallons.

5.3.6 Meter Disconnection and Removal Fee (5/8", 3/4", & 1" Meters)

Aqua WSC charges a Meter Disconnection and Removal Fee to compensate for the cost of disconnecting, sealing, and removing the existing line tap and meter whenever a meter is removed or relocated at the member's request. Aqua WSC determines the fee to disconnect and remove meters larger than one (1) inch on a case-by-case basis.

Meter Disconnection and Removal Fee **\$100.00**

5.3.7 Late Charge

Aqua WSC adds a 10% penalty for payment received after the monthly-due date. Failure to pay on or before the due date may result in disconnection of service. Aqua WSC does not apply the penalty on delinquent bills to any balance to which the penalty was applied in a previous billing.

Late Charge **10% Penalty**

5.3.8 Returned Check Charge

In the event Aqua WSC receives three (3) returned checks for insufficient funds, Aqua WSC may require the member or customer to pay with guaranteed funds such as cash, money order, cashier's check, or credit card for the following twelve (12) months from the date of the last offense. After twelve months from the most recent offense, Aqua WSC may reconsider accepting checks from the member or customer.

Returned Check Charge **\$35.00**

5.3.9 Meter Inspection Fee

Whenever a member's inaction or inability to inspect a meter or to read a meter requires Aqua WSC to dispatch a technician to inspect or read the meter, the member must pay the meter inspection fee. The General Manager may waive this fee upon demonstration of a physical need for Aqua WSC to provide the inspection service.

Meter Inspection Fee **\$30.00**

5.3.10 Change in Use of Property Requiring Increase in Meter Size

In situations where the member has an Aqua WSC meter, and wishes to increase the size of the meter, the member must pay Aqua WSC the difference between the current amount of the System Development Fee on the existing meter and the current amount of the System Development Fee on the proposed meter. In addition, the members must pay the Meter Setting Fee and a CSI Fee.

5.3.11 Charge for Moving or Reinforcing Existing Aqua WSC Facilities (When Required by Change to Existing or New Development)

In situations where Aqua WSC's facilities are lawfully situated in a private or public easement or road right-of-way, and, in the opinion of Aqua WSC, a new development, new construction, a change to an existing development, or any other change requiring Aqua WSC to either move or reinforce its facilities to ensure the protection of the facilities, the customer/developer must pay the costs incurred by Aqua WSC to move or reinforce its facilities.

5.3.12 Equipment Damage Fees

For connections with 5/8", 3/4", and 1" meters, Aqua WSC charges the following Equipment Damage fees to compensate for repairs to Aqua WSC's water distribution system caused by an unauthorized reconnection of water service where Aqua WSC has disconnected service. For all other damages made to Aqua WSC's distribution system, Aqua WSC will charge for the actual cost of repairs.

Replace damaged or destroyed locks	\$100.00
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Replace damaged or destroyed water meters:

5/8" meter	\$470.00
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3/4" meter	\$490.00
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1" meter	\$730.00
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Replace damaged or destroyed angle stops	\$150.00
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Aqua WSC determines Equipment Damage Fees for connections with meters larger than 1" on a case-by-case basis in accordance with the actual costs incurred by Aqua WSC due to the damage.

5.3.13 Diversion and Theft of Service

Aqua WSC will assess a fine to any member or person diverting and/or taking water from Aqua WSC's System through a fire hydrant, an illegal tap, bypassing a meter, or using any other means to obtain water without specific authorization. In addition to the theft of service fine, Aqua WSC will charge the actual costs associated with repairing any system facilities damaged and, if required, the subsequent service trip to reactivate service after payment of these charges. Aqua WSC may also pursue criminal charges for theft under Texas Penal Code Section 28.03(b)(3)(B) and 28.03(c).

Fine for Diversion and Theft of Service	\$150.00
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5.3.14 Feasibility Study Fee

Any person requesting a Feasibility Study must pay a non-refundable fee in accordance with the current fee schedule. The fee for a Feasibility Study will vary with the size of the project.

Feasibility Study	In Accordance with Current Fee Schedule (Exhibit C)
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If fire flow is needed, the requestor pays an additional non-refundable fee plus the applicable Feasibility Study fee from the fee schedule. Requestors pay this fee at the time of submittal of the Request for Feasibility Study.

Fire Flow	Additional Fee in Accordance with Current Fee Schedule (Exhibit C)
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5.3.15 Capital Investment Recovery Fee

Under some circumstances such as projected high growth or demonstrated need, Aqua WSC will assume the risk of development and invest in an infrastructure construction project to supply water to a specific geographical region within its service area. The infrastructure required for providing service may include production, storage, pumping, and/or transmission.

Aqua WSC will determine the available capacity for each specific project in terms of Living Unit Equivalents (LUEs). To determine the pro-rata cost for each LUE associated with a specific project, Aqua WSC will divide the total cost of the infrastructure project by the total LUE capacity created by the project. Any developer or customer requesting water from the resulting infrastructure project will pay a Capital Investment Recovery Fee (CIRF) relative to the number of LUEs taken from the total LUE capacity.

CIRF

Calculated Per LUE for Specific Project

5.3.16 Water Lines for Fire Protection (Fire Flow)

Aqua WSC Applicants who intend to install a fire line or loop for the purposes of providing water service for firefighting must pay an additional fee, submit a Request for Feasibility Study to Aqua WSC to evaluate the development plan and determine any necessary water system improvements to deliver the requested fire flow, and, if capacity is determined to be available under the Feasibility Study, execute a Fire Line Agreement with Aqua WSC. The applicant must also pay the costs of the meter assembly and all other necessary appurtenances to be placed on the fire line or loop, plus the cost of any necessary backflow prevention assembly. The meter on the fire line or loop will be billed a Monthly Customer Charge as defined in the **Rate Schedule** section of this Tariff, plus any Usage Charges for all used water except those instances where water is used for firefighting. It is the responsibility of the member to notify Aqua WSC of the quantity of water used for a firefighting incident.

Feasibility Study for Fire Protection In Accordance with Current Fee Schedule (Exhibit C)

5.3.17 Temporary Construction Meter Fees and Deposits

For persons requesting the use of a temporary construction meter (also known as a production meter), there is a required deposit of \$1,200.00 and initial installation and testing fee of \$450.00. Aqua WSC also charges a Monthly Charge and a Usage Charge as defined by the size of the meter and equivalent to the fees outlined for Nonstandard Service in the Rate Schedule section of this Tariff. Aqua WSC will return the deposit upon payment of all monthly usage fees due to Aqua WSC and the return of the meter in good working condition. Any person using a temporary construction meter must also have a Reduced Pressure Zone (RPZ) Backflow Prevention Assembly installed with the meter. Upon installation, a licensed backflow assembly tester must test the RPZ backflow prevention assembly. The user must provide the Test and Maintenance Report to Aqua WSC prior to using the meter.

Persons requesting the use of a temporary construction meter must agree to the terms and conditions of and sign a Temporary Construction Meter Agreement which the General Manager may terminate from time to time and replace with an updated Agreement.

Deposit for Temporary Construction Meter	\$1,200.00
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Installation and Testing Fee	\$450.00
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5.3.18 Water Distribution System Flow Test

To conduct a flow test on Aqua WSC's Distribution System, the developer or other applicant requesting the test must pay Aqua WSC a non-refundable fee of **\$150.00** for each individual flow test.

Flow Testing Fee	\$150.00
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5.3.19 Waterline Locate Fee

Developers requesting Aqua WSC to locate a waterline for a non-emergency purpose must pay a fee of **\$600.00** for each required pothole.

Waterline Locate Fee per Pothole	\$600.00
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5.3.20 Application Fee for Review of Real Property Records

All applicants requesting new service, requesting an estimate to provide service to a tract of land, or requesting relocation of an existing meter must pay a non-refundable Application Fee in the amount of **\$150.00**. Aqua WSC will use the fee to research the real property records in the relevant county to determine compliance with that county's subdivision regulations and to determine which sections of **Nonstandard Water Service** in this Tariff may apply.

Application Fee for Property Review

\$150.00

5.3.21 Legal Fees

Any individual or entity requesting water service from Aqua WSC will be responsible for all legal fees and expenses incurred by Aqua WSC in providing the requested water service. Aqua WSC may require an initial deposit to cover these legal expenses. After reconciliation, Aqua WSC will issue an invoice for all legal fees and expenses incurred in excess of the deposit or issue a refund for the difference.

Legal Fees

\$1,000.00 to \$5,000.00 Deposit

5.3.22 Subsequent User Fee

Any entity or Developer requesting water service who has entered into a Subsequent User Agreement with Aqua WSC and uses infrastructure previously paid for by a Developer will be responsible for the pro-rata fees due to the Developer pursuant to the Subsequent User Agreement.

5.3.23 Credit Card Convenience Fee

In situations where Aqua is paid in a credit card transaction and charged a convenience fee by the credit card company, such fee will be passed on to the customer.

5.3.24 Repeated Field Response Fee

A fee of \$100.00 per dispatch shall be assessed for each field visit to a service location beyond two (2) visits required for the same unresolved issue, violation, or condition within a rolling 12-month period. This fee applies regardless of service type and includes, but is not limited to, unresolved violations, failed or missed inspections (including CSI and other required inspections that members are responsible for scheduling; the obligation to schedule does not exempt a member from this fee if Aqua WSC dispatches and the member is absent or the condition remains unresolved), and conditions requiring follow-up under any provision of this Tariff. This fee does not apply to standard meter reads, routine maintenance performed by Aqua WSC, or administrative site visits initiated by Aqua WSC.

Repeated Field Response Fee

\$100 per Dispatch

6. Service Rules and Regulations

6.1 Application for Service

An owner of title to real property or a purchaser under an executory contract for conveyance of real property (Contract for Deed or any other applicable deed) may file an application for service and seek to become a member of Aqua WSC. An applicant makes an application for service using Aqua WSC's standard Water Service Application and Water Service Agreement forms. The applicant must sign and submit the forms before Aqua WSC will provide water service. The Terms and Conditions, Notice of Water Pressure Hazard, Notice Concerning Driveways, and Privacy Notice as stated in the Water Service Agreement and shown in **Exhibit A** are an integral part of this Tariff.

A lessee of real property owned by a local, state, or federal governmental entity may file an application for Nonstandard Service with a Request for Feasibility Study and seek to become a member of Aqua WSC with permission of Aqua WSC's Board. The Board considers these applications on a case-by-case basis.

An applicant must make a separate application or contract for each service request. All applicants for service must submit a legal description of the property to be served which will consist of the lot, block, and section number for land in a platted subdivision, or will consist of a metes and bounds description for tracts of land that are not platted.

Aqua WSC will not approve any application for service in a subdivision unless the Developer has fully complied with all the requirements of **Nonstandard Water Service** in this Tariff, including, without limitation, full payment of all capacity reservation fees.

6.2 Easement Requirement for Water Service

As a condition of service, an applicant must execute a permanent water line easement across the entire frontage of the property for which the applicant requested water service, on a form satisfactory to Aqua WSC, and in compliance with terms of Section 49.218 of the Texas Water Code.

6.3 Driveways Over Water Lines

Aqua WSC requires a member or an applicant to provide notification if a concrete or asphalt driveway is to be installed on the property. If the driveway must cross an Aqua WSC water line, the member or applicant must pay the cost to encase the water line. If an applicant's requested water service requires a water line extension and that water line extension must pass beneath one or more concrete or asphalt driveways, the applicant must pay the cost to encase the water line at every driveway location. If a member installs a concrete or asphalt driveway over an Aqua WSC water line without notifying Aqua WSC in writing and paying Aqua WSC to encase the water line, a leak repair or other maintenance to the water line may result in damage to the driveway for which Aqua WSC will not compensate the member.

6.4 Multiple Meters on a Single Tract of Land

If the owner of a single contiguous tract of land desires to obtain multiple meters for that tract to provide water service to multiple building structures in compliance with the **One Dwelling Per Meter** policy, that owner must sign a Multiple Tap Agreement. If the owner desires to obtain more than two meters for a single contiguous tract of land, the owner must submit a written Request for Feasibility Study and pay applicable fees to determine if there is sufficient capacity in Aqua WSC's System to serve the additional meters. The owner must pay a Capacity Reservation Fee for each additionally requested meter. Aqua WSC may require an owner requesting more than two meters for a single contiguous tract of land to obtain Nonstandard Service in lieu of multiple meters.

If the owner desires to obtain more than one meter for a single contiguous tract of land and the tract is a Flag Lot, Aqua WSC will review the request and may require further analysis before

approval. Aqua WSC allows no more than two meters on a single contiguous tract of land that is a flag lot.

Aqua WSC will not locate a meter in an access easement unless the tract is a Flag Lot with road frontage or has an access utility easement acceptable to Aqua WSC. If the owner desires to obtain more than one meter in an access easement for a single contiguous tract of land that is a Flag Lot with road frontage or with an acceptable access utility easement, Aqua WSC will review the request and may require further analysis before approval.

6.5 Subdivision of Land with One or More Meters

If one or more meters provide water service to a single contiguous tract of land which is then subdivided, Aqua WSC will not transfer and/or reconnect one or more of the associated memberships, except if the meter(s) provides water service to a condo regime. The subdivided tract of land must satisfy all the requirements of **Nonstandard Water Service** in this Tariff.

If the owner of a single contiguous tract of land obtains multiple meters for that tract to provide water service to multiple building structures in compliance with the **One Dwelling Per Meter** policy of this Tariff, and that owner later desires to convey some portion of that tract which contains one or more meters and/or one or more building structures, then prior to the transfer of title to the new owner(s), the subdivision must satisfy all the requirements of **Nonstandard Water Service** in this Tariff including, without limitation, payment of capacity reservation fees. Each owner of a subdivided portion of the property must convey to Aqua WSC any easements necessary to provide water service to other portions of the property.

Upon transfer of title to property, the new owner(s) must comply with the **One Dwelling Per Meter** policy of this Tariff. If compliance with the **One Dwelling Per Meter** policy requires additional meters, the transfer applicant must pay the corresponding number of tap fees and membership fees.

Any applicant seeking service for a tract of land must provide information showing compliance with all applicable city and county subdivision ordinances. This information includes a copy of the recorded deed conveying the property to the applicant and a new service Application Fee to research the real property records in the relevant county. Aqua WSC will perform a detailed review of the history of the tract and its division, if any, as set forth in the real property records to determine if the tract is compliant with all applicable city and county subdivision ordinances and to determine which provisions of **Nonstandard Water Service** in this Tariff may apply to the application. Pursuant to Section 13.2501 of the Texas Water Code, Aqua WSC will refuse to serve an applicant if the requested service is prohibited under Sections 212.012 of the Texas Local Government Code (Connection of Utilities).

6.6 Water Service Installation

After the applicant has met all requirements, conditions, and regulations set forth in this Tariff, Aqua WSC will then (1) install a tap, meter, and cut-off valves within the boundaries of the parcel of land or lot to be served, and (2) take all necessary actions to initiate service.

6.7 Refusal of Service

Aqua WSC will decline to serve an applicant until the applicant has complied with federal, state, county, and municipal regulations, Aqua WSC's rules and regulations, and for the following reasons:

- (1) The applicant's installation or equipment is known to be inadequate or of such character that satisfactory service cannot be provided.
- (2) The applicant is indebted to any utility for the same type of service as that for which the applicant is applying.
- (3) Refusal to pay a membership fee or refusal to make a deposit, if Aqua WSC requires applicant to make a deposit.

- (4) The property to be served is subdivided in violation of applicable city or county subdivision ordinances.
- (5) Section 13.2501 of the Texas Water Code and Section 212.012 of the Texas Local Government Code prohibits serving the property. These code sections require certification of compliance with plat requirements prior to connection of water, sewer, electricity, gas, or other utility service.
- (6) More than one dwelling will be connected to a single meter on the property unless the service location qualifies for master meter service under this Tariff.
- (7) The meter to be set will be located within a 100-year floodplain as established by the Federal Emergency Management Agency.
- (8) The applicant does not have legally recorded access to the property that complies with Aqua WSC's Tariff for setting a meter.
- (4) The applicant fails or refuses to have a customer service inspection performed or fails or refuses to submit a properly completed customer service inspection certification form as required by TCEQ regulations.
- (9) The applicant fails to submit the "Notice of Endangered Species Habitat" acknowledgment if the property is within designated critical habitat under the Endangered Species Act or encompasses habitat of an endangered or threatened species under federal or state law.
- (10) Construction by Aqua WSC of the General-Purpose Transmission Facilities to serve the applicant would violate the federal Endangered Species Act or the Texas Endangered Species Act, and Aqua WSC cannot reasonably obtain authorization from the relevant agencies.
- (11) The applicant refuses to execute a permanent water line easement across the entire frontage of the property for which water service is requested, on a form satisfactory to Aqua WSC, and within the scope of the terms identified in Section 49.218 of the Texas Water Code.

6.8 Member Deposits

If a member or applicant has filed a petition for relief in U.S. Bankruptcy Court, Aqua WSC may require a deposit to assure payments for service in accordance with 11 United States Code §366.

6.9 Meter Requirements, Location, Readings, and Testing

Aqua WSC bills members monthly based on the volume of water measured by a meter during the billing period. provides, installs, owns, maintains, and reads these meters each month to accurately measure water consumption. The State of Texas and Aqua WSC's Tariff requires one meter for each residential, commercial, or industrial facility. Aqua WSC considers a recreational vehicle park to be a single commercial facility.

Aqua WSC allows a manufactured housing park to serve more than one manufactured home through a master meter, provided the Monthly Customer Charges are paid in accordance with the **Rate Schedule** section of this Tariff. A single master meter for each structure may serve apartment buildings, duplexes, or other multi-unit residential structures provided the Monthly Customer Charges are paid in accordance with the **Rate Schedule** section of this Tariff.

Upon request by a customer, Aqua WSC will have a meter professionally tested for accuracy. If the meter is found to be within the accuracy standards established by the American Water Works Association, Aqua WSC will charge the customer **\$200.00** for the testing and the cost to remove, transmit, and reinstall the meter. For anything larger than a standard service meter, Aqua WSC estimates the cost of the test and the customer must provide a deposit for this amount before performance of the test. If the test finds the meter to be outside the accuracy standards established by the American Water Works Association, Aqua WSC will pay the cost of the test for Standard Service and will take the necessary steps to install an accurate meter.

Aqua WSC will place meters at or near a property corner boundary, as determined by Aqua WSC's Engineering staff, in order to facilitate ease of access, system planning, and the potential for future service connections to adjacent properties. When possible, Aqua will not place meters in locations where they may be subjected to vehicular traffic, such as a meter placed under a driveway providing access to a dwelling or building structure.

Aqua WSC's Engineering staff has sole and exclusive discretion of whether it will approve a request for an alternate meter location. Any request for an alternate meter location must show a physical impediment to the corner placement of the meter, including but not limited to existing structures, easements, utility conflicts, topography, floodplain designation, or other site conditions that render corner placement impracticable. Aqua WSC may require the applicant to submit supporting documentation, such as a survey or site plan, to support a request for alternate meter placement.

Aqua WSC does not guarantee or suggest that corner placement of a meter will result in service availability to an adjacent property, and corner placement of a meter does not confer any right, expectation, or entitlement to water service for any adjacent property owner.

For meters set within a "flag" lot, Aqua WSC requires the flag or access utility easement providing entry to the lot to have a minimum street/road frontage of 30 feet.

6.10 One Dwelling Per Meter Policy

In accordance with 16 Texas Administrative Code § 24.169(a)(4) and Aqua WSC policy, one meter is required for each residential, commercial, or industrial service connection. If Aqua WSC identifies multiple dwellings or building structures served by a single meter, the responsible party will be notified verbally and in writing and required to pre-pay for additional service connections. Failure to comply may result in disconnection of service, with reconnection fees charged to the member.

Upon subdivision of a property having more than one dwelling or building connected to a single meter, any owner of a subdivided portion of the property wishing to continue water service must become a member of Aqua WSC and obtain a meter dedicated to providing water service to the owner's portion of the property. Each owner of a subdivided portion of the property must convey to Aqua WSC any easements necessary to provide water service to other portions of the property. The new service connections are subject to all the requirements in this Tariff, including, without limitation, full payment of tap fees and membership fees. Failure to have meters installed to serve each tract may result in disconnection of service to any or all subdivided portions of the property.

Multiple Connection Service may be permitted in limited circumstances where an appropriately sized meter can be installed. Eligible scenarios include, but are not limited to, manufactured housing parks, apartment complexes, duplexes, condo regimes, other multi-unit residential structures, or multiple commercial buildings served by a single meter. In all such cases, service must be established through a single owner or responsible party, who will be accountable for all service charges, regulatory compliance, and coordination with Aqua WSC.

All applications for Multiple Connection Service require a feasibility study and case-by-case approval by the Aqua WSC Board of Directors. Approval is contingent upon full compliance with all applicable sections of this Tariff.

6.11 Billing

Aqua WSC renders water bills monthly unless service is terminated before the end of a billing cycle. When a new member initiates service less than one week before the next billing cycle, Aqua WSC may bill for that service in the following month's billing cycle.

Aqua WSC considers a payment late if it is not received at Aqua WSC's office on or before the monthly due-date. Aqua WSC adds a 10% penalty for a payment received after the monthly due-date. Failure to pay on or before the due-date may result in disconnection of service.

The member is responsible for the bill. Aqua WSC will not separately bill occupants who are not members unless the member agrees to be responsible for payment of the bill and executes the appropriate documentation with Aqua WSC.

6.12 Service Disconnection

After giving proper notice, Aqua WSC may disconnect a member's water service for an unpaid water bill. Proper notice consists of a separate mailing or hand delivery at least five (5) days prior to a stated date of disconnection, containing the words "termination notice" or similar language prominently displayed on the notice. If applicable, the notice must also list the past due balance.

- (1) Aqua WSC may disconnect service **with** proper notice for any of the following reasons:
- a. Failure to pay a delinquent account or to comply with a deferred payment agreement.
 - b. Willful violation of a usage rule when that violation interferes with another member's service.
 - c. Failure to comply with valid deposit or guarantee arrangements.
 - d. Upon discovery by Aqua WSC that the owner has subdivided the property in violation of applicable county subdivision ordinances.
 - e. Upon discovery by Aqua WSC that the member has connected more than one dwelling on the property to a single meter, unless Aqua WSC has specifically and knowingly accepted the multiple connections and the present members are paying the appropriate multiple of the Monthly Customer Charge.
 - f. Upon discovery by Aqua WSC that one meter is serving more than one dwelling or building structure, and the dwellings or structures are located on separate parcels of land.
 - g. A member has failed to have a customer service inspection performed or has failed to provide access to the service location for the purpose of performing a customer service inspection.
 - h. Failure to comply with Aqua WSC's meter relocation policy.
 - i. Nonpayment of sewer service charges that Aqua WSC collects under an agreement between Aqua WSC and the provider of the sewer service.
 - j. Failure to comply with the International Plumbing Code.
- (2) Aqua WSC will only disconnect water service **without** notice:
- a. When a known dangerous condition exists and for as long as the condition exists.
 - b. When the customer has established water service with a meter bypass, using an unauthorized connection, or unauthorized reconnection; or
 - c. When a customer has tampered with Aqua WSC's meter or equipment.

A residential member may request a delay of disconnection of service upon establishing that some person residing at that residence could become seriously ill or more seriously ill if Aqua WSC disconnects service. Each time a member seeks to avoid termination of service under this provision, the member must have the attending medical doctor call or contact Aqua WSC within fifteen (15) days of the issuance of the bill. A written statement must be received by Aqua WSC from the attending medical doctor within twenty (20) days of the issuance of the bill. Upon receipt of the doctor's written statement, Aqua WSC may, at the discretion of the General Manager, delay disconnection of service for a period not exceeding 45 days from the issuance of the bill.

6.13 Customer Service Inspections

Aqua WSC must complete a customer service inspection certification conforming to TCEQ Regulations, which is currently codified as 30 Texas Administrative Code §290.46(j), for all:

- (1) new connections;
- (2) existing service locations where Aqua WSC has reason to believe that cross-connections or other unacceptable plumbing practices exist
- (3) after any material improvement, correction, or addition to the private plumbing facilities; or
- (4) relocation of an existing connection.

Aqua WSC will collect a Customer Service Inspection Fee at the time a person makes an application for residential service. For existing service locations where a Customer Service Inspection is necessary, Aqua WSC will add a Customer Service Inspection Fee to the member's monthly bill. For new service, a customer must schedule a Customer Service Inspection no later than 90 days from when the meter was set. A licensed Customer Service Inspector from Aqua WSC will conduct the inspection and complete a certification form before Aqua WSC will provide or continue water service.

The inspection is based on the conditions existing at the service location at the time Aqua WSC sets the meter. If the member makes any material improvement, correction, or addition to the private plumbing facilities, Aqua WSC will perform an additional Customer Service Inspection for the service location. For example, in cases where Aqua WSC provides water service to facilitate construction of a new residence or other structure, the inspector must perform a Customer Service Inspection and properly complete a customer service inspection certification form for the new structure as soon as practicable. Upon discovery that there has been a change in service conditions and there is not an appropriately completed inspection certification form, Aqua WSC will disconnect service to the location unless a properly completed certification form is filed at Aqua WSC's office within 30 days after the date that Aqua WSC provides notice pursuant to the **Service Disconnection** section of this Tariff. Aqua WSC will not restore service until after completion of the Customer Service Inspection. Repeated field response fees associated with CSI inspections are governed by the Repeated Field Response Section of this Tariff.

6.14 Meter Relocation

Upon completion of a new service application and agreement by a member, Aqua WSC will consider relocating a meter to a point as near as possible to the member's property line consistent with ease of access to and safety and maintenance of the meter. On a case-by-case basis, Aqua WSC will determine whether moving the meter location is feasible, including a determination whether water capacity is available at the selected location where the meter is to be relocated. The member must grant a permanent easement to Aqua WSC across the property frontage in accordance with the Water Service Agreement before Aqua WSC will move the meter. Review and approval of a meter relocation may require prior completion of a Feasibility Study.

A meter must be located and remain on the property of the structure which it is serving and will not be relocated or put into service on a different property. Aqua WSC will not relocate a meter across property lines except to relocate a meter to the property it is serving after a tract is subdivided. Aqua WSC requires an owner to relocate a meter to the property served. If the owner of the property and meter wishes to subdivide the tract, the owner must ensure the meter remains on the desired tract before subdividing or move the meter to the desired tract before subdividing, to ensure a meter relocation request is eligible for Aqua WSC's consideration. Aqua WSC is not required to consider a meter relocation request if the owner fails to move the meter prior to subdividing the tract or fails to ensure the meter remains on the desired tract before subdividing.

The owner must reactivate an inactive meter to active service and pay all applicable fees before Aqua WSC will consider relocation of the meter. The reactivated meter must meet all requirements for service per the Water Service Application and the Water Service Agreement including the grant of an easement across the property frontage.

Failure to comply may result in service disconnection.

After setting a meter in a new location, the owner has 30 days to install a new customer line. At the end of the 30-day period, Aqua WSC will remove the old (original) meter.

The fee for moving a meter includes the following:

- (1) An Application Fee for review of records and relocation;
- (2) The Meter Setting Fee for the size of meter requested at the new location;
- (3) The Customer Service Inspection Fee;
- (4) The Meter Disconnection and Removal Fee; and
- (5) The cost of any line extensions or other materials necessary to deliver water to the new location.

If the meter to be installed at the new location is larger in size than the existing meter, the member must also pay the difference between the System Development Fees for the larger meter size and the smaller meter size in effect at the time of the relocation request.

6.15 Temporary Emergency Meter Program for Livestock

During periods of extreme drought, Aqua WSC's Board may institute a Temporary Emergency Meter Program to allow individuals with livestock such as cattle, goats, and horses, to acquire an Aqua WSC meter to provide water to livestock. To obtain a Temporary Emergency Meter, an individual with livestock must complete and submit a Temporary Emergency Water Meter Application. If the individual is leasing the land for livestock operations, the property owner must complete the "Right of Entry & Customer Release of All Claims" section of the Temporary Emergency Water Meter Application, and both the owner and the lessee must sign the completed release form.

Before providing water, Aqua WSC will verify there is sufficient available capacity in the water line supplying the meter so there will be no impact to existing Aqua WSC members in the area. The Temporary Emergency Meter is available only if its addition does not result in the need for Aqua WSC to expand or improve its system to meet state and federal standards to retail customers.

To obtain a Temporary Emergency Meter, water from the meter must flow into a prefabricated tank or trough equipped with an automatic shutoff. An appropriate backflow prevention assembly is required to be installed by member. After submittal of the application and payment of fees, an Aqua WSC water operator will verify compliance with requirements prior to installation of the meter. Aqua WSC requires a Customer Service Inspection following installation of the meter. Aqua WSC will not set a Temporary Emergency Meter to provide water to an earthen tank or residence.

Aqua WSC's Board determines the cost to install a Temporary Emergency Meter at the time it institutes the program. The individual requesting the Temporary Emergency Meter also pays a monthly water usage fee equal to the first tier of the inverted block rate. Aqua WSC does not charge a System Development Fee, Membership Fee, or Monthly Customer Charge for Temporary Emergency Meters.

The Temporary Emergency Meter program remains in effect until the Aqua WSC's Board modifies or revokes it. Aqua WSC reserves the right to remove a Temporary Emergency Meter with ten (10) days' written notice if it determines there is a violation of the terms and conditions of the program or the information in the application is inaccurate.

Users may convert a Temporary Emergency Meter to a regular water service connection by contacting Customer Service and complying with the **Service Rules and Regulations** section of this Tariff concerning Application for Service.

6.16 Feasibility Study

Any person requesting Nonstandard Service must submit a written Request for Feasibility Study for Aqua WSC to prepare a Feasibility Study. The purpose of the Feasibility Study is to

determine if there is sufficient capacity in Aqua WSC's System to serve the number of dwelling units proposed to be located on the tract of land, or if a need exists to expand capacity of the production, treatment, and storage facilities, the General Purpose Transmission Facilities, or a combination of both, to serve the proposed connection. Aqua WSC's ability to provide fire flow is dependent on many factors including the size of infrastructure (production and delivery facilities), the topography of the area, and the specific flows required for the project.

Requestor must Include the following with each Request for Feasibility Study:

- (1) A completed Request for Feasibility Study.
- (2) A copy of a map or plat showing the property and its location within Aqua WSC's CCN, and the proposed improvements to be constructed by the applicant to connect such facilities to Aqua WSC's system. The map or plat must provide the legal description, the dimensions of the property, and the dimensions of the lots or tracts resulting from subdivision of the property. A licensed surveyor or registered professional engineer must sign and seal the map or plat, and any revisions, amendments, or supplements.
- (3) The intended land use of the property including detailed information concerning the types of proposed land uses.
- (4) The estimated number of living unit equivalents (LUEs).
- (5) The projected water demand of the service connection when fully built out and occupied, including average and peak demands in gallons per minute (GPM). Include the anticipated water demands for each type of land use and a projected schedule of build-out completion and associated water demand schedule of events leading up to the approximate date when Aqua WSC must first provide water service.
- (6) A statement of whether the applicant requires fire flow and, if required, the requested water demand, in flow quantity and time, to meet any fire flow requirements.
- (7) A proposed calendar of events including design, plat approval, construction phasing and initial occupancy, and the approximate date upon which Aqua WSC must initiate water service.
- (8) Information concerning on-site storage and pressurization facilities to reduce peak demand.
- (9) Any other information required by Aqua WSC to facilitate the evaluation of water service for the proposed service connection.

Because of factors such as unique topographic features, Engineering may determine after initial review of the request that they require additional information to facilitate evaluation of the proposed project. The applicant must submit additional information as specified by Engineering on a case-by-case basis.

For the applicable feasibility study fee, see **Feasibility Study Fees** in the **Rate Schedule** section of this Tariff.

6.16.1 Engineering Preparation of a Feasibility Study

After submission of a request and applicable fees for a Feasibility Study to Aqua WSC, Engineering conducts a review and evaluation to determine the feasibility of the request for service. The Feasibility Study will include the cost of additional facilities requiring construction or modification, if any, required by Aqua WSC to provide water service to the proposed service connection based on current material and labor prices and preliminary site and engineering information. Aqua WSC will submit the Feasibility Study to Engineering upon payment of all fees. The Feasibility Study is valid for 90 days from the date of issuance to the applicant.

6.16.2 Resolution by Board of Directors

Upon the applicant's approval and payment of all applicable fees, Engineering will submit the Feasibility Study to Aqua WSC's Board for its consideration at the next regular Board meeting,

provided that the next Board meeting is at least ten (10) days following the date of receipt of the Developer's request. If Aqua WSC receives the applicant's request less than ten (10) days prior to the next Board meeting, Engineering will place the request on the agenda for the following month's Board meeting.

If the Board determines that providing water service to the proposed connection is feasible, the Board will adopt a resolution indicating Aqua WSC's ability to provide water service to the connection subject to special terms and conditions of service identified in the Feasibility Study and, if required, will be incorporated in a Nonstandard Service Agreement. Such resolutions issued by the Board are valid for 180 days. Engineering will provide the applicant with the final Feasibility Study identifying the estimated cost for Aqua WSC to provide water service to the proposed connection and, if required, the fees to reserve capacity in Aqua WSC's System. At the time Aqua WSC receives quotations from contractors based on the final detailed design of the facilities, Engineering will determine the applicant's share of the actual cost to construct the facilities necessary to provide water service to the proposed connection. In addition, Aqua WSC will provide the applicant with the amount of expenses, such as attorney fees, estimated to be incurred by Aqua WSC in negotiating and drafting a Nonstandard Service Agreement. If an agreement has not been reached within 180 days of the approved Board resolution, an applicant will need to submit a request and applicable fees for a new Feasibility Study.

The applicant must pay Aqua WSC a deposit in the amount of the estimated expenses and provide Aqua WSC with a copy of the warranty deed conveying title to the applicant prior to the drafting of a Nonstandard Service Agreement. On completing the construction of the facilities and following reconciliation of all expenses, if there are any funds remaining after making payments to cover all expenses, then Aqua WSC will refund the amount of surplus funds to the applicant. If the deposit is insufficient to cover expenses, then the applicant must immediately pay Aqua WSC the additional funds in the amount of the balance.

6.17 Forfeiture of Membership

If Aqua WSC disconnects a service for more than 365 consecutive days due to nonpayment, or if someone tampers with Aqua WSC's equipment or takes water by means of an unauthorized connection, or both:

- (1) The member forfeits all rights and privileges of membership.
- (2) The member forfeits all connection and tap rights.
- (3) Aqua WSC will remove the meter.
- (4) Aqua WSC will seal the line tap.

Any future service at the location of a property described in this section is subject to all application and fee requirements of the **Rate Schedule** and **Service Rules and Regulations** sections of this Tariff. In addition to payment of a Membership Fee, the applicant must make full payment of the Tap Fee in effect at the time of the service request, including the Meter Setting Fee and the System Development Fee.

6.18 Service Outside Certificated Area

To the extent authorized by state law:

- (1) Aqua WSC may provide water outside the area of its Certificate of Convenience and Necessity (CCN) on a contractual basis. Aqua WSC will consider each case separately and will sell water on a term basis only.
- (5) For those persons or entities who wish to obtain wholesale water service from Aqua WSC for areas outside of Aqua WSC's CCN, Aqua WSC will provide wholesale service in accordance with Aqua WSC's **Terms and Conditions for Wholesale Water Service** outside of CCN No. 10294.

- (6) If Aqua WSC receives a request for service located in another service provider's CCN, requestor must provide Aqua WSC with written consent from the other CCN holder for Aqua WSC to provide water service in the other CCN.

6.19 Service to Areas of Purchased Water Systems

Whenever Aqua WSC purchases a certificated water system and the PUC approves the transfer of the Certificate of Convenience and Necessity, Aqua WSC will conduct service to the customers of the purchased water system in accordance with this Tariff and all rules and regulations of Aqua WSC. Upon transfer of the certificate, all then existing customers of the purchased water system automatically become members of Aqua WSC. As members of Aqua WSC, the terms and conditions of the Water Service Agreement, included as **Exhibit A** to this Tariff, are binding on the customers of the purchased water system regardless of whether the transferred customer has executed a service agreement with Aqua WSC. Aqua WSC will not transfer a membership to a subsequent customer in a purchased water system unless the subsequent customer executes a service agreement with Aqua WSC. Prior to the effective date of Aqua WSC's purchase of a certificated water system, Aqua WSC will notify every customer of the seller's water system of the applicability Aqua WSC's rules, regulations, and policies, including the terms and conditions of Aqua WSC's service agreement.

6.20 Limitation of Liability

Aqua WSC is not liable for any damages, including without limitation, direct damages, special damages, incidental damages, consequential damages, or loss of profit or revenue, resulting from failures or interruptions of water supply occurring because of maintenance of Aqua WSC's water distribution system or those resulting from causes beyond the Aqua WSC's control. Aqua WSC is not liable in any event for consequential damages.

6.21 Transfer of Membership

Where Aqua WSC has not disconnected water service, Aqua WSC may transfer a membership to a new owner or purchaser under a contract for deed or any other applicable deed upon the member's full payment of all amounts owed for water service, return of the membership certificate or completion of a Transfer of Membership form, payment of the Membership Transfer Fee, and full compliance with this Tariff. When Aqua WSC transfers a membership, the former member does not receive a refund of the Membership Fee. Aqua WSC assigns all rights of membership to the new member.

6.22 Litigation

This Tariff will be construed under and in accordance with the laws of the State of Texas. All obligations of the parties created under this Tariff will be performable in Bastrop County, Texas. All required payments to Aqua WSC under this Tariff will be made at Aqua WSC's offices in Bastrop County, Texas. Bastrop County, Texas is the exclusive place of venue for any disputes arising under this Agreement. In the event Aqua WSC is required to retain an attorney to enforce this Tariff or collect amounts owed under this Tariff, the member will be responsible for all costs incurred by Aqua WSC, including reasonable attorneys' fees.

6.23 Fire Hydrants and Flushing Valves

Aqua WSC will install all fire hydrants and flush valves to facilitate operation and maintenance of the water distribution system and fire emergencies. Only fire departments and others explicitly authorized by Aqua WSC may use them for refilling purposes. Aqua WSC reserves the right to remove any hydrant or flush valve due to improper use or detriment to the system as determined by Aqua WSC, at any time without notice, refund, or compensation to the contributors.

6.24 Release of Easements

Aqua WSC may comply with the request of another party to release, or partially release, an existing water line easement or Aqua WSC's interests in a platted public utility easement within a subdivision, after fulfillment of the following requirements:

- (1) The requesting party submits a written request to Aqua WSC by completing a Request for Release of Easement form with all required attachments for the specific easement in need of release.
- (2) Payment of a **\$150.00** processing fee to Aqua WSC by the requesting party upon submission of the Request for Release of Easement form to cover processing and recording fees. The requesting party is also responsible for any additional costs incurred by Aqua WSC from releasing the easement.
- (3) Aqua WSC staff will research the feasibility of releasing the easement.
- (4) If Aqua WSC determines the requested release of easement is feasible, Engineering will prepare a written statement that no reasonable probability exists that Aqua WSC will utilize the easement being requested for release in the future.
- (5) Aqua WSC's Board grants approval for the release of easement.

After fulfillment of the above requirements, Aqua WSC will execute a release of easement document and then file of record in its respective county. After recording of the release, a copy will be delivered to the requesting party. If it is determined a request for release of easement is not feasible, Aqua WSC will refund the processing fee to the requesting party.

6.25 Meter Certificate

Aqua WSC may issue a Meter Certificate as compensation for the dedication of a permanent water line easement across private property. A Meter Certificate is redeemable for one (1) 5/8" x 3/4" simple water meter and includes a waiver of all costs required to provide service except for the Customer Service Inspection Fee, the cost of any line extensions or other equipment necessary to deliver water to a specific location, and the cost of preparing a Feasibility Study if Aqua WSC determines, in Aqua WSC's sole discretion, that a Feasibility Study is required to deliver service to a specific location. A Meter Certificate has an expiration date of ten (10) years from the date of issuance and is subject to Aqua WSC's meter relocation provisions as identified in this Tariff. A Meter Certificate is transferable to another individual upon written request and approval by Aqua WSC. The Meter Certificate may only be redeemed to place the meter on the property where the permanent easement is given, regardless of whether the Meter Certificate is later transferred to another individual or entity.

6.26 Usage Audits

Aqua WSC may conduct usage audits, and if a Member's water usage consistently exceeds the limit authorized by Aqua WSC, such as averaging more than 15% above the LUE-based estimate used for System Development Fee (SDF) calculations, Aqua WSC may take enforcement actions. The enforcement actions may include additional SDF charges, service upgrades, flow restrictions, or service suspension. Aqua WSC will make reasonable efforts to notify the Member before taking such actions, but continued noncompliance or failure to pay may result in termination of service.

6.27 Complaints

Aqua WSC encourages all members and service applicants to contact Aqua WSC staff should they have any questions or concerns regarding their water service or any portion of this Tariff. Under Texas Administrative Code § 24.153(b), customers and service applicants are entitled to submit an informal complaint to the Public Utility Commission of Texas. More information on the PUC complaint process and the rights of utility customers is available on the PUC's website at <https://www.puc.texas.gov/consumer/complaint/>.

7. Extension Policy

7.1 Service Extension Requirements

7.1.1 Extensions to Developments

Aqua WSC extends water service to Developments within its certificated area in accordance with Aqua WSC's policy **Nonstandard Water Service** in this Tariff.

7.1.2 Extensions to Others

Aqua WSC makes extensions from existing lines with sufficient capacity to locations within its certificated area at an applicant's expense. Extensions of Aqua WSC's water supply lines to provide service under this Section must be constructed so that the water line extends across the entire frontage of the applicant's property unless Aqua WSC determines otherwise in the exclusive, final discretion of Aqua WSC's General Manager. Prior to the construction of an extension, the applicant pays the amount shown on Aqua WSC's Cost Estimate to Provide Water Service form. If Aqua WSC requires a water line easement from the applicant requesting water service, the water line easement must cover the entire frontage area of the applicant's property unless Aqua WSC determines otherwise. In such case, the General Manager has final, exclusive discretion. If all parties cannot reach an agreement for executing the proper water line easement document, Aqua WSC will refund fees associated with the water service request to the applicant.

If Aqua WSC needs water line easements from adjacent landowner(s) for extension purposes, Aqua WSC will request donations of the necessary easements from the landowner(s). However, if the landowner(s) requests compensation for granting the water line easement, the applicant requesting water service is responsible for all costs associated with providing the compensation. If all parties cannot reach an agreement for acquisition of the necessary easements, Aqua WSC will refund fees associated with the extension for water service to the applicant.

If, and only if, good faith negotiation efforts fail and Aqua WSC must acquire the necessary water line easement through eminent domain proceedings, Aqua WSC will exercise its right to eminent domain of behalf of the applicant at the applicant's expense. Aqua WSC is a Texas corporation duly and lawfully organized pursuant to the provisions of the Texas Business Corporation Act. Pursuant to Texas Water Code §49.222, Aqua WSC is empowered by the legislature of the State of Texas to exercise the right and power of eminent domain through which it may enter on and condemn the land, rights-of-way, easements, and property of any person or corporation where same is necessary for the construction, maintenance, or operation of water lines, as well as other fixtures usually and necessarily associated with the ongoing existence of a public utility entity.

8. Nonstandard Water Service

8.1 Purpose

This section of the Tariff is to establish the terms and conditions under which Aqua WSC provides nonstandard water service, including water service for Subdivisions, additions to Subdivisions, commercial Developments, or Developments where a Developer requests service to one or more tracts. The General Manager of Aqua WSC acts on behalf of Aqua WSC's Board to implement this policy. Aqua WSC has also established a **Developer Guide** to provide Developers with a clear, step-by-step overview of the process to request and secure water service based on this Tariff.

8.2 Exemptions

A subdivision is the division of any lot, tract, or parcel of land within the Service Area of Aqua WSC, into two or more lots or sites on or after May 2, 1984, for the purpose of sale or development, whether immediate or future, including re-subdivision of land for which a plat has been filed and recorded. Aqua WSC exempts the divisions of land resulting from a family or testamentary transfer of a parcel of land which will not require Aqua WSC to construct new water lines and which may be accessed by existing water lines which meet TCEQ requirements to service the additional meters. The term "family" includes only the grantor's spouse, parents, children, grandparents, grandchildren, or siblings. The exemption provided for the divisions of any lot, tract, or parcel of land as a result of a family transfer also extends to any purchaser of such a lot, tract, or parcel of land from a person who meets the definition of "family" under this definition. Provided, however, this exemption does not apply to an *inter vivos* family transfer that constitutes a subdivision of land for sale to the public. Aqua WSC may require a written Request for a Feasibility Study and payment of applicable fees to determine if there is sufficient capacity in Aqua WSC's System to serve the additional meters.

8.3 Identifying Water Availability to a Development

8.3.1 Feasibility Study

To begin the process of reserving water capacity and the subsequent provision of water service to a proposed Development, the Developer must submit a written Request for Feasibility Study for Aqua WSC to prepare a Feasibility Study for the proposed Development. The purpose of the Feasibility Study is to determine if there is sufficient capacity in Aqua WSC's System to serve the proposed Development, or if a need exists to expand capacity of the production, treatment, and storage facilities, the General Purpose Transmission Facilities, or a combination of both, to provide the requested water service. Aqua WSC's ability to provide fire flow to the Development is dependent on many factors such as the size of infrastructure (production and delivery facilities), the topography of the area, and the specific flows required for the project.

When water service is requested for parcels of land of ten (10) acres or more resulting from a subdivision of land and where an existing water line of three (3) inches or less is to provide the service, Aqua WSC requires the requesting party to submit a Request for Feasibility Study and pay all appropriate fees to determine if capacity is available for that service. Before Aqua WSC will provide water service, the requesting party must pay for all improvements identified in the Feasibility Study such as, but not limited to, line extensions and road bores. The requesting party is also required to meet all federal, state, and local development requirements.

For the applicable feasibility study fee, see **Feasibility Study Fees** in the **Rate Schedule** section of this Tariff. Aqua WSC conducts a Feasibility Study for a Development using the procedures specified for a **Feasibility Study** in the **Service Rules and Regulations** section of this Tariff.

8.3.2 Resolution by Board of Directors

Upon the Developer's approval and payment of all applicable fees, Engineering will submit the Feasibility Study to the Board for its consideration at the next regular Board meeting, provided that the next Board meeting is at least ten (10) days following the date of receipt of the

Developer's request. If Aqua WSC receives the Developer's request less than ten (10) days prior to the next Board meeting, Engineering will place the request on the agenda for the following month's Board meeting.

8.3.3 Nonstandard Water Service Agreement

If Aqua WSC's Board determines that providing retail water service to the proposed Development is feasible, the Board will adopt a resolution indicating Aqua WSC's ability to provide retail water service to the Development subject to special terms and conditions of service identified in the Feasibility Study and to be incorporated in a Nonstandard Water Service Agreement and a Capacity Reservation Agreement. In general, Aqua WSC will require a Nonstandard Water Service Agreement when an owner of real property plans to develop said property into a residential subdivision to be served by Aqua WSC. Aqua WSC will also require a Nonstandard Water Service Agreement when an owner of real property requires meters that are sized larger than a typical 5/8-inch residential meter. Engineering will provide the Developer with the final Feasibility Study identifying the estimated cost to the Developer for Aqua WSC to provide water service to the proposed Development and the fees to reserve capacity in Aqua WSC's System. At the time Aqua WSC receives quotations from contractors based on the final detailed design of the facilities, Engineering will determine the Developer's share of the actual cost to construct the facilities necessary to provide water service to the proposed Development. In addition, Aqua WSC will provide the Developer with the amount of expenses, such as attorney's fees, estimated to be incurred by Aqua WSC in negotiating and drafting a Nonstandard Water Service Agreement and a Capacity Reservation Agreement.

The Nonstandard Water Service Agreement will specify:

- (1) Developer's anticipated needs for service.
- (2) Facility improvement costs to be covered by Developer, including costs for tanks, piping, main lines, hydrants, and other labor materials necessary to provide service at the level required by Water Code and as requested by the applicant.
- (3) Line and facility inspection fees to be covered by Developer.
- (4) Administrative costs to be covered by Developer, including costs for contract administration, processing invoices, and disbursing checks to contractors.
- (5) Legal fees to be covered by Developer, including fees for the preparation of contracts easements, deeds, permits, and CCN amendments as necessary.
- (6) Engineering fees to be covered by Developer and any additional site-specific equipment or appurtenances necessary to provide water service as determined by Aqua WSC.
- (7) Developer's obligation to provide easements to Aqua WSC if necessary to provide water service.
- (8) Any other consideration to be exchanged between Aqua WSC and the developer in relation to the provision of water service.
- (9) Whether the Nonstandard Water Service Agreement incorporates a Capacity Reservation Agreement.

The Developer must pay Aqua WSC a deposit in the amount of the estimated expenses and provide Aqua WSC with a copy of the warranty deed conveying title to the Developer prior to the drafting of the Nonstandard Water Service Agreement and the Capacity Reservation Agreement. Upon completing construction of the facilities and following reconciliation of all expenses, if there are any funds remaining after making payments to cover all expenses, then Aqua WSC will refund the amount of surplus funds to the Developer. If the deposit is insufficient to cover expenses, then the Developer must immediately pay Aqua WSC the additional funds in the amount of the balance.

8.3.4 Conveyance of Groundwater Rights

The owner of five (5) acres or more of real property that will be developed as a residential subdivision pursuant to a Nonstandard Water Service Agreement or a Wholesale Water Service Agreement must, simultaneously with the execution and delivery of the Nonstandard Water Service Agreement or Wholesale Water Service Agreement, execute and deliver a warranty deed conveying to Aqua WSC all groundwater that may be produced, pooled, or accessed from the property and all associated groundwater rights. Said warranty deed must be approved by Aqua WSC prior to execution and Aqua WSC has sole discretion over the language of said deed. An owner of real property will not be excused from the requirements of this Section due to the owner's failure to obtain ownership of all groundwater that may be produced, pooled, or accessed from the property and all associated groundwater rights.

8.3.5 Capacity Reservation

A determination that providing water service to a proposed Development is feasible does not reserve capacity in Aqua WSC's System to serve the proposed Development. Uncommitted water supply capacity existing in Aqua WSC's System is available on a first come, first served basis, and may be reserved only in accordance with this Tariff. A Developer does not have any rights to water supply capacity until after full execution of a Capacity Reservation Agreement and payment of capacity reservation fees. A Developer must pay a Capacity Reservation Fee for each LUE reserved for a tract of land resulting from the subdivision of a larger tract of land occurring on or after May 2, 1984.

8.3.6 Nonstandard Service – Districts

This section is only applicable to Districts to be decertified from Aqua WSC's CCN retail Service Area that enter into agreements with Aqua WSC after August 5, 2013.

Districts created pursuant to Article XVI, Section 59 and Article III, Section 52 of the Texas Constitution, such as municipal utility districts or water control and improvement districts, may obtain Nonstandard Service to supply water to property within the boundaries of the district, including wholesale water service. Districts may sub-meter water provided under District Nonstandard Service for resale within the boundaries of the district. Aqua WSC will remove the area within the boundaries of the district from the authorized Service Area under Aqua WSC's Certificate of Convenience and Necessity issued by the PUC. For a District to acquire District Nonstandard Service, it must first obtain a Feasibility Study and enter a contract with Aqua WSC providing that Aqua WSC will be the exclusive source of water supply for the District. The District has the obligation to provide and maintain all water storage facilities and pressurization necessary to provide water service within the boundaries of the District.

- (1) Any District desiring to buy water on a bulk basis is required to negotiate a special contract with Aqua WSC for such purpose. The contract will, as a minimum, stipulate that Aqua WSC will provide a specified quantity of water at a metered point of delivery. Each District is responsible for constructing, owning, operating, and maintaining all re-pressurization facilities, retail water distribution facilities, and the like to provide retail water service to the District.
- (2) All District Nonstandard Service contracts require Aqua WSC to be the sole source of water for whatever area is to be served by the District.

8.4 Reserving Capacity in Aqua WSC's System

Aqua WSC will not provide water service to a lot in a Subdivision or to a Development unless the Developer has reserved capacity for the requested connection in accordance with Aqua WSC's Tariff.

8.4.1 Capacity Reservation Agreement and Fees

To maintain the right to utilize the capacity held in Aqua WSC's System, the Developer must first execute a Capacity Reservation Agreement and pay in full the required capacity reservation fees prior to expiration of the holding period. Aqua WSC will include a Capacity Reservation Fee as a

component of the System Development Fee for any tract of land resulting from the subdivision of a larger tract of land occurring on or after May 2, 1984.

If the Developer does not satisfy all requirements of this subsection, any capacity held for the proposed Subdivision or Development will revert to first come, first served availability.

The Developer pays Aqua WSC a Capacity Reservation Fee in the amount of \$600.00 for each reserved LUE. The Capacity Reservation Fee is a component of the System Development Fee. The Developer pays the Capacity Reservation Fee at the time capacity is reserved. The remainder of the System Development Fee is paid at the time the meter is installed. The System Development Fee compensates Aqua WSC for its investment in the water production, treatment, storage, and transmission facilities which the new customer utilizes when connected to Aqua WSC's System. For multi-family residences with two (2) or more units, each dwelling unit must have its own meter and Aqua WSC will charge each dwelling unit a Capacity Reservation Fee. The Capacity Reservation Fee is payable in the form of a cashier's check or other form of payment approved by the Board of Directors or Aqua WSC's General Manager at the time of execution of the Capacity Reservation Agreement.

8.4.2 Reserving Existing Production, Treatment, and Storage Capacity

To reserve available capacity for a Subdivision or Development, based on the types of service, the Developer must complete the following requirements.

8.4.2.1 Multi-Unit Residences

In the case of multi-dwelling unit residences served by Multiple Owner Nonstandard Service, one or more master meters may serve the development. In this situation, Engineering adjusts the number of dwelling units by multiplying by a factor of 0.7 for dwelling units that share common walls, such as townhouses or condominiums. The Capacity Reservation Fee is payable in the form of a cashier's check or other form of payment approved by Aqua WSC's Board or Aqua WSC's General Manager at the time of execution of the Capacity Reservation Agreement.

8.4.2.2 Commercial

Each commercial user must have its own meter with a corresponding backflow assembly for premise isolation. Engineering determines the commercial Capacity Reservation Fee by calculating the ratio of the water demand needed by the commercial customer to the water demand for a single-family residential customer and then multiplying the then current single family Capacity Reservation Fee times the derived ratio. Provided however, the cost of a commercial capacity reservation fee will never be less than the single-family residential capacity reservation fee. The Capacity Reservation Fee is payable in the form of a cashier's check or other form of payment approved by Aqua WSC's Board or Aqua WSC's General Manager at the time of execution of the Capacity Reservation Agreement.

8.4.2.3 Construction Costs

The Developer pays Aqua WSC the Costs of Construction necessary to provide service from the nearest point of adequate supply in Aqua WSC's existing General Purpose Transmission Facilities to the proposed Subdivision or Development. The Developer will pay these construction costs at the time of execution of the Capacity Reservation Agreement. These costs are payable in the form of a cashier's check or other form of payment approved by Aqua WSC's Board or Aqua WSC's General Manager at the time of execution of the Capacity Reservation Agreement.

The Developer agrees to construct all facilities included in the Developer Project and, upon completion and acceptance by Engineering, deed all facilities constructed under this section of the Tariff to Aqua WSC together with all easements in which the facilities are located.

8.4.3 Reserving New Production, Treatment, and Storage Capacity

If it is necessary for Aqua WSC to add capacity to Aqua WSC's System before it can adequately serve the Developer's proposed Subdivision or Development, the following requirements apply:

- (1) The Developer pays the Costs of Construction necessary to provide service from the nearest point of adequate supply in Aqua WSC's existing General Purpose Transmission Facilities to the proposed Subdivision or Development.

- (7) The Developer pays the greater of (1) a Capacity Reservation Fee in the amount of \$600.00 for each single-family residential customer or equivalent as described in section **Reserving Existing Production, Treatment, and Storage Capacity**, or (2) all Costs of Construction to upgrade that portion of Aqua WSC's Production and Storage Facilities necessary to meet the requirements of the Developer's requested service.
- (8) Engineering designs all improvements to Aqua WSC's System and Aqua WSC or Aqua WSC's agents construct all the necessary improvements to meet the requirements of the Developer's requested service. The Developer bears the Costs of Construction of all such improvements in accordance with (1) and (2) above. At the time of execution of the Capacity Reservation Agreement, the Developer pays Aqua WSC the full amount of the Costs of Construction. The Capacity Reservation Fee is payable in the form of a cashier's check or other form of payment approved by Aqua WSC's Board or Aqua WSC's General Manager at the time of execution of the Capacity Reservation Agreement.
- (9) The Developer agrees to construct all facilities included in the Developer Project and, upon completion and acceptance by Engineering, deed all facilities constructed under this section of the Tariff to Aqua WSC together with all easements in which the facilities are located.

8.4.4 Term of Capacity Reservation Agreements

All Capacity Reservation Agreements are subject to the terms of the Aqua Water Supply Corporation's rules and regulations, including the Water Tariff on file with the PUC. All Capacity Reservation Agreements are also subject to any future amendments or modifications of the rules and regulations and the Water Tariff. In the event the terms of a Capacity Reservation Agreement conflict with the rules and regulations and the Water Tariff, the rules and regulations and the Water Tariff will control. The Capacity Reservation Agreement has a term of ten (10) and 1/2 years (126 months) from the date of execution of the Agreement. Aqua WSC will consider a request for an agreement with a term of greater than ten (10) and 1/2 years (126 months) or any extensions to existing agreements on a case-by-case basis. If any Capacity Reservation Agreement reaches its expiration and construction of the Developer Project is not underway, the capacity reserved pursuant to the Capacity Reservation Agreement will return to Aqua WSC and again be available on a first come, first served basis.

8.4.5 Availability of Water Service to Individual Lots

The approval and execution of the Capacity Reservation Agreement between Developer and Aqua WSC results in the availability of a specific amount of water capacity at the boundary of the Subdivision. The availability of water capacity at the boundary of the Subdivision does not mean that water service is available at a specific lot or that Aqua WSC will set a meter at a lot upon request by the owner of the lot. Before capacity and water service is available at a lot within the Subdivision, the Developer must complete the Developer Project and deed it to Aqua WSC.

8.4.6 Noting Availability of Water Capacity from Aqua WSC on a Plat

Before Aqua WSC will indicate on a final plat of a Subdivision or Development that water service is available, the Developer must either (1) complete construction of Developer Project, or (2) if construction of Developer Project is not complete, either (i) execute restrictive covenants (see Restrictive Covenant form), or (ii) provide a letter of credit ("LOC") payable to Aqua WSC in an amount equal to the costs of construction of the on-site water facilities for the Subdivision plus a 15% fee for contingencies.

In the event the Developer chooses to request the filing of restrictive covenants, Aqua WSC will file the restrictive covenants in the real property or plat records of the county where the Subdivision is located. When the Developer Project is complete, Aqua WSC will file the appropriate instrument to release the restrictive covenants. However, if the Developer Project is larger than ten (10) lots and completed in stages, Aqua WSC will release specific lots from the restrictive covenants in groups of not less than ten (10) lots.

In the event the Developer chooses the option to submit a LOC, the Developer must first submit construction plans and specifications for the Developer's Project to Aqua WSC, including a detailed cost estimate, for its review and approval. Aqua WSC has 30 days to review and approve the plans and cost estimate for the Developer's Project.

The LOC must be in an amount equal to the detailed cost estimate for the Developer's Project plus a 15% contingency fee, will be irrevocable, issued by a state or federally chartered banking institution, payable to Aqua Water Supply Corporation, and have a one year term. Aqua WSC will release the LOC to the Developer on completion and Aqua WSC's acceptance of the Developer's Project.

If construction of the Developer's Project is not complete within 30 days of the expiration date of the LOC, then Aqua WSC will cash the LOC and construct the Developer's Project. After payment of all costs resulting from construction of the Developer's Project, Aqua WSC will refund any amounts remaining from the LOC to the Developer.

If the Developer desires to extend the LOC beyond the one-year term, a written request for a substitute LOC must be submitted to Aqua WSC not later than 60 days prior to the expiration of the active LOC. The Developer must include a revised cost estimate for the Developer's Project for Aqua WSC's review and approval. The amount of the successor LOC will include any cost increases for construction of the Developer's project. The Developer must submit the substitute LOC to Aqua WSC not later than 30 days prior to the expiration of the active LOC. Upon Aqua WSC's receipt of a substitute LOC, Aqua WSC will release the previous LOC to the Developer.

Once Aqua WSC reserves and allocates water supply capacity to a particular tract of land and indicates on a final plat that water service is available to that land, Aqua WSC does not allow transfer of the water supply capacity to other land.

8.4.7 One Time Eligibility for Refund of Capacity Reservation Fees

A Developer who has paid Capacity Reservation Fees but has not received approval of the subdivision plat from a local governmental entity having jurisdiction and plat approval authority in the area in which the proposed Subdivision is to be located, may request a refund of Capacity Reservation Fees. The refund amount will be less any costs and expenses incurred by Aqua WSC in connection with the proposed Subdivision. Aqua WSC will pay the refund to the Developer provided the Developer satisfies all the following additional conditions:

- (1) Not more than 90 days have elapsed since the date the Developer paid Capacity Reservation Fees to Aqua WSC.
- (2) Aqua WSC has not given the Developer a previous refund of Capacity Reservation Fees in connection with the land on which the proposed Subdivision is located.
- (3) The Developer has not filed a plat of record that indicated Aqua WSC would provide service to the proposed Subdivision.

The General Manager will determine the Developer's eligibility for a refund and the amount of refund to be made, if any. Along with the request for a refund, the Developer must return to Aqua WSC any unrecorded plat bearing an original signature showing Aqua WSC's commitment for service to a proposed Subdivision. Aqua WSC's Board may extend the 90-day deadline for requesting a refund for a period of 30 days for good cause. The Developer must submit a request to Aqua WSC for an extension stating the grounds for good cause no less than seven days prior to the last Board meeting to be held within the 90-day period.

8.4.8 Transfer of Reserved Capacity Prohibited

Any agreement executed in accordance with this policy is only a commitment to provide water to the specific tract of land described in the Capacity Reservation Agreement.

8.4.9 Recording of Information Concerning Water Availability

When a Developer subdivides a tract of land and does not reserve water supply capacity for the entire tract, Aqua WSC may file a notice concerning water availability in the real property records of the county in which the tract of land is located. The notice may reference the agreement between Aqua WSC and the Developer and it may specify the portions of the tract of land for which water service is available and the residual portions of the tract of land for which the Developer has not reserved water supply capacity.

8.5 Unplatted Non-Compliant Subdivided Tracts of Land

This section of the Tariff applies to an application for transferring or setting a meter and providing water service to a lot or parcel of land resulting from the subdivision of a tract of land where the

Developer has not complied with Aqua WSC's rules and regulations concerning **Nonstandard Water Service**. The subject land in the water service application must be located in a subdivision of tracts, lots, or parcels that is exempt from the applicable county's platting requirements. To obtain water service for **Unplatted Non-Compliant Subdivided Tracts of Land**, an applicant must submit a water service application to Aqua WSC along with a copy of a platting exemption letter from the county in which the tract of land is located.

Aqua WSC will require the applicant to request and pay the appropriate fee for a Feasibility Study which will determine if water capacity is available for that service. Before Aqua WSC will provide water service or consider a meter transfer or relocation request, the requesting party must pay for all improvements identified in the Feasibility Study such as, but not limited to, line extensions and road bores. The requesting party must abide by the provisions of this Tariff, including Aqua WSC's Line Extension Policy in this Tariff, as well as abide by all federal, state, and local development requirements.

If Aqua WSC determines water supply capacity in Aqua WSC's System is available, an applicant, other than the Developer, may obtain service to a single lawfully subdivided lot or parcel by payment of the membership fee, the applicable meter installation and System Development Fees, and the Capacity Reservation Fee required in **Reserving Existing Production, Treatment, and Storage Capacity** section of this Tariff. Additionally, if an extension of Aqua WSC's water supply lines is necessary to provide water service to the tract, lot, or parcel, the applicant must pay all costs which the Developer would have been required to pay to receive service. These costs include, but without limitation, all costs to extend Aqua WSC's General Purpose Transmission Facilities and the cost of materials and installation of an adequately sized water line to deliver sufficient water to serve all tracts, lots, or parcels of the non-compliant subdivision. For this purpose, Aqua WSC may require at least a six (6) inch water line. Additionally, Aqua WSC will require the water line to extend across the entire frontage of the applicant's property.

8.6 Platted Non-Compliant Subdivided Tracts of Land

If the subdivided tract is platted and the plat language states that Aqua WSC has not agreed to serve water to the tract (See **Exhibit B** for example of plat language), then the applicant is required to request and pay the appropriate fee for a Feasibility Study. Before Aqua WSC will provide service to any of the tracts, lots, or parcels, a Feasibility Study must be completed, and the applicant must satisfy all requirements to bring all the tracts into compliance. An applicant, applicants, or Developer may become eligible for water service from Aqua WSC by bringing the **whole platted non-compliant subdivision into compliance** with Aqua WSC's rules and regulations in this Tariff concerning **Nonstandard Water Service**.

Subject to the availability of water supply capacity in Aqua WSC's System, the applicant may obtain service to the platted non-compliant subdivided tracts of land by proceeding with the **Nonstandard Water Service** process and by payment for the Capacity Reservation Fees for all tracts, lots, or parcels within the non-compliant subdivision required by **Reserving Existing Production, Treatment, and Storage Capacity** in this Tariff. Additionally, if an extension of Aqua WSC's water supply lines is necessary to provide water service to the lot(s) or parcel(s) of the platted non-compliant subdivision, the applicant must pay all costs associated with that extension to receive service. These costs include, but without limitation, all costs to extend Aqua WSC's General Purpose Transmission Facilities and the cost of materials and installation of an adequately sized water line to deliver sufficient water to serve all tracts of the platted non-complaint subdivision. Aqua WSC may require at least a six (6) inch water line. Aqua WSC will require the water line to extend across the entire frontage of the applicant's property.

Aqua WSC will reject all applications for setting a meter and providing water service to the lots or parcels of land described under this section that result from subdividing a tract of land and where the Developer or applicant has not complied with the Aqua WSC's rules and regulations concerning **Nonstandard Water Service**.

8.7 Construction Rules and Regulations

8.7.1 Submittal of Preliminary or Final Plat

A Developer must submit to Aqua WSC, and Aqua WSC's Engineering must approve a preliminary or final plat and a water facilities plan before commencing construction of a Developer Project. There is a non-refundable fee of **\$50 per LUE** to review the water facilities plan internal to the subdivision. The water facilities plan must include the plans and specifications (construction drawings) of the improvements which will be located within the subdivision and a description of the rights-of-way in the subdivision in which the facilities will be constructed. The preliminary or final plat and plan must be approved, if required, by:

- (1) The county or counties in which the land is located.
- (2) The governing body of any city within whose corporate or extraterritorial jurisdiction the Subdivision is located.
- (3) The United States Fish and Wildlife Service and/or the Texas Parks and Wildlife Department.
- (4) Any other person or political subdivision whose approval will be required before Aqua WSC can provide the service contemplated by the Developer's request.

A Developer may also satisfy the county requirements above with a written statement from a county or counties stating that the county does not require approval of the plat. In the event there is no response from the pertinent county or counties regarding plat approval or exemption, the Developer must submit written documentation establishing that approval of the plat is not required by the pertinent county or counties.

8.7.2 Line Extension Policy

As a condition of service under this Section 8, any required extension of Aqua WSC's water supply lines must be constructed so that the water line extends across the entire frontage of the applicant's or Developer's property unless Aqua WSC determined otherwise in the exclusive, final discretion of Aqua WSC's General Manager.

8.7.3 Easements

8.7.3.1 Easements for an Approach Main

Before construction of an Approach Main begins, the Developer must dedicate to Aqua WSC, or pay the cost of acquiring, title to a minimum 20-foot permanent easement and an adjacent minimum 20-foot temporary workspace easement. These easements will run from Aqua WSC's existing General Purpose Transmission Facilities to the Developer's subdivision or Development. Depending on Aqua WSC's requirements, the permanent easement must include exclusive easement rights to a 20-foot-wide strip of land, the center line of which will be defined as the center line of the installed water line. The Developer will pay all costs of obtaining easements to Aqua WSC in the form of a cashier's check or other form of payment approved by the Aqua WSC's Board or Aqua WSC's General Manager.

8.7.3.2 Easements for a Developer Project

The Developer must dedicate to Aqua WSC all easements within the subdivision or Development necessary for water line construction, operation, maintenance, repair, replacement, and access. All internal water distribution lines within a subdivision or Development must be installed within a minimum 15-foot-wide exclusive water line easement dedicated to Aqua WSC. Where site-specific conditions or other constraints prevent the Developer from providing the required 15-foot-wide exclusive water line easement, the Developer may request an exception from Aqua WSC. Any such request will be reviewed by Aqua WSC on a case-by-case basis. Approval of an exception is at the sole discretion of Aqua WSC and may be subject to additional requirements or conditions necessary to provide adequate access to and protection of Aqua WSC facilities. The Developer must also dedicate any additional easements required by Aqua WSC where a

deviation from the designated easement is necessary for the construction, operation, maintenance, repair, replacement, or protection of Aqua WSC facilities. The Developer must show all water line easements on the final recorded plat of the subdivision or Development."

8.7.3.3 Boundary Easements

The Developer must dedicate to Aqua WSC title to a minimum 20-foot permanent easement and an adjacent minimum 20-foot temporary workspace easement along all roads and highways adjoining the subdivision for future water line construction. The minimum 20-foot permanent easement must include exclusive easement rights to a 20-foot-wide strip of land, the center line of which will be defined as the center line of the installed water line.

8.7.3.4 Clearing of Easements

The Developer bears the cost of clearing and chipping the entire width of: (1) all easements which run from Aqua WSC's existing General Purpose Transmission Facilities to the Developer's subdivision; (2) all easements within the subdivision necessary for water line construction within the subdivision; (3) all additional easements necessary where a deviation from dedicated utility easements is deemed necessary by Aqua WSC; and (4) all public utility easements if an applicable County Commissioner's Court or municipal governing body has approved specific utility location assignments within the public utility easement.

8.7.4 Costs Associated with Obtaining Easements

The Developer will pay to Aqua WSC all costs of obtaining right-of-way easements necessary to connect the Developer Project to Aqua WSC's General Purpose Transmission Facilities, whether or not the easements are in the Subdivision. These costs are payable in the form of a Cashier's Check or other form of payment approved by the Aqua WSC's Board or Aqua WSC's General Manager.

8.7.5 Requirements of Local, State, and Federal Agencies

All Subdivisions and Developments must meet the conditions of all local, state, and federal agencies having regulatory authority over lot sizes, sewage control, drainage, and right-of-way.

8.7.6 Construction Notification

The Developer must provide sufficient notification to Aqua WSC to allow Aqua WSC to observe and inspect critical elements of construction. These include, but are not limited to:

- (1) water line and facility installation;
- (2) connections to existing mains;
- (3) pressure testing procedures; and
- (4) the testing of all water facilities.

If Developer fails to comply with the sufficient notification condition, Aqua WSC may require Developer to uncover and expose the constructed facilities for Aqua WSC's inspection. In any event, the Developer is responsible for the integrity of the facilities.

8.7.7 Acquisition by Eminent Domain

Aqua WSC may, if necessary, acquire any essential land or easements by eminent domain necessary to provide service to a subdivision or development. The Developer will pay all expenses associated with such eminent domain proceedings, including, but not limited to, legal fees, engineering fees, and the award of the Commissioners or the Court. These costs are payable in the form of a Cashier's Check or other form of payment approved by the Aqua WSC's Board or Aqua WSC's General Manager.

8.7.8 Backflow Prevention

A backflow prevention assembly is required for any commercial facility. Premise isolation (for example, a Reduced Pressure Zone assembly or air gap) and internal protection is required for all nonstandard service accounts. All outside faucets require a vacuum breaker device.

8.7.9 Oversizing Improvements

8.7.9.1 Oversizing by Aqua WSC

It may be necessary from time to time for Aqua WSC to oversize improvements which are contemplated by the Developer, or Developers, to either its Production and Storage Facilities, its General-Purpose Transmission Facilities, or the Developer Project. The decision on whether to oversize such facilities resides exclusively with Aqua WSC. Aqua WSC bears the cost of all oversizing requested by Aqua WSC. Should Aqua WSC, in its sole discretion, determine that: (1) Aqua WSC does not have funds available for such oversizing at the time a request for service is received so that the Developer would, in the Developer's opinion, be delayed from proceeding with its Subdivision or Development, or (2) Aqua WSC's available funds should not be used for oversizing on a Developer Project at the time a request for service is received, Aqua WSC will agree to enter a contract where all such oversizing is paid by the Developer and Aqua WSC will reimburse the Developer out of future Capacity Reservation Fees. Aqua WSC will agree to make an accounting on an annual basis of the Capacity Reservation Fees received for the preceding year which utilized capacity in the system oversized at the expense of the Developer and pay the Developer an amount equal to 60% of these received fees until Developer is fully compensated for the cost of funding Aqua WSC's oversizing. However, Aqua WSC will not agree to pay interest on the funds the Developer expended for Aqua WSC's oversizing improvements. Additionally, the term of this contract must not exceed ten (10) years. At the expiration of the term of the contract, Aqua WSC will have no further obligation to reimburse the Developer for funds expended in such oversizing.

8.7.9.2 Oversizing by Developer

If Aqua WSC's Board determines that Aqua WSC should construct an improvement to its General-Purpose Transmission Facilities to serve the needs of existing members and that these facilities, if oversized, may also reasonably provide capacity for a Developer Project, the Developer will be allowed to enter a contract with Aqua WSC to oversize the facilities to provide capacity for the Developer Project. The Developer must agree to pay the incremental cost to oversizing the facilities beyond the capacity Aqua WSC would have constructed for improvements to serve its members.

8.8 Acceptance

Aqua WSC will inspect and accept all facilities constructed in all Subdivisions, additions to Subdivisions, and developments in Aqua WSC's Service Area before provision of water service.

- (1) Aqua WSC must approve all facilities constructed in Aqua WSC's Service Area. Under this policy, the Developer bears the cost for these services.
- (2) Aqua WSC will accept the dedicated facilities only if the Developer constructs the facilities in strict conformance with the previously approved construction plans and specifications.
- (3) Aqua WSC will, at the expense of the Developer, inspect and test the facilities to ensure they meet Aqua WSC's standards.
- (4) After receipt of as-built drawings, letters of acceptance, and final Developer Project approval from Aqua WSC, Aqua WSC will accept the Developer Project provided the Developer has complied with other applicable portions of these rules and regulations including, but not limited to, the requirements in the **Construction Rules and Regulations** section of this Tariff.
- (5) Aqua WSC will not provide water service to a Subdivision until (1) the Developer has paid all amounts owed to Aqua WSC under these rules and regulations; (2) the facilities have

achieved compliance with applicable hydraulic standards; (3) the Developer has submitted documentation of a satisfactory bacteriological test for the facilities; and (4) the Developer has presented Aqua WSC a certificate applicable to the subdivision or Development issued pursuant to Section 212.0115 of the Texas Local Government Code if the subdivision is within the jurisdiction of a municipality under Section 212.0115(a) of the Texas Local Government Code. Until the requirements of this subsection are satisfied, Aqua WSC will not provide water to the Subdivision for any purpose other than testing or flushing.

- (6) After receipt of all invoices related to the Developer's Project, Aqua WSC will reconcile expenses and provide a refund to the Developer for overpaid expenses or invoice the Developer for uncompensated expenses.
- (7) Upon acceptance of Developer's Project, Aqua WSC will sign the plat or release the Restrictive Covenants.

8.9 USDA–Rural Development

The Developer recognizes that Aqua WSC must comply with United States Department of Agriculture –Rural Development rules and regulations as promulgated from time to time as those rules and regulations apply to the service, rates, and capacity addition of Aqua WSC.

8.10 Fire Flow and Subsequent User Agreement

Developers or entities requesting fire flow service can enter into a Subsequent User Agreement with Aqua WSC to enable the Developer or entity to be reimbursed for a portion of the costs of the infrastructure necessary to provide the fire flow service. The terms and conditions of such reimbursement shall be defined pursuant to a Subsequent User Agreement entered into by the Developer or entity and Aqua WSC. Aqua WSC has complete and exclusive discretion whether it wishes to enter into any proposed Subsequent User Agreement, as Aqua WSC is not under any obligation to enter into a Subsequent User Agreement if the Developer or entity inquires about or requests the execution of such agreement.

9. Water Rationing Policy

9.1 Necessity for Rationing

When system demand threatens to exceed production or storage capability, or refilling the storage facilities is rendered impossible, Aqua WSC's General Manager may declare that a necessity for rationing exists and thereafter ration water in accordance with the Drought Contingency Plan.

9.2 Drought Contingency Plan

When it is necessary to implement water rationing, actions will strictly follow the requirements of Aqua WSC's Drought Contingency Plan. The Drought Contingency Plan is a policy that is updated every five years, approved in a resolution by Aqua WSC's Board of Directors, and filed with the Texas Water Development Board.

10. Requests for Public Information

10.1 Procedures

The procedures for inspecting or obtaining copies of Aqua WSC's records subject to inspection under Chapter 552 of the Texas Government Code are as follows:

- (1) Make all requests for inspection and/or copies of public information in writing.
- (2) The request must sufficiently identify the requested information. If the request is vague or too broad, Aqua WSC may require the requestor to narrow it in writing.
- (3) The requestor must complete inspection of the public information not later than the 10th day after it is made available. Aqua WSC may grant two additional ten-day periods, one at a time, if the requestor files a written request for additional time with Aqua WSC.
- (4) If the requested information is stored electronically, and requires programming or manipulation of data, Aqua WSC will provide a written statement in accordance with Section 552.231 of the Texas Government Code.
- (5) Whenever possible, Aqua WSC will estimate the time needed to fulfill the request and the cost of any applicable charges.
- (6) If applicable charges exceed \$100.00, Aqua WSC will require a deposit or bond before compiling the information. The requestor must pay all charges before delivery of the copies.

10.2 Rate Schedule for Public Information

The charges for obtaining copies of Aqua WSC's records that are subject to inspection under Chapter 552 of the Texas Government Code are as follows:

Personnel Charge	\$15.00 per Hour
Programming Time Charge	\$28.50 per Hour
Overhead Charge	20% of Personnel Charge
Postage and Shipping	Actual Cost
Materials and Miscellaneous Supplies	Standard size \$0.10/per page
	Oversize \$0.50 per page

All other charges not specifically addressed above shall be assessed in accordance with the Attorney General's Rules for Costs of Copies of Public Information, 1 Texas Administrative Code Chapter 70, as amended.

11. References

By-Laws	Aqua Water Supply Corporation
PL002	Water Service to Districts Policy
PL007	Terms and Conditions for Wholesale Water Service
PL006	Drought Contingency Plan
AF003	Request for Feasibility Study Form
AF006	Water Service Application Form
AF008	Water Service Agreement Form
AF010	Temporary Emergency Water Meter Application
AF013	Transfer of Membership Form
AF016	Multiple Tap Agreement Form
AF021	Request for Release of Easement Form
AF024	Cross-Connection Permit Form
AF031	Cost Estimate to Provide Water Service Form
AT005	Restrictive Covenant Template

12. Revisions

Rev.	Description	Author	Effective Date
39	Previous revision of Policy	Unknown	01-05-2016
40	Comprehensive revision of Policy	McMurry	06-06-2022
41	Revised Rates, Temp. Emergency Meters, etc.	McMurry	02-07-2023
42	Conveyance of GW Rights, Nonstandard Water Service Agreement, Waterline Locate Fee	McMurry	05-02-2023
43	Revised Rates, Hydrant Meter, Revised System Dev. Fees	Tucker	12-12-2023
44	Minor revisions to CSI-cross connection, removed the timeframe of feasibility studies, and other minor revisions.	Cameron	08-06-2024
45	Revised rate schedules.	Alma Villarreal	12-03-2024
46	Section 6.28 added.	Cameron	08-05-2025
47	Section 5.1- Rate Schedule	Alma Villarreal	12-02-2025
48	Section 5.2- Connection Fees: System Development Fee Schedule Added	Heather Tucker	06-03-2026
49	Comprehensive revision of Policy	Staff	08-04-2026

Exhibit A – Aqua WSC Standard Water Service Agreement

The following Terms and Conditions, Notice of Water Pressure Hazard, Notice Concerning Driveways, and Privacy Notice must be included in the Water Service Agreement.

TERMS and CONDITIONS

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

The Member shall pay the Corporation for service hereunder as determined by the Corporation's Tariff and upon the terms and conditions set forth therein, a copy of which is available for review at the Aqua WSC office, upon the request of any Member.

All water shall be metered by meters to be furnished and installed by the Corporation. The meter and/or connection is for the sole use of the Member or customer and is to serve water to only one (1) dwelling. Extension of pipe or pipes to transfer water from one property to another, to share, resell, or sub-meter water to any other persons, dwellings, building structures, business, and/or property, etc., is prohibited.

The Corporation shall have the right to locate a water service meter and the pipe necessary to connect the meter on the Member's property at a point to be chosen by the Corporation, and shall have access to its property and equipment located upon Member's premises at all reasonable times for any purpose connected with or in the furtherance of its business operations, and upon discontinuance of service the Corporation shall have the right to remove any of its equipment from the Member's property.

The Corporation's authorized employees shall have access to the Member's property or premises and service lines and plumbing facilities at all reasonable times for the purpose of inspecting for possible violations of the Corporation's policies and to ensure compliance with the state required Minimum Acceptable Operating Practices for Public Drinking Water Systems, as promulgated by the Texas Commission on Environmental Quality or successor agency, applicable plumbing codes, and utility construction standards. The Corporation strictly prohibits any direct connection between the public drinking water supply and a potential source of contamination. Potential sources of contamination shall be isolated from the public water system by an air-gap or an appropriate backflow prevention assembly. The Corporation strictly prohibits any cross-connection between the public drinking water supply and a private water system. These potential threats to the public drinking water shall be eliminated at the service connection by the installation of an air-gap or a reduced pressure-zone backflow prevention assembly. The Corporation strictly prohibits any connection which allows water to be returned to the public drinking water supply.

The Member shall allow his property to be inspected for possible cross-connections and other unacceptable plumbing practices. These inspections shall be conducted by the Corporation or its designated agent: (i) prior to initiating new water service; (ii) when there is reason to believe that cross-connections or other unacceptable plumbing practices exist; and/or (iii) after any major changes to the private plumbing facilities. The Corporation shall notify the Member in writing of any cross-connection or other unacceptable plumbing practice which has been identified during the initial inspection or the periodic re-inspection. The Member shall immediately correct any unacceptable plumbing practice on his premises. The Member shall, at his expense, properly install, test, and maintain any backflow prevention assembly required by the Corporation. Copies of all testing and maintenance records shall be provided to the Corporation. All commercial facilities receiving water service require a backflow prevention assembly.

In the event the total water supply is insufficient to meet all of the needs of the Members, or in the event there is a shortage of water, the Corporation may initiate the Water Rationing Plan as specified in the Corporation's Tariff. By execution of this Service Agreement, hereof, the Member shall comply with the terms of Water Rationing Plan.

The Member shall install at his own expense a service line from the water meter to the point of use, (herein referred to as the Member's side of the meter), including any premise isolation devices, valves, and other equipment as may be specified by the Corporation. The Corporation does not install any equipment on the Member's side of the meter. The Member is responsible for maintaining the line and all

equipment on the Member's side, including without limitation the pipe, fittings, and any other equipment installed by the Member. The use of pipes and pipe fittings that contain more than the weighted average of 0.25% lead and solders and flux that contain more than 0.2% lead is prohibited for any plumbing installation or repair of any residential or non-residential facility providing water for human consumption and connected to the Corporation.

The Corporation does not install pressure relief valves or other pressure-reducing equipment on the Member's side of the meter, nor does the Corporation inspect, maintain, or bear any responsibility for any such valve or equipment installed by Member on Member's side of the meter. If Member chooses to install a pressure relief valve or other pressure-reducing equipment on the Member's side of the meter, Member shall be solely responsible for such installation.

Release. Member hereby waives, releases, and discharges the corporation of any and all liability, claims, demands, actions, or rights of action, or damages of any kind related to, arising from, or in any way connected with, Member's installation, maintenance or failure to maintain, inspect, or replace, of a pressure relief valve or other pressure-reducing equipment on Member's side of the meter, including those allegedly attributed to the negligent acts or omissions of the corporation. If Member chooses to install a pressure relief valve or pressure-reducing equipment on Member's side of the meter, Member willingly assumes full responsibility for any and all risks associated with such valve or equipment and accepts full responsibility for any damages of any kind that may result from such installation, maintenance, and use of such valve or equipment. Member agrees to assume all risk associated with the installation, use, misuse, or failure of such valve or equipment and from Member's failure to timely inspect, maintain, or replace such valve or other equipment.

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

The Member shall grant to the Corporation, now or in the future, any easements and rights-of-way for the purpose of installing, maintaining, and operating such pipelines, meters, valves, and any other such equipment which may be deemed necessary by the Corporation to extend or improve service for existing or future Members, on such forms as required by the Corporation. An easement will extend across entire frontage of the property.

By execution of this Service Agreement, Member shall guarantee payment of all other rates, fees, and charges due on any account for which said Member owns a Membership Certificate. Member acknowledges that nonpayment of amounts due to Aqua WSC will result in disconnection of the water service to Member's property. In the event water service is disconnected, a fee set by Aqua WSC in its tariff will be charged and must be paid before service will be reconnected.

The Board of Directors shall have the authority to cancel the Membership of any Member not complying with any policy or not paying any utility fees or charges as required by the Corporation's published rates, fees, and conditions of service. If Aqua WSC's equipment is tampered with or water is taken by means of an unauthorized connection or both, the Member shall forfeit all rights and privileges of membership; the Member shall forfeit all connection and tap rights; the meter shall be removed; and the line tap shall be sealed.

By execution of this Service Agreement, Member agrees that if Member fails to comply with the terms of this Agreement the Corporation shall, at its option, either terminate service or properly install, test, and maintain an appropriate backflow prevention assembly at the service connection. Any expenses associated with the enforcement of the Agreement, shall be billed to and paid by the Member.

Any misrepresentation of fact(s) by the Member on any part of this Agreement shall result in discontinuance of service pursuant to the terms and conditions of the Corporation's Tariff.

Each Member must sign this Agreement before the Corporation will begin service. If service to an existing connection has been suspended or terminated, the Corporation will not re-establish service unless it has a signed copy of this Agreement. The Corporation shall maintain a copy of this Agreement as long as the Member and/or the Member's premises are connected to the Corporation.

NOTICE and RELEASE CONCERNING WATER PRESSURE HAZARD

Member expressly acknowledges that Aqua WSC may install a check valve or other backflow prevention device at the meter serving Member's property, and that such device will contain water pressure within Member's private plumbing system. Member further acknowledges and understands that a properly operating pressure relief valve must be installed by Member and maintained by Member at all times on Member's water heater. Member understands that failure to maintain a properly operating pressure relief valve on a water heater is a dangerous practice that can result in personal injury and property damage. Member hereby agrees to waive, release, and hold Aqua WSC harmless from any claims and damages resulting from malfunctioning, failure, or absence of check valves, backflow prevention assemblies, and pressure relief valves on water heaters, including without limitation, damages to persons or property, direct damages, special damages, incidental damages, consequential damages, or loss of profit or revenue, and including those allegedly attributed to the negligent acts or omissions of the corporation.

NOTICE and RELEASE CONCERNING DRIVEWAYS

Member expressly acknowledges that if a concrete or asphalt driveway is installed on the Member's property over an Aqua WSC water line without notifying Aqua WSC in writing and paying Aqua WSC to encase the water line, a leak repair or other maintenance to the water line may result in damage to the driveway for which Aqua WSC will not compensate the Member.

PRIVACY DISCLOSURE

You can request that personal information contained in Aqua WSC's records not be released to unauthorized persons. The Texas Utilities Code authorizes water supply corporations, such as Aqua Water Supply Corporation, to give their Members the option of making the Members' address, telephone number, and social security number confidential as that term is defined under Texas law. This choice by Aqua Water Supply Corporation's Members is important because Aqua Water Supply Corporation may keep a Member's personal information confidential only upon the request of its individual Members. Aqua Water Supply Corporation itself cannot make this confidentiality decision.

Exhibit B – Bastrop County Plat Statement for Aqua WSC

The following are examples of the Plat statement that may appear on Bastrop County Plats concerning the availability of water services from Aqua Water Supply Corporation. Similar language may appear on plats of other counties in which Aqua WSC provides water service.

WATER SERVICE AVAILABLE

As of the date indicated below, this subdivision qualifies for water service provided by Aqua Water Supply Corporation pursuant to the provisions of Aqua WSC's Tariff. It is the responsibility of the developer of the subdivision, not Aqua WSC, to install all water lines within the subdivision that are necessary to connect to Aqua WSC's System and provide water service to individual lots. In the event the developer has not either constructed the internal water lines or presented a Letter of Credit to Aqua WSC to accomplish same, the Subdivision may be subject to Restrictive Covenants, which Restrictive Covenants are contemporaneously filed in the Real Property Records of the appropriate county. Aqua WSC's commitment to supply water to this subdivision is subject to the Nonstandard Water Service provisions which are contained in its Tariff. After purchasing a lot, the owner of the lot should arrange with Aqua WSC to have a meter set, pay all applicable fees at that time, and become a member of Aqua WSC.

WATER SERVICE NOT AVAILABLE

As of the date indicated below, Aqua Water Supply Corporation has not agreed to provide water supply service to this subdivision because the subdivision has not complied with the Tariff of Aqua Water Supply Corporation, including specifically the Nonstandard Water Service provisions. Under the Aqua WSC Tariff, retail water service is not available to any lot in a subdivision that is not in compliance with all of such rules and regulations, including the payment of applicable fees. No lot in this subdivision will be eligible to receive retail water service from Aqua WSC's distribution system until the subdivision fully complies with all of the provisions of Aqua WSC's Tariff, including the Nonstandard Water Service provisions.

Exhibit C – Feasibility Study Fee Schedule

Any person requesting a Feasibility Study must pay a non-refundable fee in accordance with the current fee schedule. The fee for a Feasibility Study will vary with the size of the project. The requestor of a Feasibility Study must submit a Request for a Feasibility Study and a non-refundable fee according to the following schedule:

Proposed Number of LUEs	Feasibility Study Fee
1 - 4	\$1,000
5-24	\$2,000
25-249	\$3,500
250-999	\$5,000
1,000 or more	\$7,500 plus any additional cost to Aqua WSC
Fire Flow	Additional \$3,000 to the applicable fee
Phasing Study	\$2,000 per phase

If fire flow is required, the requestor pays an additional non-refundable fee plus the applicable Feasibility Study Fee from the fee schedule. Requestors pay this fee at the time of submittal of the Request for Feasibility Study.

In the case where a Developer requests a phasing analysis for their development, the fee structure will be as follows:

- Maintain the base fee associated with the project's established Tier, determined by the total LUEs for the entire development.
- Add \$2,000 per phase to cover phase-specific analysis and documentation.

The following is a copy of a form easement used by Aqua WSC.

THE STATE OF TEXAS \$
COUNTY OF _____ \$

KNOW ALL MEN BY THESE PRESENTS, that, _____ of _____
the County of _____, State of Texas hereinafter referred to as Grantor, whether one or more, for and in
consideration of the sum of ten dollars (\$10.00) and other good and valuable consideration paid by **AQUA
WATER SUPPLY CORPORATION**, P.O. Drawer P, Bastrop, Texas, 78602, (hereinafter called
“Grantee”), the receipt and sufficiency of which is hereby acknowledged and confessed, and for which no
lien, expressed or implied, is retained, has this day GRANTED, SOLD AND CONVEYED, and by these
presents do hereby GRANT, SELL AND CONVEY, unto Grantee, its successors, and assigns, a 20 foot wide
water line easement for the construction, installation, operation, maintenance, replacement, tie-in
connections, upgrade, removal and repair of water lines, necessary appurtenances and the water line
system in, upon and across the following described land, to-wit:

TO HAVE AND TO HOLD the same perpetually to Grantee, its successors and assigns, together with the right and privilege at any and all times to enter said premises, or any part thereof, along with the right of ingress and egress over Grantor's adjacent lands, and the right to trim, cut, clear or remove any and all trees, shrubs, and other vegetation within the easement area and temporary workspace easement, for the purpose of construction, installation, operation, maintenance, replacement, tie-in connections, upgrade, removal and repair of water lines and/or necessary appurtenances and making connections therewith. Grantee shall have the right to re-enter and place new or additional water lines over the easement property. The easement area hereby granted shall not exceed 20 feet in width, and within the 20-foot permanent easement described herein, Grantee shall have exclusive easement and right-of-way rights for the purpose stated herein to a 20-foot-wide strip of land, the center line of which shall be defined as the center line of said pipe as installed across Grantor's property. Grantee is hereby authorized to designate the course of the easement herein conveyed except that when the pipelines are installed, the easement area herein granted shall be limited to a strip of land 20 feet in width the center line thereof being the pipeline(s) as installed. In addition to the 20-foot permanent easement area granted above, Grantor also grants Grantee a temporary workspace easement which shall not exceed 20 feet in width. Said 20-foot-wide temporary workspace easement shall run along and parallel to the 20-foot permanent easement. The 20-foot temporary workspace easement shall be in effect from time to time only so long as the construction, operation, maintenance, replacement, tie-in connections, upgrade, removal, repair and laying of the pipelines or additional pipelines is taking place; and, except when said activities are being completed from time to time, the 20 foot temporary workspace easement shall revert to the sole ownership and control of the Grantor. Grantor reserves the right to enter upon and use the easement area, but in no event shall Grantor use the easement area in any manner which interferes in any material way or is inconsistent with the rights granted hereunder.

No permanent improvements, inconsistent with the Grantee's use of the Easement, such as, but not necessarily limited to, houses, barns, sheds, septic fields, stock tanks, or paved parking lots shall be constructed or placed on or within any portion of the permanent Easement. Reserved to the Grantor will be the right to pass back and forth across the Easement on foot or in vehicles; to cultivate or landscape same; to

raise crops or gardens thereon; to fence and graze cattle and livestock thereon; to lay out, dedicate, construct, and maintain roads, streets, driveways, and utility lines across the Easement at any angle not less than 45 degrees to said water lines; provided, however, that Grantee's water lines shall not be obstructed, endangered, or interfered with and that said water lines shall always be left with proper cover and sufficient and permanent support.

In the event the easement hereby granted abuts on a public road and the county or state hereafter widens or relocates the public road so as to require the relocation of this water line as installed, Grantor further grants to Grantee an additional easement over and across the land described above for the purpose of laterally relocating said water line as may be necessary to clear the road improvements, which easement hereby granted shall be limited to a strip of land 20 feet in width the center line thereof being the pipeline as relocated. Grantor also grants Grantee a temporary workspace easement which shall not exceed 20' in width to allow for the relocation, maintenance, or repair of said water line.

The consideration recited herein shall constitute payment in full for the easement, the temporary workspace easement and all of the rights accompanying same and for all damages sustained by Grantor due to the installation of the structures referred to herein, if any, and Grantee will maintain such easement in a state of good repair and efficiency so that no unreasonable damage will result from its use to Grantor's premises. The Grantor shall inform Grantee in writing of any other damage claim arising from Grantee's actions while on Grantor's property. Said written notice for claim of damages must be given within 120 days after the installation of the structures referred to herein on Grantor's property has been completed. The written notice shall describe the damage that has occurred and is a condition precedent to the right to recover. Where a written claim is not timely filed, Grantee shall not be liable for same.

Grantor warrants and shall forever defend this easement to Grantee against anyone asserting a claim to the easement or any part thereof. This easement together with other provisions of this grant shall constitute a covenant running with the land for the benefit of Grantee, its successors, and assigns. The Grantors covenant that they are the owners of the above-described lands and that said lands are free and clear of all encumbrances and liens except the following:

(lien holder(s) name, address, city, state and zip)

The easement conveyed herein was obtained or improved through Federal Financial Assistance. The easement is subject to the provisions of Title VI of the Civil Rights Act of 1964 and the regulations issued pursuant thereto for so long as the easement continues to be used for the same or similar purpose for which financial assistance was extended or for so long as the Aqua Water Supply Corporation owns it, whichever is longer.

This instrument shall be binding upon and inure to the benefit of the heirs, successors and assigns of each of the parties hereto and should any provision hereof be invalid or unenforceable, the remaining provisions shall continue to be in full force and effect.

The easement may be executed in multiple counterpart originals with the same effect as if all signatory parties had signed the same document. All counterparts are to be construed together and will constitute one and the same instrument, and the signature pages of each document may be attached to one instrument for convenience or for recording.

[Remainder of Easement is reserved for Signature and Acknowledgement pages]

Exhibit E – Form Encroachment Agreement

The following is a copy of Aqua WSC's form encroachment agreement for situations when Aqua WSC consents to an encroachment on an Aqua WSC easement.

ENCROACHMENT AGREEMENT

STATE OF TEXAS §
 §
COUNTY OF _____ §

THIS ENCROACHMENT AGREEMENT (this "*Agreement*") is made and entered into as of the ____ day of _____ 2026, by and between Aqua Water Supply Corporation (hereinafter referred to as "AWSC"), and _____ (the "_____"). AWSC and _____ are each sometimes referred to herein as a "*Party*" and collectively the "*Parties*".

WHEREAS, AWSC owns or holds an easement located in _____ County, Texas (the "AWSC Easement");

WHEREAS, _____ desires to construct and install a utility line or related facility that will cross or occupy a portion of the AWSC Easement (the "_____ Facilities");

WHEREAS, _____ has requested AWSC's consent to such crossing and encroachment, subject to the terms and conditions set forth herein, and AWSC is willing to grant such consent solely as a conditional accommodation, without waiving, limiting, or subordinating any of AWSC's existing or future rights;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. _____ expressly acknowledges and agrees that AWSC's Easement and AWSC Water Facilities are prior in right and superior to any rights of _____ to the extent of any overlap, encroachment, or conflict.

This Agreement grants only a limited, conditional, and revocable consent to encroach and shall not be construed as conveying any easement, leasehold, license, or other property interest in the AWSC Easement.

The encroachment permitted herein is permissive only and shall not create any prescriptive rights, joint use rights, corridor rights, or shared easement rights, nor shall this Agreement be construed as a subordination, waiver, or modification of the AWSC Easement.

2. **Consent to Encroachment.** Subject to strict compliance with this Agreement, AWSC, on behalf of itself, its successors and assigns, hereby grants _____ a limited and conditional consent to construct, install, inspect, operate, maintain, repair, remove, replace, and use of _____ Facilities solely at the locations identified in the attached Exhibit "A."

3. **Plans and Approval.** At least sixty (60) days prior to performing work within the AWSC Easement, _____ shall provide AWSC with drawings, specifications, engineering plans, along with information relating to construction activities, including but not limited to, excavation, trenchless construction, and heavy equipment use, restoration plans, and any other information requested by AWSC (collectively, the "Plans") for the encroachment within AWSC Easement to be reviewed by the AWSC engineer. AWSC may require revisions to ensure protection of AWSC Facilities and compliance with AWSC's engineering standards, tariffs, specifications, and applicable law.

No construction, installation, or material modification of _____ Facilities within the AWSC Easement shall occur without AWSC's prior written approval, including approval of alignment, depth, materials, encasement, and construction methods.

No additional pipelines, conduits, appurtenances, or other facilities shall be installed within the AWSC Easement by _____ without prior written consent of AWSC, which consent may be granted, conditioned, or withheld in AWSC's sole discretion.

Any material modification, expansion, upsizing, or additional installation beyond the Facilities expressly authorized herein shall require AWSC's written approval.

All costs associated with the _____ Facilities within the AWSC Easement, including without limitation design, construction, encasement, protection, relocation, adjustment, removal, protection, inspection, review, and restoration, shall be borne solely by _____.

4. **No Interference.** _____ shall ensure that the _____ Facilities do not interfere with, impair, delay, restrict, or endanger AWSC's use of the AWSC Easement or the operation, maintenance, repair, replacement, or future expansion of the AWSC Water Facilities. AWSC shall have unrestricted access to the AWSC Easement for inspection, maintenance, emergency response, repair, replacement, and expansion of AWSC Water Facilities.
5. **Relocation.** If AWSC determines that relocation, lowering, removal, or modification of any _____ Facilities is necessary for AWSC's operations or the construction, maintenance, repair, replacement, or expansion of AWSC Facilities, and upon receipt of written notice, _____ shall promptly perform such work at its sole cost and expense or reimburse AWSC for the reasonable and documented costs and expenses incurred. If _____ fails to perform such work, AWSC may perform the work and invoice _____ for all reasonable and documented costs.

_____ acknowledges that AWSC has the right to construct additional AWSC Water Facilities within the AWSC Easement in the future. Any such future AWSC Water Facilities shall retain priority over the _____ Facilities, and if relocation, lowering, modification, or protection of the _____ Facilities is reasonably required to accommodate such future AWSC Water Facilities, _____ shall perform such work at its sole cost and expense upon written notice from AWSC.

6. **Damage and Repair.** Each Party shall be responsible for its own facilities. In the event that AWSC Water Facilities are damaged, disturbed, or impaired by the acts or omissions of _____, without regard to the amount or severity of the damage, _____ shall promptly repair the damage or reimburse AWSC for the reasonable cost of repair.

AWSC shall not be liable for damage to the _____ Facilities resulting from AWSC's lawful exercise of its easement rights.

7. **Indemnity.** _____ SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS AWSC AND ITS OFFICERS, DIRECTORS, EMPLOYEES, AND AGENTS FROM AND AGAINST ANY THIRD-PARTY CLAIMS, DAMAGES, LIABILITIES, OR LOSSES (INCLUDING REASONABLE ATTORNEY'S FEES) ARISING OUT OF OR RELATED TO _____ AUTHORIZED ACTIVITIES, _____ FACILITIES, ANY BREACH OF THIS AGREEMENT BY _____ OR THE INSTALLATION, OPERATION, MAINTENANCE, OR USE THEREOF WITHIN THE AWSC EASEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF AWSC. NOTHING HEREIN SHALL BE CONSTRUED TO WAIVE OR LIMIT ANY STATUTORY IMMUNITY OR LIMITATION OF LIABILITY AVAILABLE UNDER TEXAS LAW.
8. **Prohibited Structures.** Except as expressly authorized, no buildings, signs, fences, poles, retaining walls, storage, parking, or other structures shall be placed within the AWSC Easement without AWSC's written consent.
9. **Notice.** All notices, demands, and any and all other communications under this Agreement shall be in writing and shall be sent (a) by registered or certified mail, return receipt requested, postage prepaid, (b) by reputable overnight courier delivery service, or (c) by facsimile or email (followed by a copy mailed or delivered as aforesaid), addressed as set forth below:

To AWSC: Aqua Water Supply Corporation
Attn: Right of Way Department
P. O. Drawer P
Bastrop, Texas 78602

To _____: _____

Any such notice, request, or other communication shall be considered given or delivered on the date of receipt. Each Party may change the notification address, facsimile, phone number and/or email addresses under this Agreement by providing written notification under this Section.

10. **Insurance.** During the term of this Agreement, _____ shall maintain commercially reasonable general liability insurance with industry standards and provide proof upon request.
11. **Contractor Qualifications.** All work performed within the AWSC Easement shall be performed by properly licensed and qualified contractors experienced in utility construction. _____ shall comply with AWSC engineering standards and all applicable federal, state, and local laws, including all 811 notification requirements. AWSC shall have the right to require removal and replacement of any contractor failing to meet these standards.
12. **Default and Cure.** If _____ breaches this Agreement, AWSC shall give written notice and _____ shall have thirty (30) days to cure, or such longer time as reasonably necessary if cure is diligently pursued.

If a breach threatens safety or service, AWSC may take immediate action and recover its reasonable costs.

Failure to cure a breach as provided herein shall constitute a default, and AWSC may pursue any remedies available under this agreement or at law or in equity. The rights and remedies provided in this Agreement are cumulative.

13. **Term/Abandonment.** This Agreement shall remain in effect for so long as _____ maintains Facilities pursuant to this Agreement and may be terminated only upon the mutual written agreement of the Parties or upon the permanent abandonment or removal of the Facilities installed under this Agreement.

Facilities may be abandoned in place if permitted by law.

14. **Reservation of Rights.** AWSC reserves all rights under its Easement and applicable law.
15. **Governing Law, Amendment, and No Waiver.** This Agreement shall be governed by the laws of the State of Texas, and the venue for any dispute arising under this Agreement shall be in Bastrop County, Texas. This Agreement shall not be amended except by a writing signed by the Parties. A failure by either Party to enforce any term or provision of this Agreement shall not constitute a waiver of such term or provision of this Agreement.
16. **Covenants Running with the Land.** The terms and conditions of this Agreement shall constitute covenants running with the Parties' respective interests in and to the land comprising the Overlapped Property and shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns. The Parties shall have the right to assign the rights herein granted in whole or in part without consent of the other, provided the assignee assumes in writing all obligations herein.
17. **Counterparts.** This Agreement may be executed simultaneously or in counterparts, each of which together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the Parties have executed this Encroachment Agreement as of the day and year first above written.

[Remainder of page intentionally left blank. Signature and Acknowledgment pages follow.]