

**WATER AND WASTEWATER**

**TARIFF**

**NORTH ALAMO WATER SUPPLY CORPORATION**

**420 South Doolittle Road**

**Edinburg, Texas**

**78539-3832**

**Telephone: (956) 383-1618**

**Fax: (956) 383-1372**

**Effective: March 10, 2011**

**WATER SUPPLY # 1080029**

## SECTION A: BOARD RESOLUTION

RESOLVED BY THE BOARD OF DIRECTORS OF THE NORTH ALAMO WATER SUPPLY CORPORATION THAT:

1. This Tariff of NORTH ALAMO WATER SUPPLY CORPORATION, Serving parts of Hidalgo, Willacy and Cameron Counties, consisting of Sections A through H inclusive, is hereby adopted and enacted as the current regulations which shall supersede all policies passed by the Board of Directors before September 14, 2010, to the extent provided in paragraph #2 hereof.
2. No prior agreement executed by the Board of Directors is repealed by any provision contained herein, save and except as provided in the terms of that agreement.
3. The adoption of the provisions of this Tariff shall not affect any offense or act committed or done, or any penalty of forfeiture incurred, or any contact or vested right established or accruing before the effective date of this Tariff.
4. An official copy of this policy shall be available to the Membership of this Corporation. Requests for copies of this Tariff shall be subject to reproduction charges. The Secretary of the Corporation shall maintain the original copy as approved, and clearly exhibit all additions, deletions, and amendments separately.
5. This Tariff shall take effect immediately upon its approval as provided by law and according to its terms. Rules and regulations of state and federal agencies having applicable jurisdiction, promulgated under any applicable State or Federal Law, shall supersede any terms of this policy. If any section, paragraph, sentence, clause, phrase, word or, words of this policy are declared unconstitutional or invalid for any purpose, the remainder of this policy shall not be affected thereby.

PASSED and APPROVED the 10<sup>th</sup> day of March, 2011

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President,  
North Alamo Water Supply Corp.

SEAL

ATTEST:

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Secretary, North Alamo Water Supply Corp

## SECTION B: STATEMENTS

1.     **Organization.**   The North Alamo Water Supply Corporation is a member-owned, non-profit corporation incorporated pursuant to the Texas Water Code Chapter 67, and the provisions of the Texas Business Organizations Code applicable to member owned member controlled non-profit corporations for the purpose of furnishing potable water utility service. Corporation operating policies, rates, tariffs, and regulations are formulated and effected by a Board of Directors elected by the Members of the Corporation.
2.     **Non-Discrimination Policy.**   Membership in the Corporation and service is provided to all Applicants who comply with the provisions of this Tariff regardless of race, creed, color, national origin, sex, or marital status.
3.     **Rules Application.**   The rules and regulations specified herein apply to the water and sewer services furnished by North Alamo Water Supply Corporation, also referred to as Corporation, NAWSC, or North Alamo WSC. Failure on the part of the Member, Consumer, or Applicant to observe these rules and regulations of the Corporation, after due notice of such failure, automatically gives the Corporation the authority to deny or to discontinue the furnishing of service as provided herein and as may be amended from time to time by the Board of Directors of the Corporation.
4.     **Corporation Bylaws.**   The Corporation has adopted bylaws which establish the make-up of the Board of Directors, establish the Membership voting rights, provide for annual and regular meetings, provide for reserve accounts, and establish the rights of the Members and other important regulations of the utility. These bylaws are included by reference herein, as amended from time to time, and are on file for inspection in the Corporation's office.
5.     **Fire Protection Responsibility.**   Fire hydrants installed within the Corporation's water distribution system are provided at the convenience of the Corporation and do not imply any responsibility on the part of the Corporation to meet fire flow requirements of local, county, state, or federal governmental agencies. Fire hydrants paid for by individuals or groups of individuals and donated to the Corporation for county volunteer fire department use shall remain in place for such use as "refill only" by authorized fire departments. The Corporation reserves the right to remove fire hydrants, due to improper use or detriment to the system as determined by the Corporation, at any time without notice, refund, or compensation to the contributors unless such fire hydrants are installed pursuant to the terms of a Non-Standard Service Contract as provided under Section F, in which event the terms and conditions of the Contract shall apply.

6. **Damage Liability.** North Alamo WSC is not liable for damages caused by service interruptions, events beyond its control, and for normal system failures. The limit of liability of NAWSC is the extent of the cost of service provided. By acceptance of Membership, Member consents to waiver of such liability.

7. **Information Disclosure.** The records of the Corporation shall be kept in the Corporation office in Edinburg, Texas. All information collected, assembled, or maintained by or for the corporation shall be disclosed to the public in accordance with the Texas Public Information Act. Under no circumstances shall the Corporation disclose the Social Security Number of any member or customer to any person other than an employee of the Corporation. An individual customer may request in writing that their address, telephone number, and account records be kept confidential. Such confidentiality does not prohibit the utility from disclosing this information to an official or employee of the state or a political subdivision of the state acting in an official capacity or an employee of a utility acting in connection with the employee's duties. Further, such confidentiality does not prohibit the Corporation from disclosing the name and address of each member entitled to vote on a list to be made available to the Corporation's voting members, or their agents or attorneys, in connection with any meeting of the Corporation's members. The utility shall give its applicants and customers notice of rights to confidentiality under this policy and all prevailing associated fees for such request.

8. **Customer Notice Provisions.** The Corporation shall give written notice of monthly changes by mail or hand delivery to all affected Members and/or consumers at least 30 days prior to the effective date of the new rate. The Notice shall contain the old rates, new rates, effective date of the new rate, date of Board authorization, and the name and phone number of the Corporation's contact person designated to address inquiries about the rate change.

9. **Grievance Procedures.** Any Member of the Corporation or individual demonstrating interest under the policies of the Tariff in becoming a Member of the Corporation shall have an opportunity to voice concerns or grievances to the Corporation by the following means and procedures:

- a. By presentation of concerns to the Corporation's manager or authorized staff member for discussion and resolution. If not resolved to the satisfaction of the aggrieved party then,
- b. By presenting a letter of request for a hearing before the Board of Directors. The letter shall state the individual's desired business before the Board and the desired result.
- c. The President of the Board of Directors shall review the request and determine the best means by which the complaint shall be resolved.

d. The President shall further determine a reasonable time and place of all hearings, but not beyond 45 days of the date of the receipt of the letter of complaint.

e. The Board of Directors, committee thereof, and/or legal counsel shall hear the complaint as directed by the Board.

f. Any hearings by committees or staff delegated to hear complaints shall report its recommendation to the full Board for a decision by the Board.

g. The Board of Directors shall act upon the information available and direct the President or other representative to respond to the complaint by communicating the Board's decision in writing.

h. Any charges or fees contested as a part of the complaint is review by the Corporation under this policy shall be suspended until a satisfactory review and final decision has been made by the Board of Directors. The Board's decision shall be final.

10. Plumbing Standards. The Corporation adopts the Southern Standard Plumbing Code as guidance in the design, installation, and maintenance of plumbing systems and service facilities connecting or connected to the utility's water facilities, to the extent appropriate under the applicable statutes and regulations governing public water and sewer utility systems. Any Member may be required to retrofit plumbing systems and service facilities as determined to be necessary by the Corporation for purposes of compliance with the Southern Standard Plumbing Code.

## SECTION C: DEFINITIONS

**ACTIVE SERVICE** – Service status of any Member receiving authorized water service under the provisions of this Tariff.

**APPLICANT** – Person, partnership, cooperative corporation, corporation agency, public or private organization of any character applying for service with North Alamo Water Supply Corporation.

**BOARD OF DIRECTORS** – The governing body elected by the Members of the North Alamo Water Supply Corporation vested with the management of the affairs of the Corporation. (Section 22.001(1), Business Organizations Code)

**BULK SALES** – Water purchased for the purpose of distribution to others.

**BYLAWS** – The rules pertaining to the governing of North Alamo Water Supply Corporation adopted by the Corporation Members. (Section 22.001(2) Business Organization Code)

**CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN)** – The authorization granted under Chapter 13 Subchapter G of the Texas Water Code for North Alamo Water Supply Corporation to provide water and/or sewer utility service within a defined territory. North Alamo Water Supply Corporation has been issued Certificate Number 10553. Territory defined in the CCN shall be the Certificated Service Area. (See Tariff Section D. Certificated Service Area Map)

**COMMERCIAL CUSTOMER** – A customer purchasing bulk water from North Alamo Water Supply Corporation for the purpose of resale.

**CORPORATION** – North Alamo Water Supply Corporation. (Section B.3 of this Tariff)

**DEVELOPER** – Any person, partnership, cooperative corporation, corporation, agency, or public or private organization who subdivides land or requests two (2) or more water and/or sewer service connections on a single contiguous tract of land (as defined in Section 13.2502 (e)(1) of the Water Code).

**DISCONNECTION OF SERVICE** – The locking or removal of a water meter to prevent the use of water by a Member/Customer.

**EASMENT** – A private perpetual dedicated right-of-way for the installation of water and or sewer pipelines and necessary facilities which allows access to property for future operation, maintenance, facility replacement, facility upgrades and/or installation of additional pipelines (if applicable). This may also include restrictions on the adjacent area to limit the installation of sewer lines or other facilities that would restrict the use of any area of the easement.

**FINAL PLAT** – A complete exact plan for the subdivision of a tract of land showing or referencing Local Tax Appraisal Maps, access to public road(s), number and size of lots, location of dedicated water/sewer easements, and location(s) of lakes, streams, or rivers through the property. The North Alamo Water Supply Corporation shall determine if a plat submitted for the purposes of this Tariff shall qualify as a final plat. For purposes of evaluating Sub-Division service requests under Section F., the Corporation may accept preliminary plats or plats awaiting final approval pending execution of agreement for service by the Corporation.

**FRONT-END CAPITAL CONTRIBUTION** – A fee assessed of new Applicants for water service for the purpose of acquiring capital to defray the cost of expanding the system facilities in order to meet the customer growth needs of the Corporation. This fee is charged for each meter equivalent or Service Unit for which service has been requested.

**HAZARDOUS CONDITION** – A condition which jeopardizes the health and welfare of the Member/Consumer of the Corporation as determined by the Corporation or regulatory authority.

**INDICATION OF INTEREST FEE** – A fee paid by a potential Member of the Corporation for the purposes of determining the feasibility of a construction and/or expansion project. The Indication of Interest Fee may be converted to a Membership Fee upon determination that service to the Applicant is feasible and available. Upon such conversion, the Applicant may then further qualify as a Member and shall become a Member of the Corporation upon receipt of a Membership Certificate.

**LIQUIDATED MEMBERSHIP** – A Membership which has been canceled due to delinquent charges exceeding the Membership Fee or for other reasons as specified in this Tariff. Service shall not be provided to any person whose Membership Fee has been liquidated until a new Membership Fee has been paid and all other applicable requirements for service as provided in this Tariff have been satisfied.

**MEMBER** – Any person, partnership, cooperative corporation, corporation, agency, or public or private organization that has qualified for service and Membership in accordance with the Corporation's Tariff. (TX Water Code Section 13.002(11), TX Water Code Section 67.016d)

**MEMBERSHIP FEE** – A fee qualified as such under the terms of the tariff and the bylaws of the Corporation assigned to the real estate designated to receive service. The membership fee will not be refundable upon termination of service.

**MEMBERSHIP CERTIFICATE** – A non-interest bearing stock certificate purchased from the Corporation evidencing a Member's interest in the Corporation.

**MINIMUM MONTHLY CHARGE** – The term Minimum Monthly Charge (proper name is used to define the monthly charge assessed each Member of the Corporation utilizing service or each Member who has the opportunity to utilize service via a metering device installed by the Corporation.

**PERSON** – Any natural person, partnership, cooperative corporation, association, private corporation, agency, or private organization of any character.

**RENTER** – A consumer who rents property from a Member and may otherwise be termed a lessee or tenant.

**RE-INSTALLATION** – Providing service to an Applicant at a location for which service previously existed, but where Membership Fee has been liquidated and now requires the fitting of a metering device into an existing setting and possibly requiring modifications to the setting in order to restore service. Costs of such re-installation shall be based on justifiable and reasonable costs to the Corporation.

**RURAL UTILITIES SERVICE (RUS)** – An Agency of the United States Department of Agriculture Rural Development Mission Area that provides loan and grants funds for development of rural water and sewer systems serving communities with a population of less than ten thousand (10,000) people.

**SERVICE CLASSIFICATION** – A type of service that warrants a specific charge for service based on specific criteria such as usage, meter size, demand, type application, etc. as determined by the Corporation upon evaluation of the service requirements of the Applicant or Member.

**SERVICE APPLICATION AND AGREEMENT** – A written agreement between the Member/Applicant and the Corporation outlining the responsibilities of each party regarding the service of water.

**SERVICE INVESTIGATION FEE** – A fee for costs associated with determining if service is available and determining cost of service. (See Tariff Section G. 1.)

**SERVICE UNIT** – The base unit of service used in facilities design and setting rates. For the purpose of this tariff, a service unit is the 5/8" X 3/4" water meter. Wastewater facilities are designed on the basis of population served, but rates are set based on water consumed.



SUBDIVIDE – To divide the surface area of land into lots or tracts. (Local Government Code Chapter 232, Section 232.021 Definitions, Texas Water Code Section 13.2502(e)(1))

SUBDIVIDER – An individual, firm, corporation, or other legal entity that owns any interest in land and that directly subdivides land into lots as a part of a common promotional plan in the ordinary course of business (Local Government Code Chapter 232, Section 232.021 Definitions)

SUBDIVISION – An area of land that has been subdivided into lots or tracts. (Local Government Code Chapter 232, Section 232.021 Definitions)

SURRENDERED MEMBERSHIP – A membership in which service has been discontinued upon request of the Member and all indebtedness due the Corporation has been paid in full.

TARIFF – The operating policies, service rules, service extension policy, service rates, rationing policies, sample application packet, and miscellaneous transaction forms adopted by the Board of Directors. A copy of this Board approved tariff is on file at the Corporation office and as required since September 1, 1989 at the State office of the TCEQ.

TEMPORARY SERVICE -- The classification assigned an applicant that is in the process of construction. This could also apply to service for uses other than permanent (agricultural, road construction, drilling, livestock, etc.). The Board will set the length of time associated with this classification. This classification will change to permanent service after requirements in Tariff Section E.1, E.2, E.3, and E.5 are met. Applicant must have paid an Indication of Interest Fee.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ) -- State regulatory agency having jurisdiction of water and sewer service utilities and appellate jurisdiction over the rates and fees charged by Non-Profit Water and Sewer Service Corporations.

TRANSFeree – An Applicant receiving a North Alamo Water Supply Corporation Membership by legal means from a person or entity desiring to forfeit and transfer current rights to Membership to a another person or entity. (See Tariff Section E.8.c., Section 67.016 Texas Water Code)

TRANSFEROR – A Member who transfers Membership by legal means to another person or entity desiring to qualify for service to a property for which the Membership is currently issued or to the Corporation. (Texas Water Code, Section 67.016)

WATER CONSERVATION PENALTY -- A penalty that may be assessed under Section H of this Tariff to enforce customer/member water conservation practices during drought contingency or emergency water demand circumstances (See Texas Water Code Section 67.011 (b)).

## SECTION D. WATER GEOGRAPHIC AREA SERVED.

This section includes an area map which shows the Corporation's Certified Service Area, consequently the Corporation will make sure that its service area corresponds to its Certified Area. **It is the responsibility of the Corporation to properly file a map showing its service area with the TCEQ.**

### **CERTIFICATE OF CONVENIENCE AND NECESSITY**

To Provide Water Service Under V.T.C.A., Water Code And Texas Commission on Environmental Quality Substantive Rules

#### **Certificate No. 10553**

I. Certificate Holder:

Name: North Alamo Water Supply Corporation  
Address: 420 South Doolittle Road  
Edinburg, Texas 78539

II. General Description and Location of Service Area:

The area covered by this certificate is located generally east of Edinburg, Texas, with FM 186 as its northern boundary in both Hidalgo and Willacy Counties; its southern most boundary being Expressway 83 in Hidalgo County, with its eastern most boundary current being FM 1425 in Willacy County. Its southern boundary in Willacy County is the southern county line road. Generally within this area, any CCN areas held by incorporated communities are excluded from North Alamo Water Corporation's CCN area.

III. Certificate Maps:

The certificate holder is authorized to provide water service in the Area identified on the Commission's official service area map, WRS-255, maintained in the offices of the Texas Commission on Environmental Quality, Austin, Texas with all attendant privileges and obligations.

This certificate is issued under various applications and subject to the rules and orders of the Commission, the laws of the State of Texas, conditions contained herein and may be revoked for violations thereof. The certificate is valid until amended or revoked by the Commission.

Issued Date: November 1<sup>st</sup>, 1979

## SECTION D. WASTEWATER GEOGRAPHIC AREA SERVED

This section includes an area map which shows the Corporation's Certified Service Area, consequently the Corporation will make sure that its service area corresponds to its Certified Area. **It is the responsibility of the Corporation to properly file a map showing its service area with the TCEQ.**

### **CERTIFICATE OF CONVENIENCE AND NECESSITY**

To Provide Sewer Service Under V.T.C.A., Water Code and Texas Commission on Environmental Quality Substantive Rules

#### **Certificate No. 20645**

##### I. Certificate Holder:

Name: North Alamo Water Supply Corporation  
Address: 420 South Doolittle Road  
Edinburg, Texas 78539

##### II. General Description and Location of Service Area:

The area covered by this certificate is located generally east of Edinburg, Texas, with FM 186 as its northern boundary in both Hidalgo and Willacy Counties; its southern most boundary being Expressway 83 in Hidalgo County, with its eastern most boundary current being FM 1425 in Willacy County. Its southern boundary in Willacy County is the southern county line road. Generally within this area, any CCN areas held by incorporated communities, are excluded from North Alamo Water Supply Corporation's CCN area.

##### III. Certificate Maps:

The certificate holder is authorized to provide sewer service in the area identified on the Commission's official service area map, WRS-255, maintained in the offices of the Texas Commission on Environmental Quality, Austin, Texas with all attendant privileges and obligations.

This certificate is issued under various applications and subject to the rules and orders of the Commission, the laws of the State of Texas, conditions contained herein and may be revoked for violations thereof. The certificate is valid until amended or revoked by the Commission.

Issued Date: August 29<sup>th</sup>, 1995

## SECTION E: SERVICE RULES AND REGULATIONS

1. Service Entitlement. An Applicant shall be considered qualified and entitled to water and or sewer utility service when proper application has been made, terms and conditions of Service and Membership have been met and continue to be met, and all fees have been paid as prescribed by this Tariff.

2. Application Procedures and Requirements. For the purpose of this Tariff, service requested by an Applicant(s) shall be for real estate designated to receive the service provided by this Corporation. Service shall be through a meter or sewer tap located on that designated real estate unless otherwise approved by the Board. Service shall be divided into the following two (2) classes:

a. Standard Service is defined as service on an existing pipeline where pipeline or service facility extensions are not required and special design and/or engineering considerations are not necessary. Typically, this would include only 5/8" X 3/4" sized water meter services set on existing pipelines or 4" gravity sewer taps made on collection lines no more than five feet in depth.

b. Non-Standard Service is defined as any service applied for which is not Standard Service. In addition to the following requirements for service, service requirements as prescribed by Section F of this Tariff shall be required of the Non-Standard Service Applicant(s) prior to extension of such pipelines, and/or service facilities.

c. Requirements for Standard and Non-Standard Service.

(1) The Corporation's Service Application and Agreement Form shall be completed in full and signed by the Applicant(s). (See Sample Application Packet)

(2) The Applicant(s) shall provide proof that application has been made to the proper regulatory authority for approval and installation of on-site sewage disposal facilities as authorized under the Texas Sanitation and Health Protection Law, Texas Civil Statutes, Article 4477-1, for all services requiring such installations.

(3) A Right-of-Way Easement Form, Sanitary Control Easement, or other such easement forms, required by the Corporation, must be completed by the Applicant for the purpose of allowing future facility additions to improve or provide service to future Applicants.

NOTE: This requirement may be delayed for Non-Standard Service requests.

(4) The Applicant shall provide proof of ownership or title to property for which service has been requested in a manner acceptable to the Corporation. Proof of ownership shall consist of warranty deed, deed of trust or other recordable documentation of fee simple title to the real estate designated to receive service. (Texas Water Code 67.06 (e), and 13.002 (11).

(5) The Corporation shall consider master metering multiple units for an applicant's request provided the total number of units to be served are all:

- a. owned by the same person, partnership, cooperative, corporation, agency, public or private organization of any character but not including a family unit.
- b. inaccessible to public right-of-way, and
- c. considered a commercial enterprise, i.e., for business, rental or lease purposes.

(6) All Service Applications approved and cost of service fees quoted by the Corporation shall be presented to the Applicant(s) in writing and shall stand approved at quoted costs for a period not to exceed thirty (30) days. After thirty (30) days, each Applicant shall re-apply for service under the terms of this Tariff.

(7) If the utility line and/or appurtenance(s) have been located in the public right-of-way and is adjacent to Applicant's property due to the current or previous landowner's refusal to grant an easement to the Corporation for the purposes of installing the utility line or appurtenance(s), the Applicant, prior to receiving the requested service, shall grant an easement to the Corporation for such utility line and/or appurtenance(s). In addition to the normal required fee for service, the Applicant shall pay such sums as are necessary for the removal of the utility line and/or appurtenance(s) from the public right-of-way and for their relocation onto such easement.

(8) Corporation's Water Main as the Result of Condemnation. If a property owner fails to provide the Corporation a right-of-way easement upon request, and the Corporation must obtain the easement via condemnation or settlement agreement, the property owner and future property owners will be required to reimburse Corporation for all condemnation costs or for all costs related to the settlement agreement, as determined and documented by the

Corporation, before standard or non-standard service will be provided. Costs will include all legal fees, expert fees, and expenses necessary to obtain easement via condemnation or settlement agreement. Interest on these costs will also apply to the applicant and will be calculated on annual compounding at two (2) percentage points above the rate for the ten-year (10-year) Treasury Note, or at the closest maturity Treasury Note, if the 10-year Treasury Note is discontinued.

(9) Insufficient Applicant Information. If an applicant/Transferee fails to provide all documentation required at the time of application, the Corporation will issue written notice informing the applicant they have 10 days in which to provide the proper information or the service will be terminated. This will apply to Standard or Non-Standard Service request(s). (See Miscellaneous Transaction Forms – APPLICANT’S NOTICE OF INSUFFICIENT INFORMATION.)

(10) Regulatory Requirements for Service. Service applicants may be required to comply with any precondition to receiving service not printed herein as may exist under Texas Commission on Environmental Quality (TCEQ) rule, United States Environmental Protection Agency (USEPA) rule, Texas Water Development Board (TWDB) rule, or health department rule.

### 3. Activation of Standard Service.

a. New Tap – The Corporation shall charge a non-refundable service installation fee as required under Section G of this Tariff. The service installation fee shall be quoted in writing to the Applicant. All fees shall be paid in advance of reservation of service capacity including, as applicable, the Membership Fee, any Easement Fees, and any other fees as required under Section G of this Tariff.

b. Re-Installation – On property where service previously existed, the Corporation shall charge the Membership Fee, labor and material costs necessary to restore service. This fee shall be cost-based. In the event an application is made for service on property where service previously existed, and the service is in the same name for which an in-active account exists, the Corporation shall charge the Membership Fee, any past due amounts, and labor and material costs necessary to restore service.

c. Performance of Work – After all applicable fees are paid, and approval is granted by proper authorities, all tap and equipment

installations specified by the Corporation shall be completed by the Corporation staff or the Corporation's designated representative. The tap for a standard service request shall be completed within five (5) working days whenever practicable, but not later than ten (10) working days. The tap for a non-standard service request shall be completed within four (4) to six (6) weeks after secured clearance from the State Highway Department or County Right-of-Way Department, and those agencies having and locating buried facilities within the proposed installation location, under normal conditions. (See Section F)

d. Inspection of Customer Service Facilities – The Corporation staff or its designated representative may inspect all customer service facilities before and periodically after the tap is made to insure compliance with state required Minimum Acceptable Operating Practices For Public Drinking Water Systems as promulgated by the Texas Commission on Environmental Quality or successor agency. The customer must, at his or her expense, properly install, inspect, test, maintain and provide all required documentation of any approved backflow prevention device required by the Corporation.

4. Activation of Non-Standard Service.

a. Activation of Non-Standard Service shall be conducted prescribed by terms of Section F of this Tariff.

b. Re-Installation – The same terms which apply under the Activation of Standard Service Sub-Section on Re-Installations shall be applied to Non-Standard Re-Installation requests.

5. Changes in Service Classification – If at any time the Corporation determines that the customer service needs changed from that which was originally applied for to a different service classification and the Corporation determines that additional or different facilities are necessary to provide adequate service, the Corporation shall require the Applicant/Member to re-apply for service under the terms and conditions of this Tariff. Applicant/Member failing to comply with this provision shall be subject to the Disconnection with Notice Provisions of this Tariff, Section E.15.

6. Membership.

a. Eligibility – Eligibility for Membership shall not guarantee service to the Applicant or Transferee; however, qualification for service is prerequisite to Membership eligibility for new Applicants or continued Membership for Transferees.



b. Membership Certificates – Upon qualification for service, qualification for Membership, and payment of the required fees, the Corporation shall issue a Membership Certificate to the Applicant. The Membership Certificate provides proof of Membership in the Corporation and shall entitle the Applicant/Member to one (1) connection to the Corporation's water/sewer utility service and one (1) share of Corporation stock. The Membership Certificate also entitles the Member to one (1) vote in the conducting of the affairs of any Annual or Special Membership Meeting of the Corporation as prescribed by the Corporation Bylaws. Ownership of more than one (1) Membership shall not authorize the Member to cast more than one (1) vote at any annual or special meeting. Each Membership and Stock thereby represented may be assigned to the specified parcel of land originally designated to receive service at the time of application. (Texas Water Code 67.016) NOTE (1): In the event that the Corporation is conducting a potential Members survey for indications of interest in future service for the purpose of determining the feasibility of an initial construction or expansion project under RUS guidelines, regular application procedures may be modified. An Indication of Interest Fee may be required prior to qualifications for receipt of service by the Applicant but shall only be used or applied as a Membership Fee for Membership purposes (upon issuance of a Membership) if service is ultimately received or reserved by the Applicant as a result of the planned project facilities. If service is not provided within the scope of this project, Indication of Interest Fees shall be refunded, less expenses, within sixty (60) days of the loan closing with the Rural Utilities Service. NOTE (2): In the event the applicant is in the process of construction the Membership will be considered TEMPORARY until such time as the final Customer Service Inspection is completed and the forms are returned as required.

c. Transfers of Membership. (Texas Water Code 67.016)

(1) A Member is entitled to transfer Membership in the Corporation only under the following circumstance:

(a) The Membership is transferred by will to a person related to the Transferor within the second degree by consanguinity; or

(b) The Membership is transferred without compensation to a person related to the Transferor within the second degree by consanguinity; or

(c) The Membership is transferred without compensation or by sale of the Corporation; or

(d) The Membership is transferred as a part of the conveyance of real estate from which the Membership arose.

(2) In the event that Membership is transferred pursuant to the provisions of Sub-Section 8.c. (1) such transfer shall not be completed or recorded on the books and records of the Corporation until such time as the transferor has provided satisfactory evidence to the Corporation of such transfer. A transfer of Membership shall not be binding on the Corporation until such transfer has been approved as provided by Sub-Section 8.c. (3).

(3) Qualifications for water service upon transfer of Membership set forth in Sub-Section 8.c. (1) and 6.c. (2) shall be subject to approval of the Corporation and shall be recorded on the books and records of the Corporation only upon the following terms and conditions:

- (a) A Transfer Authorization Form has been completed by the Transferor and Transferee;
- (b) The Transferee has completed the required Application Forms;
- (c) All indebtedness due the Corporation has been paid; and
- (d) The Transferee demonstrates satisfactory evidence of ownership of the property designated to receive service and from which the Membership originally arose.

d. Cancellation of Membership – To keep a Membership in good standing, a minimum charge must be paid monthly to the Corporation whether or not water is used. Failure to pay this monthly charge to the Corporation shall jeopardize the Member's Membership standing and give rise to liquidation of the Membership Fee and forfeiture of the Membership. A Member may be relieved of this obligation to pay by surrendering the Membership Certificate, properly endorsed, to the Corporation. The Member shall also complete a Service Discontinuance Request Form prior to termination of service. However, a Member is not relieved of any obligations incurred prior to the date of surrender of a properly endorsed Membership Certificate prior to termination of service. Rights to future service at this tap shall be extended on an as-available basis and subject to the terms of the Activation of Service Sub-Section E 3. of this Tariff. (Texas Water Code 67.016)

e. Liquidation Due to Delinquency – When the amount of the delinquent minimum monthly charges, gallons used charge, penalties, and service fees owed by the Member equals the Membership Fee, the Membership Fee shall be liquidated and the Membership canceled and transferred back to the Corporation. In the event the Member leaves a balance due on an account guaranteed under the terms of a Service Application and Agreement, and the delinquent Member owns more than

one Membership Certificate, the Corporation may liquidate as many of the Member Guarantor's Membership Fees as necessary to satisfy the balance due the Corporation, provided proper notice has been given (see Tariff Section E, Sub-Section 16.). The Corporation shall collect any remaining account balances by initiation of legal action. Re-instatement of service shall be subject to the terms of the Activation of Service Sub-Section E.3. of this Tariff.

f. Cancellation due to Non-Compliance – The Corporation may cancel a membership anytime a Member fails to comply with the policies, tariff, regulations, rules or bylaws of the Corporation, including but not limited to Member's failure to provide proof of ownership of the property from which the Membership arose or member's refusal to grant an easement, without further consideration, when necessary for the Corporation's use and after such has been requested. (Texas Water Code 67.016)

g. Re-assignment of Canceled Membership – The Corporation, upon cancellation of Membership under the provisions of this Tariff, may satisfactorily demonstrate eligibility for Membership, including but not limited to proof of ownership of the property from which the Membership arose.

h. Mortgaging of Memberships – Nothing herein shall preclude a Member from mortgaging his/her Membership. However, notification to the holder of any security interest (mortgage/lien-holder) of account status of Member/Mortgagor will be provided only upon satisfactory completion of requirements for such conditions under the Membership Mortgage Agreement (See Miscellaneous Transaction Forms). Prior to the cancellation of any Membership as provided under Sub-Section 6.d. (Cancellation of Membership), the Corporation will notify the holder of any security interest in the Membership. The holder of the security interest also must hold a security interest in the real property where the water service is provided under the Membership. The Corporation may transfer the Membership to the holder of such security interest in lieu of cancellation, provided the holder of the security interest pays in full all delinquent and unpaid obligations and provided further that the holder of the security interest has secured title to the real property from which the Membership arose. The Corporation may withhold cancellation of a Membership pending the resolution of any foreclosure proceedings or similar legal proceedings by the holder of the security interest.

7. Owners of Rental Property. Any North Alamo Water Supply Corporation Member renting or leasing property to other parties are responsible for all charges due the Corporation in the event a renter or lessee leaves the Corporation with any unpaid bills. The Corporation will bill the renter or lessee for water service as a third party, but the Member is fully responsible for any

and all unpaid bills left by the renter/lessee. The owner shall be required to notify the Corporation in writing that the renter/lessee is to be responsible for the bill.

8. Denial of Service. The Corporation may deny service for the following reasons:

- a. Failure of the Applicant or Transferee to complete all required forms and pay all required fees and charges;
- b. Failure of the Applicant or Transferee to comply with rules, regulations, policies, tariff or bylaws of the Corporation;
- c. Existence of a hazardous condition at the Applicant's property which would jeopardize the welfare of the Members/Users of the Corporation upon connection;
- d. Failure of Applicant or Transferee to provide representatives or employees of the Corporation reasonable access to property for which water service has been requested when there is reason to believe that a hazardous condition may exist for which access is necessary to verify;
- e. Failure of Applicant or Transferee to comply with all governmental rules and regulations of the Corporation on file with the state regulatory agency governing the service applied for by the Applicant;
- f. Failure of Applicant or Transferee to provide proof of ownership, to the satisfaction of the Corporation, of property for which the tap has been requested; and/or
- g. Applicant's service facilities are known to be inadequate or of such character that satisfactory service cannot be provided.

9. Applicant's or Transferee's Recourse. In the event, the Corporation refuses to serve an Applicant under the provisions of these rules, the Corporation must notify the Applicant on the basis of its refusal, and the Applicant may file for an appeal with the Board of Directors of the Corporation.

10. Insufficient Grounds for Refusal of Service. The following shall not constitute sufficient cause for the refusal of service to an applicant:

- a. Delinquency in payment for service by a previous occupant of the premises to be served;
- b. Failure to pay a bill to correct previous underbilling due to misapplication of rates more than six (6) months prior to the date of application;

- c. Violation of the Corporation's rules pertaining to operation of non-standard equipment or unauthorized attachments which interferes with the service of others, unless the customer has first been notified and been afforded reasonable opportunity to comply with said requirements;
- d. Failure to pay a bill of another customer as guarantor thereof unless the guarantee was made in writing to the Corporation as a condition precedent to service;
- e. Failure to pay the bill of another customer at the same address, except where the change of customer identity is made to avoid or evade payment of a utility bill;
- f. Failure to pay for the restoration of a tap removed by the utility at its option or removed as the result of tampering or delinquency in payment by a previous customer;
- g. Failure to comply with regulations or rules for anything other than the type of utility service specifically requested including failure to comply with septic regulations.

11. Deferred Payment Agreement. The Corporation may offer a deferred payment plan to a Member who cannot pay an outstanding balance in full and is willing to pay the balance in reasonable installments as determined by the Corporation, including any Late Penalty Fees or Interest on the monthly balance to be determined as per agreement.

12. Indigent Care Policy. Members may prepare an application for financial assistance by preparing forms that demonstrate an inability to pay for meter installation or payment of monthly bills for water service. The Board of Directors will review and, where appropriate, grant relief on individual cases.

13. Charge Distribution and Payment Application.

a. The Minimum Monthly Charge or the Reserved Service Charge is applied from the first day of the billing period (defined in 14, below) through the last day of the billing period. Charges shall be prorated for meter installations and service terminations falling during the billing month. Billings for this amount shall be mailed on the Corporation's billing date of the month preceding the month for which this charge is due. All service shall be subject to this charge whether or not the service is in use by the Member.

b. Gallonage Charge shall be billed at the rate specified in Section G and billing shall be calculated in one thousand (1000) gallon increments.

Water charges are based on monthly meter readings and are calculated from reading date to reading date. Readings used in all billing calculations shall be taken by the Corporation's employees or designated representative.

c. Gallonage Charge shall be billed at the rate specified in Section G, and bill shall be calculated in one thousand (1000) gallon increments. Sewer charges are based on monthly meter readings and are calculated from reading date to reading date. Readings used in all billing calculations shall be taken by the Corporation's employees or designated representative.

d. Posting of Payments – All Payments shall be posted against previous balances prior to posting against current billings.

14. Due Dates, Delinquent Bills, and Service Disconnection Date. The Corporation has billings by Areas. The date of billing is dependent upon the Area where the meter is installed. Bills for Area #1 are mailed on or about the 10<sup>th</sup> of the month, bills for Area #2 are mailed on or about the 20<sup>th</sup> of the month, and bills for Area #3 are mailed on or about the 30<sup>th</sup> of the month. All bills shall be due by the date indicated on the bill (allowing approximately twenty (20) days to pay), after which a penalty shall be applied as described in Section G. A bill is delinquent if not paid by the due date. A ten (10) day grace period may then be allowed for delayed payments prior to mailing of final notices. Final notice shall be mailed allowing ten (10) additional days for payment prior to disconnection. The ten (10) additional days shall begin on the day the final notice is deposited with the U.S Postal Service with sufficient postage. If the due date for the regular or final billing is a weekend or holiday, the next due date for payment purposes shall be the next day the Corporation office is open for business after said weekend or holiday.

15. Rules of Disconnection With Notice – Water utility service may be disconnected for any of the following reasons after proper notification has been given:

a. Disconnection with Notice – Water utility service may be disconnected for any of the following reasons after proper notification.

(1) Returned Checks – In the event a check, draft, or any other similar instrument is given by a person, firm, corporation, or partnership to the Corporation for payment of services provided in this Tariff, and the instrument is returned by the bank or other similar institution as insufficient or is non-negotiable for any reason, the Corporation shall first determine if the check is for a past due account; a notice via telephone is attempted; then, a representative is dispatched to lock the meter. Should the account

not be delinquent nor subject to being locked for lack of payment, the defective instrument is returned via mail to the drafter. Any such instruments returned as insufficient or non-negotiable, for any reason, for any two billing periods within a 12-month period shall be considered evidence of bad credit risk by the Corporation. The Member/Customer in violation shall be placed on a “cash only” basis for a period of 12 months. NOTE 3: “cash only” means certified check, money order or cash.

(2) Failure to pay a delinquent account for utility service or failure to comply with the terms of a deferred payment agreement;

(3) Violation of the Corporation’s rules pertaining to the use of service in a manner which interferes with the service of others or the operation of non-standard equipment, if a reasonable attempt has been made to notify the Member and the Member is provided with a reasonable opportunity to remedy the situation;

(4) Failure of the Member to comply with the terms of the Corporation’s Service Agreement, Tariff, Bylaws, or Special Contract provided that the Corporation has given any required notice of said failure to comply, and Member has failed to comply within a specified amount of time after notification;

(5) Failure to provide access to the meter under the terms of this Tariff or to property at which water service is received when there is reason to believe that a hazardous condition or policy violation exists for which access is necessary to verify;

(6) Misrepresentation by any Applicant to Transferee of any fact on any form, document, or other agreement required to be executed by the Corporation;

(7) Failure of Member to meet requirements of the regulatory authority for construction or maintenance of on-site sewage facilities, as authorized by the Texas Sanitation and Health Protection Law, TCS Article 4477-1;

(8) Failure of Member to re-apply for service upon notification by the Corporation that Member no longer meets the terms of the service classification originally applied for under the original service application;

(9) Failure to pay a delinquent account billed by the Corporation for sewer utility service.

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

- (1) A known dangerous or hazardous condition exists for which service may remain disconnected for as long as the condition exists, including but not limited to a violation of the Texas Sanitation and Health Protection Law 4477-1, or there is reason to believe a dangerous or hazardous condition exists and the Member refuses to allow access for the purpose of confirming the existence of such condition and/or removing the dangerous or hazardous condition;
- (2) Service is connected without authority by a person who has not made application for service or who has reconnected service without authority following termination of service for nonpayment; and
- (3) In instances of tampering with the Corporation's meter or equipment, by-passing the meter or equipment, or other diversion of service.

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

c. Disconnection Prohibited – Utility service may not be disconnected for any of the following reasons:

- (1) Failure of the Member to pay for merchandise or charges for non-utility service provided by the Corporation, unless the agreement exists between the Applicant and the Corporation whereby the Member guarantees payment of non-utility service as a condition of service;
- (2) Failure of the Member to pay for a different type or classification of utility service unless a fee for such service is included in the same bill;
- (3) Failure of the Member to pay charges arising from an under-billing occurring due to any misapplication of rates more than six (6) months prior to the current billing;



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

(5) Failure of the Member to pay charges arising from an underbilling due to any faulty metering, unless the meter has been tampered with or unless such under billing charges are due to meter error;

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

(7) In response to a request for disconnection by an Owner/Member of rental property where the renter is billed directly by the Corporation as authorized by the owner, and the renter's account is not scheduled for disconnection under the Rules for Disconnection of Service in this Tariff.

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

e. Disconnection Due to Utility Abandonment – The Corporation may not abandon a Member or a Certificated Service Area without written notice to its Members and all similar neighboring utilities and approval from the TECQ.

f. Disconnection for Ill and Disabled – The Corporation may not discontinue service to a delinquent residential Member permanently residing in an individually metered dwelling unit when that Member establishes that discontinuance of service will result in some person at that residence becoming seriously ill or more seriously ill if service is discontinued. Each time a Member seeks to avoid termination of service under this Subsection, the Member must have the attending physician call or contact the Corporation within sixteen (16) days of issuance of the bill. A written statement must be received by the Corporation from the physician within twenty-six (26) days of the issuance of the utility bill. The prohibition against service termination shall last sixty-three (63) days from the issuance of the utility bill or such lesser period as may be agreed upon by the Corporation and Member's physician. The Member shall enter into a Deferred Payment Agreement.

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

(1) The Corporation shall send a notice to the Member as required. The Corporation will inform all Members of Master-meter systems, that it is their responsibility to notify tenants, when a disconnection notice is received by the Member. Members shall have the responsibility to notify tenants that they may pay the delinquent bill to avoid loss of service, due to disconnection.

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

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

16. Billing Cycle Changes – The Corporation reserves the right to change its billing cycles if the work load requires such practice. After a billing period has been changed, the billings shall be sent on the new change date unless otherwise determined by the Corporation.

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

18. Disputed Bills – In the event of a dispute between the Member and the Corporation regarding any bill, the Corporation shall forthwith make and conduct an investigation as shall be required by the particular case, and report the results in writing to the Member. All disputes under this Subsection must be submitted to the Corporation, in writing, prior to the due date posted on said bills except in cases involving the transfer of a Membership conditioned on payment of delinquent obligations by the Transferee, as provided under Sub-Section 6.h.

19. Inoperative Meters – Water meters found inoperative will be repaired or replaced within a reasonable time. If a meter is found not to register for any period, unless by-passed or tampered with, the Corporation shall make a charge for units used, but not metered, for a period not to exceed three (3)

months, based on amounts used under similar conditions during the period preceding or subsequent thereto, or during corresponding periods in previous years.

20. Bill Adjustment Due to Meter Error – The Corporation shall test any Member's meter upon written request of the Member. In the event the meter tests within the accuracy standards of The American Water Works Association, a test fee as prescribed in Section G of this Tariff shall be imposed. In the event the test results indicate that the meter is faulty or inaccurate, the test fee shall be waived, the meter shall be calibrated or replaced, and a billing adjustment may be made as far back as six (6) months but not extending beyond current Membership except in cases involving the transfer of a Membership conditioned on payment of delinquent obligations by the Transferee, as provided under Sub-Section 6.h. The billing adjustment shall be made to the degree of the meter's inaccuracy as determined by the test. The Member shall complete a Meter Test Request Form prior to the test.

21. Meter Tampering and Diversion.

a. For purposes of this Section, the term "Tampering" shall mean meter-tampering, by-passing, or diversion of the Corporation's service equipment, or other instances of diversion, including:

1. Removing a locking or shut-off device used by the Corporation to discontinue service,
2. Physically disorienting the meter,
3. Attaching objects to the meter to divert service or to by-pass,
4. Inserting objects into the meter,
5. Other electrical and mechanical means of tampering with, by-passing, or diverting service, and
6. Preventing the supply from being correctly registered by a metering device due to adjusting the valve so that flow is reduced below metering capability.

The burden of proof of Tampering is on the Corporation. Photographic evidence or any other reliable and credible evidence may be used; however, any evidence shall be accompanied by a sworn affidavit by the Corporation's staff when any action regarding Tampering is initiated. A court finding of Tampering may be used instead of photographic or other evidence, if applicable. Unauthorized users of services of the Corporation shall be prosecuted to the extent allowed by law under the Texas Penal Code Section 28.03.

b. If the Corporation determines under subsection (a) that Tampering has occurred, the Corporation shall charge the offending party the total actual loss to the Corporation, including the cost of repairs, replacement of damaged facilities and lost water revenues.

- c. In addition to actual damages charged under subsection (b), the Corporation shall assess a penalty against the offending party. The penalty shall be six (6) times the minimum monthly charge.

For purposes of this Section, "offending party" means the owner/member. So, for example, in an owner/tenant situation where the tenant committed the Tampering, the Corporation can charge actual damages and penalty to the owner/member.

22. Meter Relocation – Relocation of meters/taps shall be allowed by the Corporation provided that:

- a. No transfer of Membership is involved;
- b. Member must present County building permits or a Certificate of Compliance from the County authority,
- c. The existing tap location is contiguous to the proposed new location and is to serve the same property as the existing meter.
- d. The Member pays the actual cost of relocation fees and administrative fees.
- e. Service capacity is available at proposed location.

23. Prohibition of Multiple Connections To A Single Tap – In order that the Corporation may maintain adequate records of the actual number of users on its system to assure compliance with Texas Department of Health Rules and Regulations on minimum service standards, to ensure that charges are received for each user on the system, and to ensure that the Corporation's metering device is adequately sized for proper flow and accurate measurement of water used, all connections of any dwelling, household, business, and/or water-consuming establishment currently receiving or planning to receive water service, either directly or indirectly from the Corporation's water system, shall apply for Bulk Service status under the rules of this Tariff. Any unauthorized submetering of service shall be considered an Unauthorized Multiple Connection and subject to disconnection of service under the Disconnection with Notice provisions of this Tariff, or placed under a separate tariff table at the option of the Corporation.

24. Member's Responsibility

- a. The Member shall provide access to the meter at all reasonable times for the purpose of reading, installing, checking, repairing, or replacing the meter. Member shall provide either off-sets in fences or

remote reading devices to insure reading access with minimum effort by North Alamo WSC meter reading employees. Should fencing or animals contained within a fence preclude access to the meter, thereby, preventing the reading of the meter, an estimated bill shall be rendered to the Member for the month; and a notice shall be sent to the effect that entrance could not be gained and that this necessitates access to the meter as described above. Should access remain a problem for three (3) consecutive months after proper notification to the Member, then service shall be discontinued and the meter removed with no further notice.

b. The Member shall see that all plumbing connections shall be made to comply with the TCEQ Rules and Regulations.

(1) All connections shall be designed to ensure against back-flow or siphonage into the Corporation's water supply. In particular, livestock water troughs shall be plumbed above the top of the trough with air space between the discharge and the water level in the trough.

(2) The use of pipe and pipe fittings that contain more than 8.0% lead or solder and flux that contain more than 0.2% lead is prohibited for any plumbing installation or repair of any residential or non-residential facility providing water for human consumption and connected to the Corporation's facilities. Service shall be discontinued without further notice when installations of new facilities or repair of existing facilities are found to be in violation of this regulation until such time as the violation is corrected.

(3) The Corporation's ownership and maintenance responsibility of sewer service equipment shall end at the property line. Therefore, all damages occurring to the service equipment owned and maintained by the Corporation shall be subject to charges as determined by the Corporation's Tariff as amended from time to time by the Board of Directors.

(4) The Corporation shall require each Member to provide a double clean-out on the Member's side at the property line for isolating the Member's service pipeline and plumbing facilities from the Corporation's sewer main. All sewer service lines exceeding 150 feet in length shall require a double clean-out at 75 feet intervals and a double clean-out at the house. The purpose of the clean-out is to determine responsibility of potential sewer stoppages in the future and to unstop stoppages in the service line. Any damage to the Corporation's equipment shall be subject to service charges.

(5) All pipes and fittings used by the customer to convey sewage from its source to the sewer line must be a minimum of D-3034, SDR-35 or equivalent, 4-inch diameter pipe. No DWV (drain waste and vent) pipe or fittings will be allowed. All joints must be installed to recommended grade. All non-household sewer customers who have potential for dirt, grit, sand, grease, oil, or similar substances must install and maintain a trap ahead of their entrance to the Corporation's sewer collection piping. A double clean-out is required at the property line and at the house and at 75 foot intervals on all sewer lines exceeding 150 feet in length, and other site-specific requirements may be imposed by the Corporation. All sewer and potable water service pipeline installations must be a minimum of nine feet apart and meet all applicable plumbing standards for crossings, etc.

Requirements for Traps:

(A) Discharges requiring a trap include but are not limited to:

- (i) grease or waste containing grease in amounts that will impede or stop the flow in the public sewer;
- (ii) oil, flammable wastes;
- (iii) sand, and other harmful ingredients.

(B) Any person responsible for discharges requiring a trap shall at his own expense and as required by the approving authority:

- (i) Provide equipment and facilities of a type and capacity approved by the approving authority;
- (ii) Locate the trap in a manner that provides ready and easy accessibility for cleaning and inspection; and
- (iii) Maintain the trap in effective operating condition.
- (iv) Car washes, restaurants, washaterias, and any other establishment that is determined to contribute any of the above listed contaminants in excessive amounts shall require a trap.
- (v) When an owner or operator cleans grease traps, the only approved location for disposal of grease shall be a sanitary landfill.
- (vi) Grease traps shall only be cleaned by licensed septic tank cleaners except as noted above.
- (vii) The use of chemicals to dissolve the grease is not permitted in the wastewater collection system.

(viii) The owner or operator shall have the grease trap cleaned at least every thirty (30) days or more often if necessary.

(ix) In the event grease accumulates in the wastewater collection lines, the owner or operator will be billed for cleaning collection lines and for any other expenses incurred by the sewer utility.

(C) Approving Authority Review and Approval (By the Board of Directors):

(i) If pretreatment or control is required, the approving authority shall review and approve design and installation of equipment and processes.

(ii) The design and installation of equipment and processes must conform to all applicable statutes, codes, ordinances and other laws. Any person responsible for discharges requiring pretreatment, flow equalizing or other facilities shall provide and maintain the facilities in effective operating condition at his own expense.

(D) Service shall be discontinued without further notice when installations of new facilities or repair of existing facilities are found to be in violation of this regulation, until such time as the violation is corrected.

c. A Member owning more than one (1) Membership Certificate shall keep all payments current on all accounts. Each account is subject to the rules of this Tariff individually as well as, the terms of the individual Service Application and Agreement executed by the Member.

d. The Corporation's ownership and maintenance responsibility of water supply and metering equipment shall end at the point where the Member connects to the equipment provided by the Corporation during the installation of the meter equipment. Therefore, all water usage registering upon and/or damages occurring to the meter equipment owned and provided by the Corporation shall be subject to charges as determined by the Corporation's Tariff as amended from time to time by the Board of Directors.

e. The Corporation shall require each Member to provide a cut-off valve on the Member's side of the meter for purposes of isolating the Member's service pipeline and plumbing facilities from the Corporation's water pressure. The valve shall meet AWWA standards (a ball valve is preferred). The Member's use of the Corporation's curb stop or other similar valve for such purposes is prohibited. Any damage to the

Corporation's equipment shall be subject to service charges. (This additional cut-off valve may be installed as part of the original meter installation by the Corporation.)

Sewer Services Other Than Domestic: Refer to Section F. For Non-standard Requirements.



SECTION F.  
DEVELOPER, SUBDIVISION, AND NON-STANDARD SERVICE  
REQUIREMENTS

1. **Corporation's Limitations.** All Applicants shall recognize that the Corporation must comply with local, state, and federal rules and regulations as promulgated from time to time, and by covenants of current indebtedness. The Corporation is not required to extend retail utility service to an applicant in a subdivision where the responsible party (Applicant/Developer) of the applicable property (subdivision) has failed to comply with the terms of this policy. 13.2502 of the Texas Water Code requires that notice be given herein or by publication or alternative means to the Developers/Applicants. (also see Section F. 11.)

2. **Purpose.** This Section is applicable to subdivisions, additions to subdivisions, developments, or whenever additional service facilities are required. For the purposes of this Tariff, Applications subject to this section shall be defined as Non-Standard.

3. **Application of Rules.** This Section may be altered or suspended for planned facility expansions when the Corporation extends its indebtedness. The Board of Directors of the Corporation shall interpret on an individual basis whether or not the Applicant's service request shall be subject to all or part of the conditions of this Section.

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

- a. Meter requirements for a larger than standard 3/4 inch or 5/8 X 3/4 inch meter.
- b. Line extensions are needed to bring service to a particular location.
- c. Subdivisions, with internal streets requiring extensions.
- d. Subdivisions, without internal streets.

(1) All installations are to be made on existing water lines being of sufficient size as to meet the minimum requirements of the Texas Natural Resource Conservation Commission.

(2) Some proposed installations cannot be served due to TCEQ Rules and therefore, require additional lines to provide adequate service.

e. A final plat approved by the Corporation must accompany the Application showing the Applicant's requested service area. The final plat must be approved by all regulatory authorities, having jurisdiction over lot sizes, sewage control, drainage, right-of-way, and other service facilities. Plans, specifications, and special requirements of such regulatory authorities shall be submitted with the plat. Applicants for single taps involving extension or upsizing of facilities shall be required to submit maps or plans detailing the location of the requested extension and details of demand requirements.

f. At the time the Applicant submits the Application, a Non-Standard Service Investigation Fee (See Section G) to cover initial administrative, legal, and engineering fees shall be paid to the Corporation. The balance of actual expenses shall be refundable to the Applicant, and additional expenses incurred as a result of efforts by the Corporation to study service requirements of the Applicant shall be paid by the Applicant.

g. If after the service investigation has been completed, the Corporation determines that the Applicant's service request is for property outside the area dedicated in the Corporation's Certificate of Convenience and Necessity, service may be extended provided that:

(1) The service location is contiguous to or within one-fourth (1/4) mile of the Corporation's Certificated Service Area.

(2) The service location is not in an area receiving similar service from another utility; and

(3) The service location is not within another utility's Certificate of Convenience and Necessity.

5. **Requirements for Non-Standard Service Applications.**

a. Larger Meters:

(1) Applications shall be made for service on the standard service application, with special requirements noted.

(2) Special needs will be studied by corporate management or the corporate engineer, if required to determine if these special needs can be met by the existing system and water pressures.

(3) The decision by the Corporation will be given to the Applicant in writing.

(4) There will be no charge for this initial application and determination.

b. Line Extensions:

- (1) Applications shall be made for line extensions on the Corporation's regular application forms.
- (2) If the Applicant desires an estimate of the cost for the line extension, the Applicant shall pay the required fee for the estimate. This fee will be credited against the cost of the line extension.
- (3) The Applicant may use an approved contractor to construct the line extension.
- (4) The line extension shall be deeded to the Corporation by the Applicant and shall become the exclusive property of the Corporation.
- (5) Any private easements needed for the line extension shall be at the expense of the Applicant, on forms available from the Corporation.
- (6) Any State or County permits needed for the line extension shall be in the name of the Corporation and shall be secured by the Corporation.
- (7) A pre-construction conference is required before construction commences. The contractor is required to attend this conference.
- (8) The Applicant may recover from the Corporation a portion of the costs of a line extension. The Corporation may make additional meter installations on a line extension with some reimbursement to the original party responsible for construction of a line extension. This is only good for a five year period, from the time of installing the line extension, and only good on a six (6) inch line or larger.
- (9) There are some administrative costs or fees associated with line extensions.

c. Sub-Divisions with Internal Streets:

- (1) Applications shall be made for subdivisions on the Corporation "APPLICATION FOR SUBDIVISION WATER SERVICE AND LINE EXTENSIONS".

(2) The Developer must submit a preliminary plat and water system layout for North Alamo Staff to review and Board of Directors approval.

(3) Upon approval for service by the Corporation and prior to any construction, the Sub-Divider shall:

a. Subdivisions greater than four lots, developer must pay a \$250.00 Subdivision Review Fee.

b. Developer must pay a \$2,000.00 Administrative Fee for any subdivision with internal streets to cover expenses for inspection, testing, and other costs incurred by the Corporation.

c. Developer must pay a \$500.00 Administrative Fee for any subdivision that is a continuation of an existing subdivision such as a Phase II, III, etc., even if there are internal streets.

d. Developer must pay a Water Supply Fee equivalent to \$850.00 per lot. Developer can apply to the appropriate Irrigation District to have the subdivision excluded from the District and have the water rights assigned to North Alamo Water Supply Corporation. If the developer chooses to exclude, the fees will vary depending on the irrigation district. North Alamo Water Supply Corporation must receive evidence that water rights will be assigned to the Corporation. (Water Supply Fee in effect January 2004)

e. Subdivisions with lots smaller than one-half (1/2) acre in size, Developer must exclude the subdivision and pay the \$850.00 per lot water supply fee based on one-half (1/2) lot equivalents. Developer is given credit for excluded acreage.

f. All subdivisions are subject to North Alamo Water Supply Corporation's reimbursement policy.

g. Developer must install a service installation on every lot within the subdivision.

h. Developer must pay a \$150.00 membership fee for each lot only if the subdivision is not within the incorporated boundaries of the city limits.

i. Developer must provide North Alamo Water Supply Corporation with the actual cost of all water system improvements.

j. The Developer must use a contractor to construct the water system improvements from a list of North Alamo Water Supply Corporation approved contractors.

k. All water system improvements must be installed according to North Alamo Water Supply Corporation specifications.

l. Developer must submit as-built water system lay-out, a final plat on computer disk with the required format, and a copy of the final plat recorded by the County Clerk.

m. Developer is responsible for paying the cost of all improvements except when North Alamo Water Supply Corporation chooses to up-grade to a larger line size. North Alamo Water Supply Corporation will share the cost of the up-grade.

n. When easements are required, Developer will reimburse North Alamo Water Supply Corporation \$300.00 for each legal instrument prepared and executed by North Alamo Water Supply Corporation.

o. Developers must grant a fifteen (15) foot private easement to North Alamo Water Supply Corporation on all subdivisions adjacent to county or state roads.

p. North Alamo Water Supply Corporation reserves the right to modify some or all of the above requirements, if a special condition exists.

q. The Administrative and Review Fees increase by fifty (50) %, if the subdivision contains both water lines and a sewer collection system.

r. Subdivisions requiring sewer service may be required to pay a Plant Capacity Replacement Fee of \$550.00 per lot.

(4) The water system for the subdivision shall be approved for service when the system has passed the standard line pressure test and has water samples that test satisfactory when submitted to TCEQ.

d. Sub-Divisions Others:

This section covers both multi-lot subdivisions and single lot subdivisions, where all lots face existing public roads, and water lines are in place to serve the subdivision lots.

(1) Applications for service shall be made on the Corporation's form: "APPLICATION FOR SUBDIVISION WATER SERVICE AND LINE EXTENSIONS".

(2) The Applicant shall submit at the same time a Plat drawn by a Registered Professional Engineer or a Registered Public Surveyor in a form designated by North Alamo Water Supply Corporation.

(3) The Applicant shall provide memberships in North Alamo Water Supply Corporation and meter installations for all the lots in the subdivision.

(4) If the water line in place is not adequate to serve the number of lots in the subdivision, the developer shall be required to provide for the construction of a water line of sufficient size to serve the number of lots within the subdivision.

(5) All of the requirements under line extensions shall apply to any subdivisions under this classification, if a line extension is determined by North Alamo Water Supply Corporation to be required.

(6) The Sub-divider shall furnish proof of compliance with the Regulations for Subdivisions for the County and those regulations regarding conversion of irrigation rights to a suitable form for use by the Corporation.

6. **Design.** The Corporation shall study the design requirements of the Applicant's required facilities prior to initiation of a Service Agreement by adopting the following schedule:

a. The Corporation's Consulting Engineer shall review all service facility design for the Applicant's requested service for all Non-Standard Service Applications.

b. The Engineer's fees shall be paid out of the Non-Standard Service Investigation Fee, provided the actual costs of the Engineer's service do not exceed the amount of the Non-Standard Service Investigation Fee allotted for engineering services. If the Applicant's services exceed the

allotted fee, the Applicant shall pay the balance of engineering fees prior to commencing with the service investigation.

c. The Consulting Engineer shall submit to the Corporation a set of detailed plans, specifications, and cost estimates for the project.

d. If no local authority imposes other design criteria on the Applicant's service request, the Corporation's Engineer shall review or design all facilities for any Applicant to meet the application for service. The Corporation reserves the right to upgrade design of service facilities to meet future demands, provided however, that the Corporation pays the expense of such upgrading above the Applicant's facility requirements.

**7. Non-Standard Service Contract.** All Applicants requesting or requiring Non-Standard Service shall enter into a written contract, drawn up by the Corporation's Attorney, in addition to submitting the Corporation's Service Application and Agreement. Said contract shall define the terms of service prior to construction of required service facilities. Guidelines for the service contract may include, but are not limited to:

a. All cost associated with required administration, design, construction, and inspection of facilities for water and/or sewer service to the Applicant's service area and terms by which these costs are to be paid.

b. Procedures by which the Applicant shall accept or deny a contractor's bid, thereby committing to the other costs required under this Section.

c. Front-end Capital Contribution required by the Corporation in addition to the other costs required under this Section.

d. Monthly Reserved Service Charges as applicable to the service request.

e. Terms by which reserved service shall be provided to the Applicant and duration of reserved service with respect to the impact the Applicant's service request will have upon the Corporation's system capability to meet other service requests.

f. Terms by which the Applicant shall be reimbursed or compensated for fees duplicated in assessments for monthly rates and Equity Buy In Fees.

g. Terms by which the Corporation shall administer the Applicant's project with respect to:

- 1) Design of the Applicant's service facilities;
- 2) Securing and qualifying bids;
- 3) Execution of the Service Agreement;
- 4) Selection of a qualified bidder for construction;
- 5) Dispensing advanced funds for construction of facilities required for the Applicant's service;
- 6) Inspecting construction of facilities; and
- 7) Testing facilities and closing the project.

h. Terms by which the Applicant shall indemnify the Corporation from all third-party claims or lawsuits in connection with the project contemplated.

i. Terms by which the Applicant shall deed all constructed facilities to the Corporation and by which the Corporation shall assume operation and maintenance responsibility, including any enforcement of warranties in connection with construction of the Applicant's project.

j. Terms by which the Applicant shall grant title or easement for right-of-ways, constructed facilities, and facility sites and/or terms by which the Applicant shall provide for the securing of required right-of-ways and sites.

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

8. **Property and Right-of-Way Acquisition.** With regard to construction of facilities, the Corporation shall require private right-of-way easements or private property as per the following conditions:

a. If the Corporation determines that right-of-way easements or facility sites outside the Applicant's property are required, the Corporation shall require the Applicant make good faith efforts to secure easements or title to facility sites in behalf of the Corporation. All right-of-way easements and property titles shall be researched, validated, and filed by the Corporation at the expense of the Applicant.



b. All facilities required to be installed in public right-of-ways in behalf of the Applicant, due to inability to secure private right-of-way easements, shall be subject to costs equal to the original cost of future relocation of private right-of-ways or subject to the cost of installation under state condemnation procedures, whichever is most desired by the Applicant.

c. The Corporation shall require an exclusive dedicated right-of-way on the Applicant's property (as required by the size of the planned facilities and as determined by the Corporation) and title to property required for other on-site facilities.

d. Easements and facilities sites shall be prepared for the construction of the Corporation's pipeline and facility installations in accordance with the Corporation's requirements and at the expense of the Applicant.

9. **Bids For Construction.** The Corporation's Consulting Engineer shall advertise for bids for the construction of the Applicant's proposed facilities in accordance with generally accepted practices. Plans and specifications shall be made available, with or without charge, to prospective bidders. Although the Corporation reserves the right to reject any bid or contractor, the Corporation shall generally award the contract to the lowest and best bidder in accordance with the following criteria:

a. The Applicant shall sign the Service Contract noting willingness to proceed with the project and shall pay all costs in advance of construction associated with the project;

b. The Contractor shall provide an adequate bid bond under terms acceptable to the Corporation;

c. The Contractor shall secure adequate performance and payment bonding for the project under terms acceptable to the Corporation;

d. The Contractor shall supply favorable references acceptable to the Corporation;

e. The Contractor shall qualify with the Corporation as competent to complete the work, and

f. The Contractor shall provide adequate certificates of insurance as required by the Corporation.

10. **Pre-Payment For Construction And Service.** After the Applicant has executed the Service Agreement, the Applicant shall pay to the Corporation all

costs necessary for completion of the project prior to construction and in accordance with the terms of the Service Contract.

**11. Construction.**

- a. All road work pursuant to county, state and/or municipal standards (if applicable) shall be completed prior to facility construction to avoid future problems resulting from road right-of-way completion and excavation. Subject to approval of the requisite authority, road sleeves may be installed prior to road construction to avoid road damage during construction of Applicant's facilities.
- b. The Corporation shall, at the expense of the Applicant, inspect the facilities to ensure that Corporation standards are achieved.
- c. Construction plans and specifications shall be strictly adhered to, but the Corporation reserves the right to change-order any specifications, due to unforeseen circumstances during the design phase, to better facilitate operation of the Applicant's facility. All change-order amounts shall be charged to the Applicant.

**Service Within Subdivisions** – The Corporation's objective to provide service to any customers located within a subdivision governed by this section is strictly limited to the non-standard service specified by the Applicant. The purchaser of any lot who does not receive service because this service has not been specified or paid for by the Applicant shall have no recourse to the Corporation but may have recourse to the Applicant/Developer.

**All Non-Standard Sewer Service** facilities shall meet TCEQ's minimum design criteria for minimum line size and grade. A minimum of six (6) inch line shall be required in new subdivisions and/or in multiple connection situations. All six (6) inch or larger connections or taps shall be made onto an existing manhole or new manhole constructed on an exiting sewer main. In addition, non-domestic sewer service may require pretreatment facilities.

### **Purpose and Policy**

This policy sets forth uniform requirements for users of the Utility Owned Treatment Works for North Alamo Water Supply Corporation (“NAWSC”) and enables NAWSC to comply with all applicable State and Federal laws, including the Clean Water Act (33 United States Code 1251 et seq.) and the General Pretreatment Regulations (40 Code of Federal Regulations Part 403). The objectives of this policy are:

- A. To prevent the introduction of pollutants into the Utility Owned Treatment Works that will interfere with its operation;
- B. To prevent the introduction of pollutants into the Utility Owned Treatment Works that will pass through the Utility Owned Treatment Works, inadequately treated, into receiving waters, or otherwise be incompatible with the Utility Owned Treatment Works;
- C. To protect both Utility Owned Treatment Works personnel who may be affected by wastewater and sludge in the course of their employment and the general public;
- D. To promote reuse and recycling of industrial wastewater and sludge from the Utility Owned Treatment Works;
- E. To provide for fees for the equitable distribution of the cost of operation, maintenance, and improvement of the Utility Owned Treatment Works; and
- F. To enable NAWSC to comply with its National Pollutant Discharge Elimination System (“NPDES”) permit conditions, sludge use and disposal requirements, and any other Federal or State laws to which the Utility Owned Treatment Works is subject.

This policy shall apply to all users of the Utility Owned Treatment Works (“UOTW”). The policy authorizes the issuance of wastewater discharge permits, provides for monitoring, compliance, and enforcement activities; establishes administrative review procedures; requires user reporting; and provides for the setting of fees for the equitable distribution of costs resulting from the program established herein.

### **Administration**

Except as otherwise provided herein, the Waste Water Manager shall administer, implement, and enforce the provisions of this policy and any powers granted to or duties imposed upon the Waste Water Manager with respect to other NAWSC personnel.

## **Prohibited Discharge Standards**

A. General prohibitions. A user may not introduce into the UOTW any pollutants(s) which may cause pass-through or interference. These general prohibitions and the specific prohibitions in paragraph (b) of this section apply to each user introducing pollutants into the UOTW whether or not the user is subject to other national pretreatment standards or any national, state, or local pretreatment requirements.

B. Affirmative defenses. A user shall have an affirmative defense in any action brought against it alleging a violation of the general prohibitions established in paragraph (a) above, and the specific prohibitions in paragraph (c)(3), (5), (6), and (7) of this section where the user can demonstrate that:

(1) It did not know or have reason to know that its discharge, along or in conjunction with a discharge or discharges from other sources, would cause pass-through or interference; and

a. A local limit designed to prevent pass-through and/or interference, as the case may be, was developed for each pollutant in the user's discharge that caused pass-through or interference, and the user was in compliance with each local limit directly prior to and during the pass-through.

b. If a local limit designed to prevent pass-through and/or interference, as the case may be, has not been developed for pollutant(s) that caused the pass-through or interference, the user's discharge directly prior to and during the pass-through or interference did not change substantially in nature or constituents from the user's prior discharge activity when the UOTW was regularly in compliance with the UOTW's NPDES permit requirements and, in the case of interference, applicable requirements for sewage sludge user for disposal.

C. Specific prohibitions. No user shall introduce or cause to be introduced into the UOTW the following pollutants, substances, or wastewater:

(1) Pollutants which create a fire or explosion hazard in the UOTW, including, but not limited to: waste streams with a closed cup flashpoint of less than one hundred forty (140) degrees Fahrenheit or sixty (60) degrees Centigrade using the test methods specified in 40 CFR 261.21; at no time shall two (2) successive readings on an explosion hazard meter, at the point of discharge into the UOTW or at any point in the UOTW, be more than five (5)

percent nor any single reading over ten (10) percent of the lower explosive limit (LEL) of the meter, liquids, solids or gases which by reason of their nature or quantity are, or may be, sufficient either alone or by interaction with other substances, to cause fire or explosion or be injurious in any other way to the UOTW; prohibited materials include, but are not limited to: gasoline, kerosene, naphtha, benzene, Toulon, zylem, theres, alcohol, ketoses, aldehydes, peroxides, chlorates, pechlorates, bromides, carbides, hybrids, sulfides and any other substances which the control authority, the state, or EPA has notified the user is a fire hazard or a hazard to the UOTW,

(2) Any water or wastes having a pH lower than six (6.0) or higher than nine (9.0) or discharges which will react with water or for products which have a pH value lower than six (6.0) or greater than nine (9.0) or having any other corrosive property capable of causing damage or hazard to structure, equipment and personnel of the UOTW. Prohibited wastes include, but are not limited to, concentrated acids, alkalis, chlorides, sulfides, fluoride compounds and any iron pickling wastes or concentrated plating solution whether neutralized or not;

(3) Solid or vicious pollutants in amounts which will cause obstruction to the flow in the UOTW or other interference with the proper operation of the UOTW, and at no time, any water or waste containing floatable grease, oil, fat, or wax; dispersed non-floatable grease, oil, fat or wax in excess of one hundred (100) mg/L; any garbage, except domestic wastewater discharged from garbage disposal units in private dwellings, that has not been ground or communized to such a degree that all particles float or carry freely in suspension under flow conditions normally prevalent in the UOTW, and which contains particles of a size not greater than one-half (1/2) inch in any dimension; or other wastes including, but not limited to, bones, hair, hides or fleshing, whole blood, paunch manure, recognizable portions of the human anatomy, tissue fluids, entrails, ashes, cinders, mud, strew, sand, wood, grass clippings, spent lime, stone or marble dust, shavings, metal, glass, rags, feathers, tar, asphalt residues, glass grindings or polishing wastes, plastics, spent grains, spent hops, waste paper, Styrofoam and residues from refining or processing of fuel or lubricating oil;

(4) Any pollutant, including oxygen demanding pollutants (BOD, etc.) released in a discharge at a flow rate and/or pollutant concentration which, either singly or by interaction with other pollutants, will cause interference with the UOTW;

- (5) Heat in amounts which will inhibit biological activity in the UOTW resulting in interference, but in no case heat of a temperature in excess of sixty-five (65) degrees centigrade (150 F) at the sewer connection or of a quantity that causes the temperature at the UOTW treatment plant to exceed forty (40) degrees centigrade (104 F);
- (6) Petroleum oil, non-biodegradable cutting oil, or products of mineral oil origin in amounts that will cause interference or pass-through and at no time in excess of one hundred (100) mg/L;
- (7) Pollutants which result in the presence of toxic gases, vapors, or fumes within the UOTW in a quantity, either singly or by interaction with other pollutants, that may cause acute worker health and safety problems, pass-through or interfere with the UOTW, or that exceed standards promulgated by either the EPA pursuant to Section 307(a) of the act, or the state pursuant to any applicable statutory provisions;
- (8) Any trucked or hauled pollutants or sludge from septic tanks, cesspools, chemical toilets, privies, grease traps, or grit traps, unless authorized by a valid disposal permit issued by the control authority and disposed of at discharge points designated by the UOTW;
- (9) Any substance which, either singly or by interaction with other substances, is noxious or malodorous, or is capable of creating a public nuisance or hazard to life or health, or whose concentrations prevent entry into the UOTW for maintenance, repair, or other reasons;
- (10) Any radioactive wastes or isotopes of such half-life or concentration as may exceed limits established by federal state regulations;
- (11) Storm water, surface water, groundwater, roof runoff, sub-surface drainage, uncontaminated cooling water, or unpolluted industrial process waters, either discharged by gravity or from sump pumps, except where the user is served by combined sewers and cannot discharge such water directly to a surface water course;
- (12) Any waste producing excessive discoloration that may cause the water of the UOTW to exceed appropriate color criteria;

- (13) Any waters containing suspended solids or dissolved matter of such character and quantity that unusual attention or expense is required to handle such materials in the UOTW;
- (14) Any water or wastes containing algaecides, fungicides, antibiotics, insecticides, strong oxidizing agents or strong reducing agents;
- (15) Any wastes requiring an excessive quantity of chlorine or other chemical compounds used for disinfection purposes or excessive treatment in order to meet the discharge requirements of the UOTW;
- (16) Any garbage other solid material from any food processing plant, industrial plant, or retail grocery store;
- (17) Any discharge of water or waste which in concentration of any given constituent or in quantity of flow exceeds, for any period of duration longer than fifteen (15) minutes, five times the average 24-hour concentration or flow during normal operation;
- (18) Any water or waste containing substances which are not amendable to treatment or which cause the UOTW effluent to fail to meet the discharge requirements established by the NPDES permit or any other permit;
- (19) Any substance which may cause sludge to be unsuitable for reclamation and reuse, or which may interfere with the reclamation process of the UOTW, or which may preclude the UOTW from selecting the most cost-effective alternative for sludge disposal or which may cause the UOTW to be in non-compliance with sludge use or disposal criteria, guidelines, or regulations developed under Section 405 of the Act, or any criteria, guidelines or regulations affecting sludge use or disposal developed pursuant to the Solid Waste Disposal Act, the Clean Air Act, or the Toxic Substances Control Act, or the Toxic Substances Control Act, or statutory provisions;
- (20) Any water added for the purpose of diluting a discharge as a partial or complete substitute for adequate treatment to achieve compliance with effluent criteria;
- (21) Any material discharged into a manhole through its top;

(22) Any other solid or liquid which is determined by the Control Authority to be or have the potential to be detrimental to the UOTW.

(23) Limitations on sewage discharges:

a. Incompatible pollutant limitations. The following table contains the maximum concentrations of certain incompatible pollutants allowable in sewage discharged to the UOTW by any discharger. The control authority reserves the right to establish by permit more stringent limitations or requirements on discharges to the UOTW if deemed necessary to comply with objectives presented in the previous requirements of the Clean Water Act.

Pollutants	Maximum (mg/l)
Aluminum.....	0.16
Ammonia (as nitrogen.....	34.0
Cadmium.....	0.0
Chromium (total).....	0.0004
Copper.....	0.0046
Cyanide.....	0.0017
Lead.....	0.0
Manganese.....	0.0
Mercury.....	0.0
Nickel.....	0.0
Silver.....	0.0003
Zinc.....	0.0048

b. Compatible pollution limitations. No user shall discharge wastes into the UOTW containing pollutant concentrations in excess of the following:

Pollutant	Minimum	Maximum
PH (s.u.)	6.0	9.0
Fats, oil and grease		100
Non-floating		(mg/l)

No user shall discharge waste to the UOTW containing pollutant concentrations in excess of the following without an approved industrial waste discharge permit issued by the control authority and payment of the appropriate surcharge:

Pollutant	Maximum
BOD	(U200mg/L)
TSS	(U200mg/L)



Pollutants, substances, or wastewater prohibited by this section shall not be processed or stored in such a manner that they could be discharged to the UOTW.

### **Dilution**

No user shall ever increase the use of process water, or in any way attempt to dilute a discharge, as a partial or complete substitute for adequate treatment to achieve compliance with a discharge limitation unless expressly authorized by an applicable pretreatment standard or requirement. The Waste Water Manager may impose mass limitations on users who are using dilution to meet applicable pretreatment standards or requirements, or in other cases when the imposition of mass limitations is appropriate.

### **Pretreatment Facilities**

Users shall provide wastewater treatment as necessary to comply with this policy and shall achieve compliance with all categorical pretreatment standards, local limits, and the prohibitions set out in Section 2.1 of this policy within the time limitations specified by EPA, the State, or the Waste Water Manager, whichever is more stringent. Any facilities necessary for compliance shall be provided, operated, and maintained at the user's expense. Detailed plans describing such facilities and operating procedures shall be submitted to the Waste Water Manager for review, and shall be acceptable to the Waste Water Manager before such facilities are constructed. The review of such plans and operating procedures shall in no way relieve the user from the responsibility of modifying such facilities as necessary to produce a discharge acceptable to NAWSC under the provisions of this policy.

### **Additional Pretreatment Measures**

A. Whenever deemed necessary, the Waste Water Manager may require users to restrict their discharge during peak flow periods, designate that certain wastewater be discharged only into specific sewers, relocate and/or consolidate points of discharge, separate sewage waste streams from industrial waste streams, and such other conditions as may be necessary to protect the UOTW and determine the user's compliance with the requirements of this policy.

B. The Waste Water Manager may require any person discharging into the UOTW to install and maintain, on their property and at their expense, a suitable storage and flow-control facility to ensure equalization of flow. A wastewater discharge permit may be issued solely for flow equalization.

C. Grease, oil, and sand interceptors shall be provided when, in the opinion of the Waste Water Manager, they are necessary for the proper handling of wastewater containing excessive amounts of grease and oil,

or sand; except that such interceptors shall not be required for residential users. All interception units shall be of type and capacity approved by the Waste Water Manager and shall be so located to be easily accessible for cleaning and inspection. Such interceptors shall be inspected, cleaned, and repaired regularly, as needed, by the user at their expense.

D. Users with the potential to discharge flammable substances may be required to install and maintain an approved combustible gas detection meter.

## SECTION G: RATES AND SERVICE FEES

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

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

a. All Standard Service requests shall be investigated without charge, using location information provided by the Applicant using map data for service availability. Standard costs developed for Standard Installations will be provided Applicant at time of application.

b. All Non-Standard Service requests shall be subject to a forty (\$40.00) dollar fee for preparation of an estimate, the estimate will be furnished to the Applicant via telephone, or, if unable to contact by telephone, in writing, within thirty (30) days after estimate has been returned to the office. Estimates shall be based upon the lowest responsible, qualified bid on hand for the work to be performed on the project. Estimate fees shall be deducted from the cost for service, if the cost estimate is accepted.

2. Membership Fee. At the time the application for service is approved, a Membership Fee of one hundred (\$100.00) dollars must be paid for each lot/tap or meter before service shall be provided or reserved for the Applicant by the Corporation. Membership fees shall be refunded up to the date prior to installation of service.

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

4. Installation Fee. The Corporation shall charge an installation fee for service as follows:

a. Standard Service shall include all current labor, materials, engineering, legal, plumbing inspection, and administrative costs

necessary to provide individual metered water service and shall be charged on a per tap basis as computed immediately prior to such time as service is requested and installed.

b. Non-Standard Service shall include any and all construction labor and materials, administration, legal, and engineering fees, as determined by the Corporation under the rules of Section F of this Tariff.

c. Standard and Non-Standard Service Installations shall include all costs of any pipeline relocations as per Section E.1.c.6 of this Tariff and shall be refundable up to the date prior to installation of service tables.

5. Front-end Capital Contributions. In addition to the Membership Fee, each applicant shall be required to contribute capital in an amount projected to defray the cost of up-grading system facilities to meet growth demands created by adding customers. This fee shall be assessed immediately prior to providing or reserving service on a per service unit basis for each tap/lot and shall be assigned and restricted to the tap/lot for which the service was originally requested. The formula applied to such fee is as follow:

6. Monthly Charges - Water

a. Minimum Monthly Charges

(1) Water Service – The monthly charge for metered water service, which may or may not include allowable gallonage, is based on demand by meter size. Each charge is assessed based on the number of 5/8" X 3/4" meters (as per American Water Works Association maximum continuous flow specifications) equivalent to the size indicated and is used as a base multiplier for the minimum monthly charge and allowable gallonage. Rates, equivalents, and allowable gallonages are as follows:

1. Rates for Routes 11-43 are as shown in the table below:

Individual Metered, Single-Family Residential and Agricultural Rate

5/8" meter - \$16.00 per month for the first 3,000 gallons  
1.0" meter - \$27.20 per month for the first 3,000 gallons  
1.5" meter - \$46.40 per month for the first 3,000 gallons  
2.0" meter - \$88.05 per month for the first 3,000 gallons  
\$1.40 for each additional 1,000 gallons above 3,000 gallons  
\$1.56 for each additional 1,000 gallons above 15,000 gallons

Multi-Family Residential, Not Individually Metered Commercial Use

5/8" meter - \$ 17.65 per month for the first 3,000 gallons  
1.0" meter - \$ 29.43 per month for the first 3,000 gallons  
1.5" meter - \$ 58.85 per month for the first 3,000 gallons  
2.0" meter - \$ 88.28 per month for the first 3,000 gallons  
3.0" meter - \$ 117.71 per month for the first 3,000 gallons  
4.0" meter - \$ 146.85 per month for the first 3,000 gallons  
\$1.56 for each additional 1,000 gallons above 3,000 gallons  
\$1.72 for each additional 1,000 gallons above 20,000 gallons

Industrial and Institutional Rate

2.0" meter \$ 88.28 per month  
3.0" meter \$ 150.68 per month  
4.0" meter \$ 256.40 per month  
6.0" meter \$ 484.97 per month  
8.0" meter \$ 824.00 per month  
\$1.40 for each additional 1,000 gallons above 0 gallons

(b) All meters either not in a water district or within a water district that does not provide charge-back water (water rights) other than those for whom water rights have been provided by other means are subject to a two (\$2.00) dollar per month fee for the purchase of additional water rights.

(c) Rates for Temporary Customers (such as construction sites) are not issued Membership Certificates but rather have a one time fee, then monthly rates as follows:

Any size meter \$ 27.04 per month for the first 5,000 gallons  
\$1.60 for each additional 1,000 gallons above 5,000 gallons

A deposit of \$375.00 is required, with \$350.00 returnable when meter is collected and found to be in good condition. Larger meters quoted as non-standard installations.

(d) Un-metered/Truckload sales are at the rate of \$2.50/1,000. Receipts for truckload sales may be purchased in advance of delivery, at the North Alamo Water Supply Corporation office on Doolittle Road.

(e) Reserved Service Charges shall be the same as the existing monthly service charge for the location of the meter or proposed meter location.

## 7. Monthly Charges – Wastewater

### a. Sewer Rate Charge

#### (1) A. Single Family Residential: All areas except North San Juan Service Area

- i. \$12.00 per single family residential per month, plus
- ii. \$1.00 for each additional 1,000 gallons of water delivered above 0 gallons
- iii. Maximum charge per month - \$27.00

#### B. Single Family Residential – North San Juan Sewer Area

- i. \$11.00 per single family residential per month, plus
- ii. \$1.52 for each additional 1,000 gallons of water delivered above 0 gallons
- iii. Maximum charge per month - \$33.80

#### (2) Vacant lot with water meter: (All Areas)

\$12.00 minimum per month – no additional water usage charge

#### (3) Multi-Family Residential, Not Individually Metered; Commercial (monthly minimum charge)(All Areas)

5/8 X 3/4 " potable water meter	\$ 11.55
1" potable water meter	19.65
1 1/2 " potable water meter	33.50
2" potable water meter	63.50
3" potable water meter	127.00
4" potable water meter	254.00
6" potable water meter	508.00
8" potable water meter	1,015.00

plus \$1.37 for each additional 1,000 gallons of water delivered above 0 gallons

Maximum charge per month – no upper limit

#### (4) Industrial, Institutional: (monthly minimum charge) (All Areas)

5/8 X 3/4" potable water meter	\$ 11.55
1" potable water meter	19.65

1 1/2"	potable water meter	33.50
2"	potable water meter	63.50
3"	potable water meter	127.00
4"	potable water meter	254.00
6"	potable water meter	508.00
8"	potable water meter	1,015.00

plus \$1.68 for each additional 1,000 gallons of water delivered above 0 gallons

Maximum charge per month – no upper limit

(5) Metered accounts: Nothing in this section shall be construed to prevent the installation of meter to actually meter the effluent being discharged into the sewer system, provided such meter is approved by NAWSC wastewater manager and its engineer. The bill for a metered account shall be computed as follows:

- (A) Same as above, but based on metered effluent, not water delivered
- (B) Total expense of design, installation and maintenance of the meter will be at member's expense,
- (C) A totally negotiated metered contract is an option.

(6) Septic tank waste disposal – none accepted

8. Late Payment Fee. A penalty of \$5.00 or 5%, whichever is higher, shall be assessed per billing period on delinquent bills. This late payment penalty shall be applied to any unpaid balance. This assessment shall be made for each due date in each billing period.

9. Returned Check Fee. In the event a check, draft, or any other similar instrument is given by a person, firm, corporation, or partnership to the Corporation for payment of services provided for in this Tariff, and the instrument is returned by the bank or other similar institution as insufficient or non-negotiable for any reason, the account for which the instrument was issued shall be assessed a return check charge of \$15.00, for each returned item. If the instrument is indicated as being non-negotiable, then either of two decisions are made:

- a. If the check or other payment instrument was issued as payment for a current monthly bill, then the check shall be returned to the

drafter, by mail with a notice of either one or two returned check charges are being assessed or;

b. If the check is issued to cover one or more delinquent accounts and was issued to preclude the Disconnection of Service, telephone contact shall be attempted to the telephone number on the check or to a number previously provided by the customer. The telephone notice will advise the Member they are subject to Disconnection of Service and payment must be made in cash, money order or cashier's check. A service employee will be dispatched to lock the meter on the delinquent account. If the telephone number is not active or is unanswered a corporation representative will be dispatched with instructions to Discontinue Service unless payment is made for the amount of the returned check or other instrument, in the form of cash, cashier's check or money order.

10. Disconnect/Reconnect Fee. The Corporation shall charge a service charge of \$15.00 for each service call required for Disconnection or Reconnection of Service. In addition to the service calls, an after office hours charge will be assessed for those wanting restoration of service prior to the next normal work day.

11. Equipment Damage Fee. If the Corporation's facilities or equipment has been damaged by tampering, by-passing, installing unauthorized taps, reconnecting service without authority, or other service diversion, a fee of \$50.00 shall be charged or equal to the actual cost for all labor, material, and equipment necessary for repair, replacement, and other Corporation actions. This fee shall be charged and paid before service is re-established. If the Corporation's equipment has not been damaged, a fee equal to the actual costs for all labor, material, equipment, and other actions necessary to correct service diversions, unauthorized taps, or reconnection of service without authority shall be charged. All components of this fee will be itemized, and a statement shall be provided to the Member. If the Corporation's facilities or equipment has been damaged due to negligence or unauthorized use of the Corporation's equipment, right-of-way, or meter shut-off valve, or due to other acts for which the Corporation incurs a loss or damages, the Member shall be liable for all labor and materials charges incurred as a result of said acts or negligence.

12. Customer History Report Fee. A fee of \$1.00 shall be charged to provide a copy of the Members record of past water purchased in response to a Member's request for such a record.

13. Meter Test Fee. The Corporation shall test a Member's meter upon written request of the Member. Under the terms of Section E of this Tariff, a charge of \$30.00 shall be imposed on the affected account..



14. **Transfer Fee.** An Applicant for service who is a Transferee shall complete all required application forms, and pay a Transfer Fee of \$25.00.
15. **Membership Certificate Copy Fee.** A fee of \$3.00 will be charged to provide a duplicate copy of the Membership Certificate.
16. **Information Disclosure Fee.** All public information except that which has been individually requested as confidential shall be available to the public for a fee to be determined by the Corporation based on the level of service and costs to provide such information, but not to be inconsistent with the terms of the Texas Open Records Act: Article 6252-17a.
17. **Plumbing Review and Inspection Fee.** New applicants are required to have a plumbing inspection before service can be installed at a fee of \$25.00.
18. **Pad Lock Fee.** If member secures their property with a lock on the gate or fence the Corporation can provide a separate lock for entrance to read or repair the meter at a fee of \$10.00.
19. **Other Fees.** All service outside the normal scope of utility operations which the Corporation may be compelled to provide at the request of a customer or Member shall be charged to the recipient based on the cost of providing such service.

## SECTION H

# DROUGHT CONTINGENCY AND EMERGENCY RATIONING PLAN

### 1. SCOPE

The following Drought Contingency and Emergency Rationing Plan (Rationing Plan) is adopted for emergency use during periods of drought and water shortages.

### 2. DECLARATION OF POLICY

In view of the limited water resources available to the North Alamo Water Supply Corporation (Corporation), it is hereby declared the public health, safety and welfare requires that all water resources available to the Corporation be put to maximum beneficial use and that the waste, unreasonable use, and unreasonable method of use of water be prevented. The goal of this Rationing Plan is the conservation of all water resources for the most reasonable and beneficial use of water in the interests of all people in the Corporation's service area that is served by the Corporation.

### 3. AUTHORIZATION

The Board of Directors of the Corporation, or their designee (the General Manager), is authorized and directed to implement the applicable provisions of this Rationing Plan upon the determination that such implementation is necessary to protect the public health, safety, and welfare. The provisions of this Rationing Plan may be amended, supplemented, changed or repealed at any time during a duly called, noticed, and convened Meeting of the Corporation's Board of Directors.

### 4. APPLICATION

- (a) The provisions of this Rationing Plan will apply to all members, customers, persons, and property utilizing the Corporation's water services located within the Corporation's service area.
- (b) In promoting the conservation of limited water resources available to the Corporation, FOUR water conservation stages have been created and are listed in No. 5 of this Rationing Plan.
- (c) When the use of water is regulated during any period of water shortage, the regulations or restrictions on the use of water will continue until water conservation measures are no longer deemed necessary by the Board of Directors, or their designee (the General Manager).
- (d) The directive by the Board of Directors, or their designee (the General Manager), to implement or terminate Conservation Stages 2 - 4 will be made by a direct mail-out to each member/customer or by public announcement and published a minimum of one time in at least three newspapers of general circulation in the Corporation's service area before the dates of implementation. The dates for implementation of Stages 3 and 4 will be as follows:

Billing 1 - the 5th of the month following the date of the announcement.  
Billing 2 - the 15th of the month following the date of the announcement.  
Billing 3 - the 25th of the month following the date of the announcement.

- (e) The highest priority of water use during any Stage will be for human consumption, fire protection, and the watering of livestock. However, if an alternative source of water is available for the watering of livestock, the customer should take the necessary steps to obtain water from the alternative source.

## 5. WATER CONSERVATION STAGES

### (a) Stage 1 – Potential Water Shortage

- (1) Stage 1 will be implemented when the level of U.S. water stored in Amistad and Falcon Reservoirs, as determined by the International Boundary and Water Commission, reaches 51%.
- (2) Upon reaching this stage, all customers will be notified by a message on the monthly water bill that a potential water shortage may exist later in the year and that each customer should use water conservation practices. All customers should check their individual plumbing fixtures and facilities to ensure that they are working properly and that no water is being wasted.
- (3) Industrial customers, wholesale customers, and certain commercial customers will be required to develop and submit to the Corporation individual water Rationing Plans within 60 days of notification. The plans are subject to approval by the Corporation's Management Staff and the Board of Directors.

### (b) Stage 2 – Voluntary Water Conservation

- (1) Stage 2 will be implemented when the level of U.S. water stored in Amistad and Falcon Reservoirs, as determined by the International Boundary and Water Commission, reaches 42% of capacity.
- (2) Upon reaching this stage, all customers will be notified by public announcement and publication of notice, or by direct mail-out to voluntarily conserve water. All faulty or leaking plumbing fixtures should be repaired or be replaced immediately.
- (3) All Corporation owned facilities and operations will be placed on mandatory conservation practices.
- (4) All customers will be requested to voluntarily comply with the following lawn watering schedule:

Customers in Routes 11 – 19 will be allowed to water on Mondays and Thursdays.  
Customers in Routes 20 – 29 will be allowed to water on Tuesdays and Fridays.  
Customers in Routes 30 – 41 will be allowed to water on Wednesdays and Saturdays.

The permitted time of watering is between the hours of 6:00 AM to 9:00 AM and between the hours of 8:00 PM to 10:00 PM on the designated days. Watering on Sundays will not be allowed. The first two digits in the customer's account number determines the customer's Route. For example, account no. 17-0100 is in Route 17.

### (c) Stage 3 – Mandatory Water Conservation

- (1) Stage 3 will be implemented when the level of U.S. water stored in Amistad and Falcon Reservoirs, as determined by the International Boundary and Water Commission, reaches 25% of capacity.
- (2) Upon reaching this stage, all customers will be notified by public announcement and publication of notice, or by direct mail-out that mandatory conservation practices have been implemented. All

Corporation owned facilities and operations will continue on mandatory conservation practices. If any provision in Stage 2 conflicts with a provision in Stage 3, the Stage 3 provision will control.

- (3) The above voluntary lawn watering schedule will become mandatory.
- (4) All water allowed to run off yards, plants, or other vegetation into gutters, streets or roads will be deemed a waste of water and is prohibited.
- (5) The use of potable water to irrigate land that is irrigable is prohibited.
- (6) Noncommercial washing of any vehicle or other mobile equipment may be done only with a hand-held hose equipped with a positive shut-off nozzle or with a hand-held bucket or can with a capacity of 5 gallons or less between the hours of 6:00 AM to 9:00 AM and 7:00 PM to 9:00 PM.
- (7) Commercial washing of any vehicle or other mobile equipment will be limited to the immediate premises of a commercial washing facility and between the hours of 8:00 AM and 6:00 PM.
- (8) The exterior washing of any house, trailer house or any structure is prohibited.
- (9) The use of water to wash down sidewalks, driveways or any hard surface is prohibited.
- (10) Continued use of defective plumbing in a home, business or any location is prohibited.
- (11) The use of fire hydrants for any purpose other than fire fighting is prohibited.
- (12) The use of water for dust control is prohibited.
- (13) Industrial customers, wholesale customers, and certain commercial customers will be required to implement their individual water Rationing Plans previously submitted and approved.

(d) Stage 4 – Water Use Curtailment

- (1) Stage 4 will be implemented when the level of U.S. water stored in Amistad and Falcon Reservoirs, as determined by the International Boundary and Water Commission, reaches 15% of capacity, or whenever there is an interruption in the Corporation's raw water supply or a mechanical breakdown in one of the water treatment plants which causes a plant shutdown for an extended period of time.
- (2) All nonessential uses of water or uses not necessary to maintain the public health, safety and welfare and the watering of livestock are prohibited. Nonessential water uses are defined in this Water Rationing Plan to include the watering of grass, trees, plants, and other vegetation; the commercial and noncommercial washing of any vehicle or other mobile equipment; and the use of water for all publicly and privately owned swimming pools, water parks, fountains or artificial waterfalls.
- (3) No application for new, additional, expanded, or increased in size water service connections, meters, service lines, pipeline extensions, mains, or other water service facilities of any kind shall be allowed or approved except as approved by the Review Committee.
- (4) The maximum amounts of monthly water usage for residential and nonresidential customers and the accompanying surcharges may be revised during the state of an emergency in Stage 4. These revised allocations and surcharge amounts are subject to the approval of the Corporation's Board of Directors.
- (5) The General Manager is authorized to take any other actions deemed necessary to meet the conditions resulting from the emergency, including, but not limited to system pressure reductions.

**6. REVIEW COMMITTEE – FORMATION, POWERS AND DUTIES**

- (a) Upon approval of this Water Rationing Plan, the Board of Directors of the Corporation will establish a **Review Committee** to review hardship and special cases involving customers, persons, or property utilizing the Corporation's water that cannot abide by the provisions of this Water Rationing Plan. The Review Committee will consist of the Corporation's General Manager, Water Operations Manager, Wastewater Operations Manager, and Office Manager, and a member/ customer chosen by the Board of Directors. The General Manager will be the Chairman of the Review Committee, and the Water Operations Manager will be the Vice-Chairman.
- (b) All requests for a variance to the provisions of this Rationing Plan must be submitted to the Review Committee in writing and must state the circumstances supporting the request. The Review Committee is authorized to grant variances from the provisions of this Rationing Plan if, owing to peculiar circumstances, an undue hardship will result, and the granting of the variance will not be contrary to the public interest.
- (c) All decisions of the Review Committee will be reported to the Board of Directors at the next regularly scheduled Board Meeting. If the Review Committee denies a request for a variance, an appeal can be made to the Board of Directors at the next regularly scheduled Board Meeting. If a protest is received after the granting of a variance, the Review Committee will refer the protest to the Board of Directors at the next regularly scheduled Board Meeting. The decisions of the Board of Directors are final.

**7. VIOLATIONS, PENALTIES AND ENFORCEMENT**

- (a) No person shall knowingly or intentionally allow the use of water from the Corporation's system for residential, commercial, industrial, agricultural, governmental, or any other purpose in a manner contrary to any provisions of this Rationing Plan, or in an amount in excess of that permitted by the conservation stage in effect at the time.
- (b) Any person or customer who violates this Rationing Plan will be issued a warning on the first offence. Each day that any one or more of the provisions in this Rationing Plan are violated will constitute a separate offense. Upon receiving a notice of violation on the second offence, the customer's meter is subject to being locked. If a customer receives a notice of violation for two or more distinct violations in any one day period, the General Manager will, upon due notice, be authorized to discontinue water service to the premises where the violations occurred. Should any person or customer receive a third notice of violation during Stages 3 or 4, the water service to the premises is subject to termination and the customer's membership is subject to cancellation.
- (c) Any Corporation employee may issue a notice of violation to a person he reasonably believes to have committed a violation of this Rationing Plan. The notice of violation will be prepared in duplicate and will contain the name of the member and the tenant, if any, the address, the alleged violation, and the date.
- (d) The customer in apparent control of the property where a violation occurs or originates will be presumed to be the violator, but the customer will have the right to show that he did not commit the violation. Parents will be presumed to be responsible for minor children who commit a violation.

**8. SURCHARGES, ALLOCATIONS, AND TERMINATION OF SERVICE**

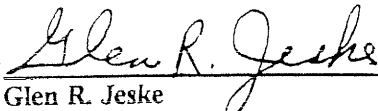
- (a) When a Stage 3 - Mandatory Conservation stage has been implemented, a surcharge of \$1.00 for each 1,000 gallons above 6,000 gallons monthly usage will be imposed for Residential and Commercial and Multi-family customers. For Industrial and Institutional customers, a surcharge of \$ .25 for each 1,000 gallons used will be imposed. These surcharges are in addition to the Corporation's current rate structure.

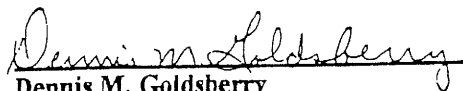
- (b) When a Stage 4 – Water Use Curtailment stage has been implemented, a surcharge of \$2.00 for each 1,000 gallons above each customer's allocation will be imposed for Residential and Commercial and Multi-family customers. For Industrial and Institutional customers, a surcharge of \$5.50 for each 1,000 gallons above each customer's allocation will be imposed. Each customer's allocation will be based upon a percentage (75%-100%) of the customer's average monthly usage for the previous month of May. New customers will be assigned a monthly allocation of 3,000 gallons per household member up to a maximum of 12,000 gallons.
- (c) After due notice to the customer, water service to the customer may be terminated if the monthly water usage exceeds the customer's allocation by 15% two or more times which need not be consecutive months.
- (d) For any customer whose allocation is 20,000 gallons or less, water service will be restored after the first disconnection for a fee of \$50. After the second disconnection, water service will be restored only after a flow restriction device has been installed at the customer's meter at the customer's expense. This device will remain connected to the customer's meter until the Corporation returns to Stage 2 or less. For any customer whose allocation exceeds 20,000 gallons, water service will be restored for a fee of  $\$50 \times \frac{\text{customer's allocation}}{20,000 \text{ gallons}}$ . After the second disconnection, water service will be restored only after a flow restriction device has been installed at the customer's meter at the customer's expense. This device will remain connected to the customer's meter until the Corporation returns to Stage 2 or less.
- (e) The above surcharges and termination provisions will not apply to water used over and above the customer's allocation if the water used resulted from a loss of water (ie, water leak) through no fault of the customer. The customer will have to prove that immediate steps were taken to correct the leak after its discovery and that the customer was not in any way negligent in causing or permitting the loss of water.
- (f) The limits, charges, and other requirements of this Rationing Plan will be in effect for water used on or after the date these limits, changes and other requirements are to become effective as published by the General Manager.

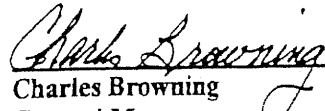
PASSED, APPROVED, AND ADOPTED this 11th day of June, 1998 at a duly called, noticed, and convened meeting of the Board of Directors of the North Alamo Water Supply Corporation.

SEAL

ATTEST:

  
Glen R. Jeske  
Secretary-Treasurer

  
Dennis M. Goldsberry  
President

  
Charles Browning  
General Manager

## **Section I**

# **WATER CONSERVATION PLAN**

## **SYSTEM PROFILE**

The North Alamo Water Supply Corporation is a legally chartered corporation operating under the laws of the State of Texas for the purpose of furnishing a potable water and wastewater utility service for rural residents of eastern Hidalgo County, Willacy County, and northwestern Cameron County as described in Certificates of Convenience and Necessity Nos. 10553 and 20645 (CCN). The Corporation's CCN boundary encompasses 973 square miles and either surrounds or is adjacent to 16 cities and/or communities that operate public water systems.

The system presently serves over 36,000 meter connections, which include households, numerous businesses, 22 schools, and six other Public Water Systems, from six surface water treatment plants and four reverse osmosis treatment plants. The 36,000 meter connections represent an estimated population of 150,000 persons. The surface water treatment plants treat surface water conveyed by six irrigation districts. The original source of the raw water is the Rio Grande River. The reverse osmosis treatment plants treats brackish groundwater. Of the 36,000 meter connections, approximately 2,100 are also served by the Corporation's wastewater system.

The Corporation's operating policies, rates, tariffs and regulations are formulated and implemented by a nine-member Board of Directors elected by the members of the Corporation.

## **CONSERVATION GOALS**

It shall be the goal of the Corporation to reduce daily per capita consumption of water to 109.6 gallons per person per day by the year 2030, and unaccounted-for uses of water shall be reduced to 13.5% or less by 2010 and 13.0% by 2015. These goals are consistent with the Region M Water Planning Group's "Regional Water Plan".

## **METERING DEVICES**

All metering devices measuring the amount of raw water received at each water treatment plant shall be maintained within an accuracy level of  $\pm 5\%$ .

## **UNIVERSAL METERING**

All uses of water shall be individually metered. The Corporation will continue its current practice of meter testing and its meter change-out program.

## **UNACCOUNTED-FOR USES OF WATER**

The Corporation's employees will continue to visually inspect all transmission and distribution lines for leaks and check for illegal connections during their monthly meter reading duties. The Corporation will continue to monitor and report monthly to the Board of Directors the amount of unaccounted-for water on its monthly "Water Report".

## **CONTINUING PUBLIC EDUCATION**

The Corporation will have available a supply of public education materials at its office to encourage residential water conservation. The Corporation will continue to participate with Federal, State, and local agencies in promoting public awareness and water conservation.

## **WATER RATES**

The Corporation will continue its practice of charging an inclining block rate which promotes water conservation.

## **RECORDS MANAGEMENT SYSTEM**

The Corporation will implement a records management system which allows for the desegregation of water sales and uses into the following user classes; residential, commercial, public and institutional, and industrial.

## **WHOLESALE WATER SUPPLY CONTRACTS**

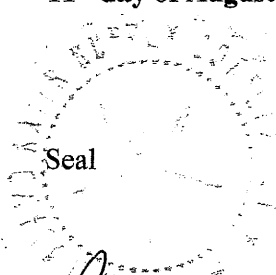
The Corporation will include a requirement in every wholesale water supply contract entered into or renewed after adoption of this plan, and including any contract extension, that each successive wholesale customer develop and implement a water conservation plan or water conservation measures using the applicable elements as required by TNRCC rules in Title 30 Texas Administrative Code Chapter 288.

## **ENFORCEMENT OF PLAN**

This Water Conservation Plan shall be made a part of and included in the Corporation's tariff under Section I.

**Passed, approved, and adopted at a duly noticed, called, and convened meeting of the Board of Directors of the North Alamo Water Supply Corporation at which a quorum was present on the 11<sup>th</sup> day of August, 2009.**

Seal

  
Leonard Camarillo  
Leonard Camarillo  
Secretary/Treasurer

Dennis Goldsberry  
Dennis Goldsberry  
President