



Tariff Manual for NonProfit Water Supply and Sewer Service Corporations

Updated April 2018

Texas Rural Water Association
1616 Rio Grande, Austin, Texas 78701-1122
Telephone: (512) 472-8591
www.trwa.org

Important Notice

The contents of this manual shall remain the property of Texas Rural Water Association and reproduction for use by any party other than the member system for which it was provided is prohibited.

Tariff for Canyon Park Water Supply Corporation

(Canyon Park WSC)

P.O. Box 1928

Onalaska, TX 77360

Telephone: 936-646-3529

Website: canyonparkwatersupply.com

May 18, 2023

FOREWORD - Texas Rural Water Association

In a continuing effort to advance the rural water industry in Texas, the Texas Rural Water Association presents the 2018 version of its “Sample Tariff.” When editing this document, staff worked to ensure that it is consistent with current laws, regulatory agency rules and their practices. Years of actual experience and using these policies have allowed TRWA Staff to carefully evaluate and fine-tune our policy standards. We hope this sample will further your efforts in improving management of your water system.

This “Sample Tariff” is based on member input and experiences of the TRWA staff in its efforts to provide technical and legal assistance to member water utilities, to represent rural water interests before the Texas Legislature, and to mediate problems with various state regulatory authorities. As a result of these experiences, the TRWA staff developed this publication in hopes that better policy standards will improve management practices of all non-profit water supply and sewer service corporations and better serve their membership and the public’s interests. TRWA recommends that water supply corporations seek review by legal counsel prior to adoption of all or part of this “Sample Tariff.”

A diversity of opinions and interests concerning non-profit water supply and sewer service corporations is intended to be served. The Texas Rural Water Association Board of Directors has authorized publication of this “Sample Tariff” as a reference guide of the Association.

FOREWORD – Canyon Park Water Supply Corporation

Canyon Park Water Supply only provides water services. Canyon Park Water Supply has used the TRWA sample tariff as the basis of this water tariff, removing or modifying sections and/or verbiage not applicable to the subdivision service area served.

1. Table of Contents

<i>Important Notice</i>	1
<i>FOREWORD - Texas Rural Water Association</i>	3
<i>FOREWORD – Canyon Park Water Supply Corporation</i>	3
<i>1. Table of Contents</i>	4
<i>SECTION A. RESOLUTIONS</i>	8
<i>SECTION B. STATEMENTS</i>	9
1. Organization	9
2. Non-Discrimination Policy	9
3. Policy and Rule Application	9
4. Corporation Bylaws	9
5. Fire Protection Responsibility	9
6. Damage Liability	9
7. Information Disclosure	9
8. Customer Notice Provisions	10
9. Grievance Procedures	10
10. Customer Service Inspections	10
11. Prohibition Against Resell of Water	10
<i>SECTION C. DEFINITIONS</i>	11
<i>SECTION D. GEOGRAPHIC AREA SERVED</i>	15
CERTIFICATE OF CONVENIENCE AND NECESSITY	15
<i>SECTION E. SERVICE RULES AND REGULATIONS</i>	17
1. Activation of Standard Service	17
2. Backbilling	17
3. Bill Adjustment	17
a. Due to Meter Error	17
b. Due to Estimated Billing	18
c. Due to Leak	18
d. Billing Cycle Changes	18
4. Changes in Service Classification	18
a. Charge Distribution and Payment Application	18
b. Gallonage Usage Charge	18
c. Gallonage Usage Payments	19
d. Forms of Payment	19
5. Deferred Payment Agreement	19

6. Denial of Service	19
7. Disconnection of Service	20
a. Disconnection with Notice	21
b. Disconnection Prohibited	22
c. Disconnection on Holidays and Weekends	22
d. Disconnection Due to Utility Abandonment	23
e. Disconnection for Ill Customers	23
f. Disconnection of Temporary Service	23
8. Disputed Bills	23
9. Due Dates, Delinquent Bills, and Service Disconnection Date	23
10. Inoperative Meters	24
11. Inoperative Grounds for Refusal of Service	24
12. Members and Renters	24
13. Membership	25
a. Eligibility	25
b. Membership	25
c. Transfers of Membership	25
e. Liquidation Due to Delinquency	26
f. Cancellation Due to Policy Non-Compliance	27
g. Re-assignment of Canceled Membership	27
h. Mortgaging of Memberships	27
i. Cancellation and Re-Assignment of Membership as a Result of Bankruptcy Proceedings	27
j. Cancellation and Re-Assignment of Membership as a Result of Divorce (or Dissolution of Joint Tenancy)	28
14. Member’s Responsibility	28
15. Meter Relocation	29
16. Meter Tampering and Damage to Property	29
17. Ownership of Equipment Property	30
18. Prohibition of Multiple Connections To A Single Tap	30
19. Service Entitlement	31
20. Service Location and Classification	31
21. Service Requirements	31
<i>SECTION F. RATES AND SERVICE FEES</i>	<i>33</i>
1. Additional Assessment	33
2. Assessments	33
3. Customer History Report Fee	33
4. Customer Service Inspection Fee	33
5. Disconnect Fee	33

6.	Easement Fee	33
7.	Equipment Damage Fee	33
8.	Impact Fee (E	34
9.	Franchise Fee Assessment	34
10.	Groundwater District Production Fee	34
11.	Information Copy Fee	34
12.	Installation Fee	34
13.	Late Payment Fee	35
14.	Line Extension Reimbursement Fee	35
15.	Membership Fee	35
16.	Meter Tampering and Damage to Property Penalty	35
17.	Monthly Charges	35
18.	Mortgagee/Guarantor Notification Fee	36
19.	Meter Test Fee	36
20.	Non-Disclosure Fee	36
21.	Other Fees	36
22.	Owner Notification Fee	36
23.	Reconnect Fee	36
24.	Regulatory Assessment	36
25.	Returned Check Fee	36
26.	Seasonal Reconnect Fee	36
27.	Service Trip Fee	36
28.	Transfer Fee	37
	SECTION G. DROUGHT CONTINGENCY AND EMERGENCY WATER DEMAND MANAGEMENT PLAN	38
	1. <i>Introduction</i>	38
	2. <i>Public Involvement</i>	38
	3. <i>Coordination with Regional Water Planning Group</i>	38
	4. <i>Trigger Conditions</i>	39
	5. <i>Stage Levels of Water Allocations</i>	39
	6. <i>Initiation and Termination Procedures</i>	40
	7. <i>Penalties for Violations</i>	41
	8. <i>Exemptions or Waivers</i>	42
	9. <i>Implementation</i>	42
	SECTION H: SAMPLE APPLICATION PACKET	44
	UNITED STATES DEPARTMENT OF AGRICULTURE	50
	SECTION I - MISCELLANEOUS SAMPLE TRANSACTION FORMS	54

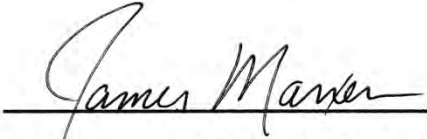
SAMPLE ALTERNATE BILLING AGREEMENT FOR RENTAL ACCOUNTS	54
SAMPLE CANYON PARK WSC CONFIDENTIALITY OF PERSONAL INFORMATION CONTAINED IN UTILITY RECORDS	55
SAMPLE CUSTOMER NOTICE OF WATER USE RESTRICTIONS	56
SAMPLE CUSTOMER NOTICE OF FIRST VIOLATION AND PENALTY OF CANYON PARK WSC DROUGHT CONTINGENCY & EMERGENCY WATER DEMAND MANAGEMENT PLAN	57
SAMPLE CUSTOMER NOTICE OF SECOND VIOLATION AND PENALTY OF CANYON PARK WSC DROUGHT CONTINGENCY & EMERGENCY WATER DEMAND MANAGEMENT PLAN	58
SAMPLE CUSTOMER NOTICE OF SUBSEQUENT VIOLATION AND PENALTY OF CANYON PARK WSC DROUGHT CONTINGENCY & EMERGENCY WATER DEMAND MANAGEMENT PLAN	59
SAMPLE NOTICE OF DISCONNECTION FOR VIOLATION OF CANYON PARK WSC DROUGHT CONTINGENCY & EMERGENCY WATER DEMAND MANAGEMENT PLAN	60
SAMPLE CANYON PARK WSC NOTICE OF PROHIBITION OF MULTIPLE CONNECTIONS TO A SINGLE TAP	61
SAMPLE CANYON PARK WSC DEFERRED PAYMENT AGREEMENT	62
SAMPLE CANYON PARK WATER SUPPLY CORPORATION	63
INSTALLMENT AGREEMENT	63
SAMPLE CANYON PARK WATER SUPPLY CORPORATION	64
MEMBERSHIP MORTGAGE AGREEMENT	64
SAMPLE CANYON PARK WATER SUPPLY CORPORATION	65
METER TEST AUTHORIZATION AND TEST REPORT	65
SAMPLE CANYON PARK WATER SUPPLY CORPORATION	67
NOTICE TO OWNER OF PAST DUE ACCOUNT	67
SAMPLE CANYON PARK WSC	68
NOTICE OF RETURNED CHECK	68
SAMPLE CANYON PARK WATER SUPPLY CORPORATION	69
REQUEST FOR SERVICE DISCONTINUANCE & MEMBERSHIP CANCELLATION	69
SAMPLE EASEMENT DENIAL LETTER AND AFFIDAVIT	70
SAMPLE ACKNOWLEDGEMENT OF REFUSAL	71
SAMPLE CANYON PARK WSC NOTICE OF DISCONNECTON	72
SAMPLE CANYON PARK WSC	73
MEMBERSHIP TERMINATION AND LIQUIDATION NOTICE	73
SAMPLE APPLICANT’S NOTICE OF INSUFFICIENT INFORMATION	74
SECTION J. MISCELLANEOUS	77
TARIFF FILING INSTRUCTIONS AND SAMPLE LETTER	77
Sample Tariff Change Letter	78
CALCULATION OF THE AVERAGE NET EQUITY BUY IN FEE OF A SAMPLE UTILITY	79

SECTION A. RESOLUTIONS

THE BOARD OF DIRECTORS OF CANYON PARK WATER SUPPLY CORPORATION ESTABLISHES THAT:

- This Tariff of the Canyon Park Water Supply Corporation, serving Polk County, consisting of Section A through I, and forms inclusive, is adopted and enacted, will remain in effect, unless the contract or agreement requires compliance with changes of the tariff from time to time.
- The adoption (or revisions) of this tariff does not prohibit or limit the Corporation from enforcing previous penalties or assessments from before the current effective date.
- An official copy of this and all policies or records shall be available during regular office hours of the Corporation and a copy may be viewed on the Corporation's website. The Secretary of the Corporation shall maintain the original copy as approved and all previous copies for exhibit.
- Rules and regulations of state or federal agencies having jurisdiction shall supersede any terms of this policy. If any section, paragraph, sentence, clause, phrase, word, or words of this policy are declared unconstitutional or invalid for any purpose, the remainder of this policy shall not be affected.
- This tariff has been adopted (or revised) in compliance with the Open Meetings Act, Chapter 551 of the Texas Government Code.

PASSED and APPROVED on May 18, 2023



President, Canyon Park Water Supply Corporation

SECTION B. STATEMENTS

1. Organization

The Canyon Park Water Supply Corporation (“Corporation” or “WSC”) 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 and utility service. Corporation operating policies, rates, and regulations are adopted by the 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, disability, or marital status.

3. Policy and Rule Application

These policies, rules, and regulations apply to the water services provided by the Corporation. Failure on the part of the Member, Customer, or Applicant to observe these policies, rules and regulations gives the Corporation the authority to deny or discontinue service according to the terms of this Tariff as amended from time to time by the Board of Directors of the Corporation.

4. Corporation Bylaws

The Corporation Members have adopted bylaws which establish the makeup of the Board of Directors and other important regulations of the Corporation. The bylaws are on file at the Corporation’s office.

5. Fire Protection Responsibility

The Corporation does not provide nor imply that fire protection is available throughout the distribution system, except where expressly required by municipal ordinance or agreed to by WSC. All flush valves are for the operation and maintenance of the distribution system.

6. Damage Liability

The Corporation is not liable for damages caused by service interruptions, events beyond its control, and for normal system failures. The limits of liability of the Corporation 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 Onalaska, 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. **In no event and 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 the Corporation acting in connection with the employee’s duties. Further, such confidentiality does not prohibit the Corporation from disclosing the name and address of each member entitled to vote on a list to be made available to the Corporation’s voting members, or their agents or attorneys, in connection with a meeting of the Corporation’s members. The Corporation shall give its

applicants and customers notice of rights to confidentiality under this policy and all prevailing associated fees for such request.

8. Customer Notice Provisions

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

9. Grievance Procedures

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

- a. By presentation of concerns to the Corporation's manager or authorized staff member. If not resolved to the satisfaction of the aggrieved party then,
- b. By presenting a letter to the Board of Directors stating the individual's grievance or concern and the desired result.
- c. The Board of Directors shall respond to the complaint by communicating the Board's decision in writing.
- d. Any charges or fees contested as a part of the complaint in review by the Corporation under this policy shall be suspended until a satisfactory review and final decision has been made by the Board of Directors.

10. Customer Service Inspections

The Corporation requires that a customer service inspection certification be completed prior to providing continuous water service to new construction and for all new members as part of the activation of standard and some non-standard service. Customer service inspections are also required on any existing service when the Corporation has reason to believe that cross-connections or other potential contaminant hazards exist, or after any material improvement, correction or addition to the members' water distribution facilities. This inspection is limited to the identification and prevention of cross connections, potential contaminant hazards and illegal lead materials. (30 TAC 290.46(j)) (See Tariff Section F. 4.)

11. Prohibition Against Resell of Water

The meter connection is for the sole use of the Member or customer and is to provide service to only one (1) residence or one (1) business. Extension of pipe(s) to share or resell water to any other persons, residential dwellings, businesses, or property, etc., is prohibited.

SECTION C. DEFINITIONS

Active Service – The status of any Member receiving authorized service under the provisions of this Tariff.

Active Connection – Water connections currently being used to provide retail water service, or wholesale service.

Applicant – A person, partnership, cooperative corporation, corporation, agency, public or private organization of any type applying for service with the Canyon Park Water Supply Corporation. A person must have reached age of majority (18) in Texas to apply for service. (Section 129.001, Civil Practice & Remedies Code)

Base Rate – The monthly charge assessed each Member/Customer for the opportunity of receiving service.

Board of Directors – The governing body elected by the Members of the Canyon Park Water Supply Corporation that is vested with the management of the affairs of the Corporation. (Section 22.001(1), Texas Business Organizations Code)

Bylaws – The rules pertaining to the governing of the Canyon Park Water Supply Corporation adopted by the Corporation Members. (Section 22.001(2), Texas Business Organizations Code)

Certificate(s) of Convenience and Necessity (CCN) – The authorization granted under Chapter 13 Subchapter G of the Texas Water Code for Canyon Park Water Supply Corporation to provide water utility service within a defined territory. Canyon Park Water Supply Corporation has been issued Certificate Number 12496. Territory defined in the CCN shall be the Certificated Service Area. (See Tariff Section D. Certificated Service Area Map(s))

Corporation – The Canyon Park Water Supply Corporation. (Section B. 1 of this Tariff)

Developer – Any person, partnership, cooperative corporation, corporation, agency, or public or private organization who subdivides land or requests more than water service connections on a single contiguous tract of land [as defined in Section 13.2502 (e)(1) of the Texas Water Code].

Disconnection of Service – The discontinuance of water service by the Corporation to a Member/Customer.

Easement – A private perpetual dedicated right-of-way for the installation of water 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) for both service to an Applicant and system-wide service. 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. (See Sample Application Packet, Form-RUS-TX 442-8 (Rev. 6-06) or Form RUS-TX 442-9 (Rev. 6-06)) The easement will be filed in the real property records of the appropriate county or counties.

Equity Buy-In Fee – Each Applicant for new service where a new service tap is necessary shall be required to achieve parity with the contributions to the construction or acquisition of the Corporations assets related to capacity that have been made previously by existing Members. This fee shall be assessed prior to providing (or reserving service for non-standard service applicants) on a per service unit basis for each property and shall be assigned and restricted to that property for which the service was originally requested. (Tariff Section F. 8., also See Tariff Section I Miscellaneous, Calculation of Average Net Equity Buy in Fee)

Final Plat – A complete 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 easements, and location(s) of lakes, streams, or rivers through the property. The Canyon Park Water Supply Corporation shall determine if a plat submitted for the purpose of this Tariff shall qualify as a final plat. For purposes of evaluating Subdivision 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.

Hazardous Condition – A condition that jeopardizes the health and welfare of the Members/Consumers of the Corporation as determined by the Corporation or regulatory authority.

Impact Fee – This is defined as the Equity Buy-In Fee defined above.

Inactive Connection - Water or wastewater connections tapped to the applicant's utility and that are not currently receiving service from the utility

Indication of Interest Fee – A fee paid by a potential Member of the Corporation for the purpose 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. This also applies to applicants applying for, or receiving, Temporary Service. (Sample Application Packet - USDA RUS-TX Bulletin 1780-9 (Rev. 05/17))

Installation Fee - A fee charged for all costs necessary for installation of the type of service requested. (See Section F for breakdown of costs included in the fee.)

Liquidated Membership – A Membership that has been canceled due to delinquent charges or for other reasons as specified in this Tariff. If membership is cancelled, the person must reapply for membership.

Member – Any person, partnership, cooperative corporation, corporation, agency, or public or private organization who holds a membership in the Corporation and who is a record owner of fee simple title to the property in an area served by the water supply service corporation or a person who is granted a membership and who either currently receives or will be eligible to receive water utility service from the corporation. The member shall be qualified for service and been certified as a member in accordance with the Corporation's Tariff. (Texas Water Code Section 13.002(11), Texas Water Code Section 67.016(d))

Membership – A non-interest-bearing stock or right of participation purchased from the Corporation evidencing a Member's interest in the Corporation. (See Tariff Section E. 19 and Texas Business Organizations Code Sections 22.151(c)).

Membership Fee – A fee qualified as such under the terms of the tariff and the bylaws of the Corporation assigned to the real estate designated to receive service. The membership fee **shall not** be refundable upon termination of service and surrendering the Membership. The membership fee cannot be more than 12 times the minimum monthly base rate. (16 TAC Section 24.3(26) Definitions, Texas Water Code Section 13.043(g))

Meter Test Fee - A fee assessed by the Corporation upon written request of the Member for testing the accuracy of the meter.

Public Utility Commission (PUC) – State regulatory agency having jurisdiction over water and sewer service utilities and appellate jurisdiction over the rates and fees charged by Non-Profit Water and Sewer Service Corporations.

Proof of Ownership – For the purpose of this tariff, applicants for service and membership shall provide proof of ownership of the real estate to be served by deed of trust, warranty deed, or other recorded documentation. (See Texas Property Code, Title 3, Chapter 12, Section 12.001 and 12.0011)

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

Renter – A consumer who rents or leases property from a Member or who may otherwise be termed a tenant. (See Tariff Section E. 12.)

Re-Service – Providing service to an Applicant at a location for which service previously existed and where there is an existing setting for a meter. Costs of such re-servicing shall be based on justifiable expenses in connection with such re-servicing. (See Tariff Section E. 1. b., and Section I Miscellaneous Request for Service Discontinuance & Membership Cancellation)

Residence – A residence is defined as a dwelling containing a kitchen and a bathroom, being used for human habitation.

Seasonal Disconnect Request - A written request from the Member to suspend service for a period of time not exceeding nine months within a twelve-month period. If service is not reestablished after the ninth month, then service will be in accordance with the re-service requirements in Section E.1.b.

Seasonal Reconnect Fee – The fee charged for resumption of service at a location where the member has voluntarily suspended service, in a written request, for a period of time not exceeding nine months within a twelve-month period.

Service Application and Agreement – A written agreement between the Member/Applicant and the Corporation defining the specific type of service requirements requested on the current service application and agreement form, and the responsibilities of each party required before service is furnished. (See Sample Application Packet RUS-TX Bulletin 1780-9 (Rev. 05/17)

Service Inspection Fee – A fee for costs associated with determining if service is available and determining cost of service. (Sections F. 4, F. 27)

Service Trip Fee - A fee charged for any service call or trip to the Member's tap as a result of a request by the Member or tenant for response to damage of the Corporation's or another Member's facilities; for customer service inspections due to new service, reconstruction or changes to any plumbing, irrigation system installation or changes, suspicion of meter tampering, bypass or diversion of service; or for the purpose of disconnecting or collecting payment for services.

Service Unit – The base unit of service used in facilities design and rate making. For the purpose of this Tariff, a service unit is a 5/8" X 3/4" water meter (See Tariff Section F. 7 and F. 14.)

Subdivide – To divide the surface area of land into lots or tracts intended primarily for residential use. (Texas Local Government Code Section 232.021(11))

Subdivider – An individual, firm, corporation, or other legal entity that owns any interest in land and that directly or indirectly subdivides land into lots as a part of a common promotional plan in the ordinary course of business. (See also, Texas Local Government Code Section 212.012(i)(2) & 232.021(12) Definitions)

Subdivision – An area of land that has been subdivided into lots or tracts. (Local Government Code Section 232.021(13) Definitions)

Tap fee – all current labor and materials necessary to provide initial individual metered water service.

Tariff – The operating policies, service rules, service extension policy, service rates, water use restriction 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 by law at the State Office of the PUC.

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. 7.g, and E. 12.b are met. Applicant must have paid an Indication of Interest Fee.

Texas Commission on Environmental Quality (TCEQ) – State regulatory agency having jurisdiction over drinking water, water supply and water quality issues for Non-Profit Water and Sewer Service Corporations.

Transfer Fee - A fee assessed by the Corporation for costs associated with transferring membership on a specific property that already has an installed water tap.

Transferee – An Applicant receiving a Canyon Park WSC Membership by legal means from a Transferor desiring to forfeit and transfer current rights of Membership to another person or entity.

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

Usage – Amount billed for water service based on actual or estimated usage.

1. **Actual Usage** – Amount billed or to be collected based on actual meter reading.
2. **Estimated Usage** – Amount billed or to be collected based on either the member’s historical average usage for the prior six months or for the same month of the prior year where date is available. (See Section E. 3.b; See also PUC Rules 16 TAC §24.87(i) regarding estimated bills.)

Water Conservation Penalty – A penalty that may be assessed under Section E of this Tariff to enforce customer / member water conservation practices during drought contingency or emergency water demand circumstances. (Texas Water Code Section 67.011 (b)).

SECTION D. GEOGRAPHIC AREA SERVED

This section should include an area map showing the corporation's water and/or wastewater certificated service area. Therefore, the Corporation must make sure that its current service area(s) correspond to the area and/or facilities as approved by the PUC in its Certificate(s) of Convenience and Necessity. **It is the responsibility of the Corporation to properly file a map(s) showing its service area with the PUC and to file for any changes in that service area. This copy of the Commission's official service map(s) will serve as documentation in the event of future disputes over service areas.**

(CCN 12496)

CERTIFICATE OF CONVENIENCE AND NECESSITY

To Provide (CANYON PARK WATER SUPPLY) Service Under Texas
Water Code and Public Utility Commission Substantive
Rules

Certificate No. 12496

I. Certificate Holder:

Name: Canyon Park Water Supply Corporation

Address: P.O. Box 1928
Onalaska, TX 77360

II. General Description and Location of Service Area:

Beginning approximately 0.8 miles south of the intersection of US Highway 190 and Farm to Market Road 356 in Polk County.

Thence on the west abutting Farm to Market Road 356,

Thence on the north abutting a wooded piece of land owned by Champion Paper Company

Thence bounded on the east by Old Groveton Road

III. Certificate Maps:

The certificate holder is authorized to provide water service in the area identified on the Commission's official service area map, 1446, maintained in the offices of the Public Utility Commission, 701 N. Congress Avenue, PO Box 13326, Austin, TX 78711-3326 with all attendant privileges and obligations.

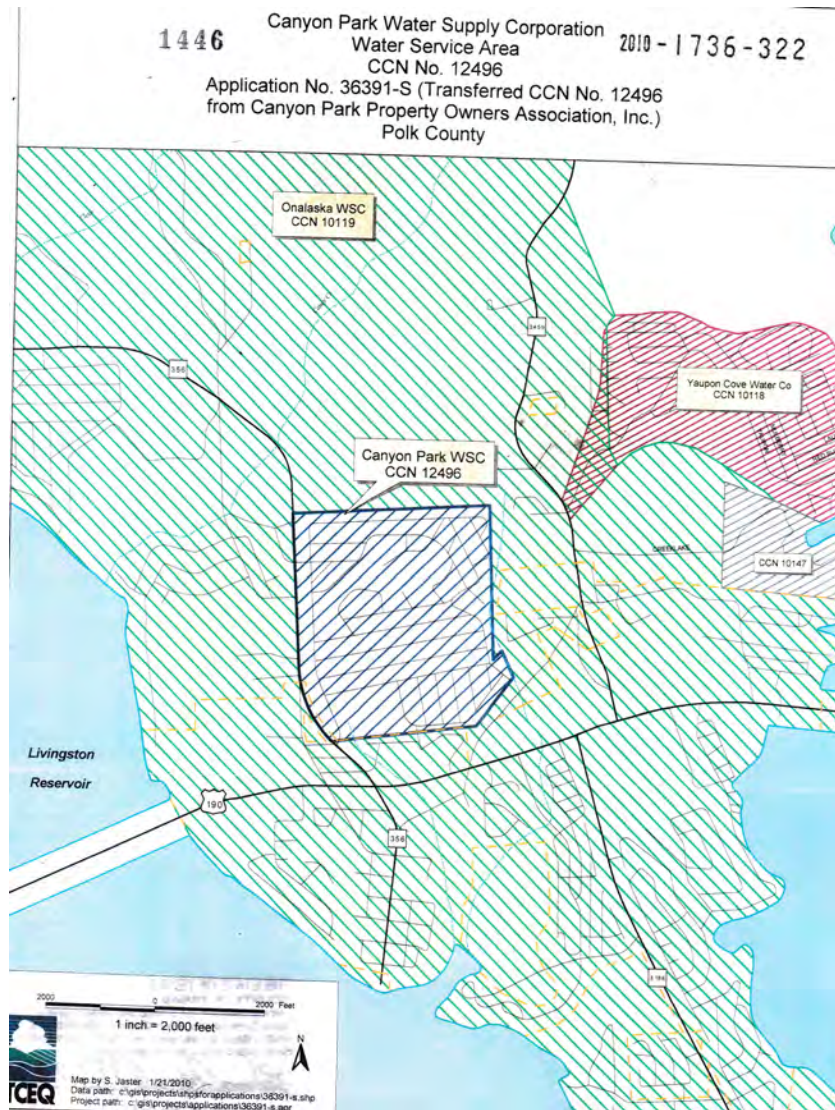
This certificate is issued under Application No. 36391-S and subject to the rules and orders of the Commission, the laws of the State of Texas, conditions contained herein and may be revoked for violations thereof. The certificate is valid until amended or revoked by the Commission.

Issued Dated:

ATTEST: _____

For the Commission

MAP OF CCN AREA



SECTION E. SERVICE RULES AND REGULATIONS

1. Activation of Standard Service

- a. **New Tap** – The Corporation shall charge a non-refundable service installation fee as required under Section F of this tariff. The service installation fee shall be quoted in writing to the Applicant. Any debt owed to the Corporation and all fees shall be paid or a deferred payment contract signed in advance of installation. (16 TAC 24.86 (a)(1)(A))
- b. **Re-Service** – On property where service previously existed, the Corporation shall charge the difference of any deficiency of the full Membership Fee, reconnection costs, any debt owed to the Corporation if the applicant is the person that previously incurred those charges, seasonal reconnect fee as appropriate, and other applicable costs necessary to restore service.
- c. **Performance of Work** – All tap and equipment installations specified by the Corporation shall be completed by the Corporation staff or designated representative after all requirements for service have been met. The tap for a standard service request shall be completed within five (5) working days after requirements for service have been met and location services have been completed. This time may be extended for installation of equipment for Non-Standard Service Request. (16 TAC 24.85(a)(4), See Section F.)
- d. **Inspection of Customer Service Facilities** – The property of the Applicant/Member shall be inspected to ensure compliance with state required Minimum Acceptable Operating Practices For Public Drinking Water Systems as promulgated by the Texas Commission on Environmental Quality or successor agency. The customer must, at his or her expense, properly install, inspect, test, maintain and provide all required documentation of any approved backflow prevention device required by the Corporation. (30 TAC 290.46(j); Section I. Service Application and Agreement)
 1. **Applicant's or Transferee's Recourse.** In the event the Corporation refuses to serve an Applicant under the provisions of these rules, the Corporation must notify the Applicant, in writing, on the basis of its refusal. The Applicant may file for an appeal, in writing, with the Board of Directors of the Corporation.

2. Backbilling

If a member/customer is undercharged the Corporation may backbill the member/customer. Backbilling may not to exceed 12 months unless such undercharge is a result of meter tampering, bypass, or diversion by the customer as defined in this tariff (See 16 TAC Section 24.87 (h)). If the underbilling is \$25 or more, the utility shall offer to such member/customer a deferred payment plan option for the same length of time as that of the underbilling.

3. Bill Adjustment

a. 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 F. 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. The billing adjustment shall be made to the degree of the meter's inaccuracy as determined by the test. The Member shall complete a Meter Test Request Form prior to the test. (See Section I. Misc. Transaction Forms.)

b. **Due to Estimated Billing**

If the Corporation has estimated usage because the Corporation is unable to access the meter due to circumstances beyond the Corporation's control, such as a natural disaster; or because access is hindered or denied by a Member, the Corporation shall adjust the bill once access has been regained and actual usage is determined. (See Section E. 3.b).

c. **Due to Leak**

If a customer's monthly bill is higher than normal due to a leak on the customer's side of the meter, the customer may submit a written leak adjustment request to the Corporation. Upon approval of a leak adjustment by the Corporation, the customer shall be charged the amount of one month's average bill for the previous twelve (12) months. Any additional consumption above the customer's average bill shall be charged at the Corporation current lowest-tier rate that fully covers the cost of service associated with the additional consumption. The Corporation may grant an adjustment if each of the following apply:

- (1) the amount of excess water usage reflected in the contested bill is at least three (3) times the customer's average monthly usage;
- (2) the leak has been verified by the Corporation's management or other representative;
- (3) the customer submits documentary evidence that the leak has been repaired within ninety (90) days of repair, including a statement from a plumber and/or receipt(s) for parts purchased to repair the leak; and
- (4) the customer has not requested a leak adjustment during the previous twenty-four (24) months regardless of the number of meters serving the customer's property or properties.

d. **Billing Cycle Changes**

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

4. Changes in Service Classification

If at any time the Corporation determines that the customer service needs changed from those originally applied for to a different service classification and the Corporation determines that additional or different facilities are necessary to provide adequate service, the Corporation shall require the Applicant/Member to re-apply for service under the terms and conditions of this Tariff. Applicant/Members failing to comply with this provision shall be subject to the disconnection with Notice Provisions of this Tariff (See Section E. 11. a.)

a. **Charge Distribution and Payment Application**

The Base Rate is for the billing period from the last day of the month to the last day was read of the following month. Charges shall be prorated for meter installations and service termination's falling during the billing period. Billings for this amount shall be mailed on or about the **30th** of the month preceding the month for which this charge is due. A customer does have the option of locking out the meter for a charge to avoid paying the base rate for water not being used.

b. **Gallage Usage Charge**

Shall be billed at the rate specified in Section F 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. **Gallonge Usage Payments**

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

d. **Forms of Payment**

The Corporation will accept the following forms of payment: cash, personal check, cashier's check, money order, credit card, automatic debit on customer's bank account, or draft on bank. The Corporation will not accept two-party checks, pay checks, or any other instrument of payment that is not made out to the Corporation. The Corporation reserves the right to require exact change and may refuse to accept payments made using more than \$1.00 in coins. The Corporation will not assess the credit card processing fee associated with Credit Card payments to those customers which make payment by credit card in accordance with consumer laws.

5. Deferred Payment Agreement

The Corporation may offer a deferred payment plan to a Member or rental tenant who cannot pay an outstanding balance in full and is willing to pay the balance in monthly installments, up to a maximum of twelve months, as determined by the Corporation, including any late penalty fees or interest on the monthly balance to be determined as per agreement. (See Miscellaneous Transaction Forms). Failure to make required and timely payments as provided in any deferred payment agreement will void that agreement and service will be discontinued. The Corporation may consider another deferred payment agreement provided payments will be made by automatic bank draft or credit/debit card. Nonpayment of any amount under an additional deferred payment agreement will cause service to be disconnected immediately and service will not be restored until the account is paid in full and all other charges resulting from the disconnection of service are fully paid. In the event the requestor is a tenant of rental property the Corporation shall notify the owner/member of the deferred payment agreement.

6. Denial of Service

The Corporation may deny service for any of the following reasons:

- a. Failure of the Applicant or Transferee to complete all application requirements, including granting an easement, completing all forms, and paying all required fees and charges;
- b. Failure of the Applicant or Transferee to comply with rules, regulations, policies, and 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 service has been requested;
- e. Failure of Applicant or Transferee to comply with all governmental rules and regulations of the Corporation's tariff on file with the state regulatory agency governing the service applied for by the Applicant.
- 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;
- g. Applicant's service facilities are known to be inadequate or of such character that satisfactory service cannot be provided;
- h. Failure of Applicant or transferee to comply with applicable regulations for on-site sewage disposal systems if the Corporation has been requested to deny service by the

TCEQ or the TCEQ's designated representative under Chapter 366 of the Texas Health and Safety Code;

- i. Failure of the Applicant or Transferee to pay any previous outstanding delinquent account(s) in full. This could be delinquencies resulting from the same account location or other service location(s) within the system where the Applicant or Transferee received service. (Also see E 19.)

7. Disconnection of Service

The following describes the rules and conditions for disconnection of service.

Notwithstanding any language to the contrary in the Service Application and Agreement Form, the Corporation may only discontinue service for the reasons set forth in this Section. For the purposes of disconnecting sewer service under these policies, water service will be terminated in lieu of disconnecting sewer service. In instances of nonpayment of sewer service or other violations by a Member who is not a water customer, the Corporation has the option to disconnect the sewer tap or take other appropriate actions.

a. Disconnection with Notice

Water utility service may be disconnected for any of the following reasons after proper notification has been given.

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

NOTE: “cash only,” means certified check, money order, or cash.

Failure to pay a delinquent account for utility service, or failure to comply with the terms of a deferred payment agreement (Miscellaneous Transaction Forms).

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.

Failure of the Member to comply with the terms of the Corporation's Service Agreement, Tariff (including, where appropriate, Section E), Bylaws, or Special Contract provided that the Corporation has given notice of said failure to comply, and Member has failed to comply within a specified amount of time after notification.

Failure to provide access or hindering 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. Conditions that may hinder access include, but are not limited to, fences with locked gates, vehicles or objects placed on top of meters or meter boxes, and unrestrained animals.

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

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.

Cancellation of membership by Member on an account that the Member holds for water service to the Member's renter/lessee, even if the renter/lessee has kept the account balance current under an Alternate Billing Agreement. (**Note:** The cancellation of membership must be in writing and signed by the Member in person.)
CORPORATION ASSUMES NO LIABILITY TO RENTER/LESSEE; MEMBER IS SOLELY RESPONSIBLE FOR COMPLIANCE WITH, AND LIABILITY UNDER ANY FEDERAL, STATE OR LOCAL LAW CREATING OR PROTECTING RIGHTS OF RENTERS/LESSEES.

Violation of any applicable regulation or pertaining to on-site sewage disposal systems if the Corporation has been requested in writing to disconnect service by the TCEQ or the TCEQ's designated representative under Chapter 366 of the Texas Health and Safety Code.

Failure to pay charges arising from service trip fee as defined in Section F. 27., meter re-read fee, or meter read fee when customer on self-read plan failed to submit their meter reading.

Failure by a Member to pay for all repair or replacement costs resulting from the Member damaging system facilities including, but not limited to water lines, service taps, meter boxes, valves, or meters by engaging in activities such as property excavations, installment of a driveway or roadway requiring encasements, lowering or re-routing of lines or system components, or by any other action. The Corporation will provide the Member with notice detailing the extent of the damage, the location of the damage, the cost of repair, and whether the damage occurred on private property or on a public right-of-way. Failure to pay the cost of repair or replacement will result in the Member's service being disconnected in accordance with the Disconnection with Notice Provisions in this Section. Service will remain disconnected until payment is received or an acceptable payment plan is approved. Failure to disconnect or secure additional service tap(s) for an RV or other service connection (See E. 18© of this Section) after notification by the Corporation of violation of the Prohibition of Multiple Connections.

a. Disconnection with 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 public health nuisance as defined in Texas Health and Safety Code Sections 341.011 or 343.011. If there is reason to believe a dangerous or hazardous condition exists, the Corporation may conduct a customer service inspection (CSI) to verify the hazardous condition and may notify the local county health office. The Corporation will disconnect without notice if the Member refuses to allow access for the purpose of confirming the existence of such condition and/or removing the dangerous or hazardous condition (30 TAC 290.46(i) and 290.46(j)). Service will be restored when a CSI confirms no health hazard exists, the health hazard has been removed or repaired, or the health hazard has been

isolated from the Corporation's water system by the installation of a backflow prevention device.

2. A line leak on the member's side of the meter is considered a potentially hazardous condition under Section E. 13. a. 1, as stated above. If the Corporation conducts a Customer Service Inspection and discovers that the line leak has created a hazardous condition, the Corporation will provide the member up to five (5) business days, or another time period determined reasonable under the circumstances, to repair the line prior to disconnection of service.
3. Service is connected without authority by a person/entity who has not made application for service or who has reconnected service without authority following termination of service for nonpayment; and
4. In instances of tampering with the Corporation's meter tap or equipment, by-passing the meter or equipment, or other diversion of water service.

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

b. 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 an 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 class 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 underbilling 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 underbilling charges are due under the Inoperative Meters Section E. 14. of this Tariff.
- 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.

c. 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.

d. 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 PUC.

e. Disconnection for Ill Customers

The Corporation may not discontinue service to a delinquent residential Member or tenant under an alternative billing agreement permanently residing in an individually metered dwelling unit when that Member or tenant establishes that discontinuance of service will result in some person at that residence becoming seriously ill or more seriously ill if service is discontinued. To avoid disconnection under these circumstances, the Member or tenant must provide a written statement from a physician to the Corporation prior to the stated date of disconnection. Service may be disconnected in accordance with Subsection (a) of this Section if the next month's bill and the past due bill are not paid by the due date of the next month's bill, unless the Member or tenant enters into a Deferred Payment Agreement (see Miscellaneous Transaction Forms). The Corporation shall provide notice to an owner of rental property in the event a tenant requests service not be discontinued due to illness as per this subsection.

f. Disconnection of Temporary Service

When an applicant with temporary service fails to comply with the conditions stated in the Service Application and Agreement Form or other rules of this Tariff, service may be terminated with notice.

8. Disputed Bills

In the event of a dispute between the Member and the Corporation regarding any bill, the Corporation shall make and conduct an investigation as required by the particular case, and report the results in writing thereof to the Member. All disputes under this Subsection must be submitted to the Corporation, in writing, prior to the due date posted on said bill.

9. Due Dates, Delinquent Bills, and Service Disconnection Date

a. The Corporation shall mail all bills on or about the **30th** of the month. All bills are considered the responsibility of each person signing the Service Application and Agreement Form. All bills shall be due and payable upon receipt and are past due beyond the date indicated on the bill (allowing approximately sixteen (16) days to pay), after which time a penalty shall be applied as described in Section F. 13. The time for payment by a political subdivision may be different than your regular due date. (See Texas Government Code 2251.021) A bill is delinquent if not paid on or before the past due date. Payments made by mail will be considered late if postmarked after the past due date. A 20-day grace period may then be allowed for delayed payments prior to mailing of final notices. After 10 days for remedy of the past due amount, an Owner Notification Letter will be sent and a fee will be added to the account. (See section F 22) Final notices shall be mailed allowing ten (10) additional days for payment prior to disconnection. The ten (10) additional days after the Owner Notification letter shall begin on the day the final notice is deposited with the U.S. Postal Service with sufficient postage. If the past due date for the regular or final billing is on a weekend or holiday, the past due date for payment purposes shall be the next day the Corporation office is open for business after said weekend or holiday. For all disputed payment deadlines, the date postmarked on each bill will determine the beginning of each billing cycle or final notice mailings.

- b. The board of directors or general manager may elect to not charge a late fee or disconnect fee in accordance with this Tariff during or after the occurrence of a natural disaster or other incident that impacts the property of members or interrupts the management and operation of the system.
- c. Upon written request, any residential customer 60 years of age or older who occupies the entire premises of a dwelling receiving water utility service from the Corporation shall receive extension of the past due date, without penalty. The extension shall not exceed 10 days beyond the usual 16-day payment period for a total of no more than 25 days from the date the bill is issued. The request may specify extension of the late payment periods for current and subsequent billings. (Texas Utilities Code Sections 182.001 - 182.005) If this request originates from a tenant at a rental property the owner / member will be notified in writing of any extension request.
- d. All insufficient fund checks, accounts closed or money orders that have had a “stop payment order” issued for payment of a water bill will be deemed delinquent as if no payment was received and the meter is subject to disconnection with notice on the regular disconnection day.

10. 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 six (6) months, based on amounts used under similar conditions during the period preceding or subsequent thereto, or during corresponding periods in previous years.

11. Inoperative 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 member or 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 member or 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 member or customer at the same address except where the change of customer identity is made to avoid or evade payment of a utility bill.

12. Members and Renters

Any Member having complied with the requirements of this Tariff, renting or leasing property designated to receive service according to the terms of this tariff to other parties, is responsible for all charges due the Corporation. The membership for rental or leased properties shall be in the name of the Member as required by this Tariff. The Corporation may bill the renter or lessee for utility service (at Member Request) as a third party, but the Member is fully responsible for any and all unpaid bills left by the renter/lessee. The Member shall be required to sign an Alternate Billing Agreement if the Member requests that the tenant be billed for utility service. (See Miscellaneous Transaction Forms.) The Member shall take responsibility for any necessary deposits from the renter/lessee to ensure

payment of a past due bill. The Corporation will notify the Member of the renter's past due payment status. Such notification will be subject to a service charge (see Miscellaneous Transaction Forms).

If at any time the member requests that membership be canceled, thereby discontinuing service to an occupied rental property, the member shall provide proof to the corporation that written notice provided to the tenant(s) has a minimum of five (5) days prior to the scheduled disconnection date.

13. Membership

a. Eligibility

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

b. Membership

Upon qualification for service, qualification for Membership, payment of the required fees, and any debt owed to the Corporation, the Corporation shall certify the Applicant as a Member. The Membership shall entitle the Member to one (1) connection to the Corporation's water utility service and one (1) membership certificate. The Membership entitles the Member to one (1) vote in the election of directors and in such other matters requiring the approval of the Corporation's Members at any Annual or Special Membership Meeting of the Corporation as prescribed by the Corporation Bylaws. 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 Certificate thereby represented may be assigned to the specified parcel of land originally designated to receive service at the time of application. (Texas Water Code Section 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 (see Sample Application Packet), 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. (See Section C Definitions, E. 26., G. 4. and Section J CSI Certificate)

c. Transfers of Membership

(Texas Water Code Section 67.016)

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

(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 to 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 Subsection 19. c. (1) of this Section, 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 be considered a new application for service and is not binding on the Corporation until such transfer has been approved as provided by Subsection 19. c. 3 of this Section.
 - 3) Qualifications for service upon transfer of Membership set forth in Subsection 19. c. (1) of this and 19. c. (2) of this Section 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) The Transferee has completed the required Application Packet including granting the Corporation with a private utility easement on the form provided by the Corporation;
 - (b) The membership has not been fully or partially liquidated; and
 - (c) The Transferee demonstrates satisfactory evidence of ownership of the property designated to receive service and from which the Membership originally arose.
 - 4). If the application packet and other information is not completed on the day transfer of membership is requested the corporation will give the transferee written notice of 10 additional days to produce completed documentation to the corporation office. Service will be disconnected on the day following the 10th day according to disconnection with notice requirements. Additional time may be allowed at the directions of the manager or board.

d. Cancellation of Membership

To keep a Membership in good standing, a Base Rate must be paid monthly to the Corporation, whether or not water is used. Failure to pay this monthly charge to the Corporation shall jeopardize the Member's Membership standing and give rise to liquidation of the Membership Fee and forfeiture of the Membership. A Member may be relieved of this obligation to pay by surrendering the Membership, properly documented, to the Corporation. The Member shall also complete a Service Discontinuance Request Form prior to termination of service. (See Misc. Transaction Forms.) However, a Member is not relieved of any obligations incurred prior to the date of surrender of a properly endorsed Membership prior to termination of service. Rights to future service at this tap shall be extended on an as-available basis and subject to the terms of the Activation of Service Section E 1. of this Tariff. (Texas Water Code Section 67.016)

e. Liquidation Due to Delinquency

When the amount of the delinquent charges owed by the Member equals the Membership Fee, the Membership Fee shall be liquidated and the Membership canceled and transferred back to the Corporation. In the event the Member leaves a balance due on an account guaranteed under the terms of a Service Application and Agreement, and the delinquent Member owns more than one Membership, the Corporation may liquidate as many of the Member Guarantor's Membership Fees as necessary to satisfy the

balance due the Corporation provided proper notice has been given (See Tariff Section E, Subsection 11. a.). 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 Subsection E. 1. b. of this Tariff.

f. Cancellation Due to Policy Non-Compliance

The Corporation may cancel a Membership any time a Member fails to comply with policies of the Corporation, including but not limited to Member's failure to provide proof of ownership of the property from which the Membership arose. (Texas Water Code Section 67.016)

g. Re-assignment of Canceled Membership

1) The Corporation, upon cancellation of Membership under the provisions of this Tariff, may re-assign the canceled Membership to a person or entity that has legal title to the real estate from which the canceled membership arose and for which water service is requested (Texas Water Code Section 67.016). Membership will not be re-assigned unless the person or entity that has legal title to the real estate has complied with the corporation's current rates, charges, and conditions of service, including current membership fee, set forth in the tariff and service application package.

2) The Corporation shall reassign a canceled Membership to a person or entity that acquires the real estate from which the Membership arose through judicial or nonjudicial foreclosure. The Corporation will require proof of ownership resulting from the foreclosure and compliance with the corporation's current rates, charges, and conditions of service, including current membership fee, set forth in the tariff and service application package. In the event of foreclosure by a mortgage institution, the Corporation may allow a property management company to acquire the Membership if the management company provides written documentation showing that the management company is legally responsible for the management of the property, and it is not feasible for the mortgage institution to be the Member.

h. Mortgaging of Memberships

Nothing herein shall preclude a Member from mortgaging his/her Membership. However, notification to the holder of any security interest (mortgagee/lien-holder) of account status of Member/mortgagor will be provided only upon satisfactory completion of requirements for such conditions under the Membership Mortgage Agreement (See Miscellaneous Transaction Forms). Prior to the cancellation of any Membership as provided under Subsection E. 19. 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 at which water service is provided under the Membership. The Corporation may transfer the Membership to the holder of such security interest in lieu of cancellation, provided the holder of the security interest pays in full all delinquent and unpaid obligations and provided further that the holder of the security interest has secured title to the real property from which the Membership arose. The Corporation may withhold cancellation of a Membership pending the resolution of any foreclosure proceedings or similar legal proceedings by the holder of the security interest.

i. Cancellation and Re-Assignment of Membership as a Result of Bankruptcy Proceedings

Upon notice of the filing of a petition in bankruptcy, the Corporation may require the posting of a deposit or other form of security, acceptable to the Corporation, as a

condition for continuing utility service. Unless special circumstances require otherwise, the amount of security shall equal the amount of charges for the month of greatest use during the preceding 12 months. The Corporation shall not require the payment of any security prior to the expiration of 20 days following the date on which the petition is filed. Failure to provide this security by the date specified by the Corporation may result in termination of service according to the Disconnection with Notice Provisions of Section E 11. of this Tariff, with a copy of the notice to the bankruptcy Trustee.

j. **Cancellation and Re-Assignment of Membership as a Result of Divorce (or Dissolution of Joint Tenancy)**

The Corporation shall transfer the membership to a spouse (or joint tenant) who has been awarded the property designated to receive service. The Corporation must be provided adequate documentation of the ownership rights of the spouse (or joint tenant) requesting transfer, such as final divorce decree, temporary court order, or agreement. In no event shall any membership(s) be transferred if the transferee does not otherwise meet the qualifications for membership and for service.

14. Member's Responsibility

- a. The Member shall provide access to the meter tap location as per the easement and service agreement. If access to the meter is hindered or denied preventing the reading of the meter, an estimated bill shall be rendered to the Member for the month; and a notice shall be sent to the effect that access could not be gained. If access is denied for three (3) consecutive months after proper notification to the Member, then water service shall be discontinued and the meter removed with no further notice. Conditions that may hinder access include, but are not limited to, fences with locked gates, vehicles or objects placed on top of meters or meter boxes, and unrestrained animals.
- b. The Member shall be responsible for compliance with all utility, local, and state codes, requirements, and regulations concerning on-site service and plumbing facilities.
 - 1) All water connections shall be designed to ensure against on-site sewage contamination, back-flow or siphonage into the Corporation's water supply. In particular, livestock water troughs shall be plumbed above the top of the trough with air space between the discharge and the water level in the trough. (30 TAC 290.46, Texas Health & Safety Code Chapter 366)
 - 2) The use of pipe and pipe fittings that contain more than 0.25% lead or solder and flux that contain more than 0.2% lead is prohibited for any plumbing installation or repair of any residential or non-residential facility providing water for human consumption and connected to the Corporation's facilities. Customer service pipelines shall be installed by the applicant. (30 TAC 290.46; RUS-TX Bulletin 1780-9 (Rev. 05/17))
 - 3) A Member owning more than one (1) Membership shall keep all payments current on all accounts. Failure to maintain current status on all accounts shall be enforceable as per Service Application and Agreement executed by the Member.
 - 4) The Corporation's ownership and maintenance responsibility of water supply and metering equipment shall end at the meter or other service equipment as installed. Therefore, all water usage registering upon and/or damages occurring to the metering equipment owned and maintained by the Corporation shall be subject to charges as determined by the Corporation's Tariff as amended from time to time by the Board of Directors.

- 5) The Corporation shall require each Member to have a cut-off valve within two feet of the meter 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 stops or other similar valve for such purposes is prohibited. Any damage to the Corporation's equipment shall be subject to service charges. (This cut-off valve may be installed as a part of the original meter installation by the Corporation.)
- 6) The member is required to notify the system 48 hours prior to digging or excavation activities along or near water/sewer lines and appurtenances.

15. Meter Relocation

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

- a. The relocation is limited to the existing property designated to receive service;
- b. A current easement for the proposed location has been granted to the Corporation; and
- c. The Member pays the actual cost of relocation plus administrative fees if the member requests.
- d. The Corporation may relocate a meter within the easement to meet its requirements

16. Meter Tampering and Damage to Property

- 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 tap,
 - 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,
 - 6) connection or reconnection of service without Corporation authorization;
 - 7) connection into the service line of adjacent customers of the Corporation; and
 - 8) preventing the supply or wastewater discharge from being correctly registered by a metering device due to adjusting the valve so that flow is reduced below metering capability.
- b. If the Corporation determines under subsection (a) that Tampering has occurred, the Corporation shall disconnect service without notice as set forth in Subsection E.11.b. and charge the person who committed the Tampering the total actual loss to the Corporation, including the cost of repairs, replacement of damaged facilities, and lost water revenues.
- c. A person who otherwise destroys, defaces, damages or interferes with Corporation property will be charged the total actual loss to the Corporation including but not limited to the cost of repairs, replacement of damaged facilities, and lost water revenues. The Corporation also will prosecute the offending party to the extent allowed under law pursuant to Texas Water Code Section 49.228 and other applicable laws.
- d. In addition to actual damages charged under subsection (b), the Corporation may assess a penalty against the offending party. The penalty shall not exceed six (6) times the Base Rate.

Note: For purposes of this section, “offending party” means the person who committed the Tampering or damaged the property.

17. Ownership of Equipment Property

All water meters and equipment and materials required to provide water or wastewater service to the point of customer connection; water meter or service tap, is the property of the Corporation upon installation, and shall be maintained by the water system only.

18. Prohibition of Multiple Connections To A Single Tap

- a. No more than one (1) residential, commercial, or industrial service connection is allowed per meter tap. If the Corporation has sufficient reason to believe a Multiple Connection exists, the Corporation shall discontinue service under the Disconnection with Notice provisions of this Tariff for a first violation and for subsequent violations, service will be disconnected without notice in accordance with Paragraph E. 11. b. (See Sample Application Packet RUS-TX Bulletin 1780-9 (Rev. 05/17))
- b. For purposes of this section, the following definitions shall apply:
 1. A “multiple connection” is the connection to any portion of a member’s water or sewer system that is connected to a primary delivery point already servicing one residence, one commercial or industrial facility of a water or sewer line serving another residence or commercial or industrial facility. Water or sewer lines to outbuildings, barns or other accessory structures shall not be consider a multiple connection if: (i) those structures are located on the same tract as the primary delivery point and (ii) such structures are not used as a residence or as a commercial or industrial facility.
 2. A “primary delivery point” shall mean the physical location of a meter or sewer tap that is installed in accordance with this Tariff and applicable law and which provides water or sewer service to the residence or commercial or industrial facility of a member.
 3. A “residence” shall mean any structure which is being used for human habitation, which may include kitchen and bathroom facilities or other evidence of habitation as defined by the Corporation.
 4. “Commercial” facility shall mean any structure or combination of structures at which any business, trade, occupation, profession, or other commercial activity is conducted. A business conducted within a member’s residence or property that does not require water in addition to that provided to the member’s residence shall not be considered a separate commercial facility.
- c. The corporation agrees to allow members in good standing to share water usage with a visitor on their property with a recreation vehicle (RV) or travel trailer for a period of no longer than a maximum of twelve (12) days in a consecutive 365 day period per Onalaska city ordinances. If the recreation vehicle/travel trailer is being used for a permanent residence, this Tariff requires that an additional membership be secured and a separate meter installed. If the member routinely has more than one visitor at a time with recreation vehicles or travel trailers or has multiple visitors throughout the year, the corporation may require that a second or additional meter(s) be purchased. The member must submit a written request to the corporation’s business office at least five (5) business days prior to sharing corporation water with a visitor. The corporation has the right to refuse or deny the shared usage for any reason. The corporation also has the right to inspect the premises for any potential cross contamination issues as outlined in

the Customer Service Inspection requirements and to ensure that the meter is properly sized for the additional usage at the time of total peak water demand. These requirements pertain to visitors ONLY. No commercial usage where fees for water are charged is allowed. If a member is found to violate these conditions, the member will be sent a letter of notice stating that water service will be cut off in ten days if the situation is not corrected.

- d. If a Member is found to be in violation, the Member shall be afforded the opportunity to correct the violation within 10 days.

19. Service Entitlement

The Applicant(s) 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. (16 TAC 24.85(a))

20. Service Location and Classification

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

- a. **Standard Service** is defined as service on a specific property designated to receive 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 5/8" or 3/4" sized water meter services set on existing pipelines or connected to water lines no more than five feet in depth.

21. Service Requirements

The Corporation's Service Application and Agreement Form shall be completed in full and signed by the Applicant(s). Where applicable, in addition to the applicant, any other person sharing an ownership interest in and receiving service at that property shall sign the Service Application and Agreement Form; however, even if the spouse or other person sharing an ownership interest does not sign the Service Application and Agreement Form, they are still responsible for all terms set forth therein, and for any debt obligation related to the account. (See Sample Application RUS-TX Bulletin 1780-9 (Rev. 05/17))

- a. A Right-of-Way Easement Form, Sanitary Control Easement, or other such easement form, required by the Corporation, must be completed by the Applicant for the purpose of allowing future facility additions. (See Sample Application - RUS-TX Bulletin 1780-9 (Rev. 05/17), 30 TAC 290.47 Appendix B.) **NOTE:** This requirement may be delayed for Non-Standard Service requests.
- b. The Applicant shall provide proof of ownership to property for which service has been requested in a manner acceptable to the Corporation. Proof of ownership shall consist of warranty deed, deed of trust or other recordable documentation of title to the real estate designated to receive service. (Texas Water Code Sections 67.016 (d), and 13.002 (11) *See also* Uniform Partition of Heirs Property Act, Property Code Chapter 23A).
- c. On the request by the property owner or owner's authorized agent, the Corporation shall install individual meters owned by the Corporation in an apartment house, manufactured home rental community, multiple use facility, or condominium on which construction begins after January 1, 2003, unless the Corporation determines that installation of individual meters is not feasible. If the Corporation determines that

installation of meters is not feasible, the property owner or manager shall install a plumbing system that is compatible with the installation of submeters or individual meters. The Corporation shall be entitled to the payment of costs, including the costs of individual meter installations, as provided in Section E. The cost of individual meter installation shall be prepaid by the property owner as well as the cost of any additional facilities or supply occasioned by the total water/sewer service demand represented by full occupancy of the property, as determined under applicable provisions of Section E. It shall be the responsibility of the property owner to obtain the memberships required for each individual meter.

- d. Notice of application approval and costs of service determined by the Corporation shall be presented to the Applicant in writing and shall remain in effect for a period not to exceed thirty (30) days. After that time the Applicant must re-apply for service. (16 TAC 24.81(a)(1)).
- e. If the water main has been located in the public right-of-way and is adjacent to Applicant's property due to the current or previous landowner's refusal to grant easement to the Corporation for the purpose of installing the water main and appurtenances, and the Corporation has documentation of such refusal, the Applicant, prior to receiving the requested service, shall grant the easement(s) required under this Tariff and in addition to the normally required fees for new customer service, shall pay such sums as are reasonably necessary to cap the existing line in the ROW and construct the appropriate line or lines within that easement or easements for the Corporation's system-wide service. (See Miscellaneous Transaction Forms.)
- f. The Corporation shall provide to each service applicant or transferee a copy of the Confidentiality of Personal Information Request Form. *See* Section I, Miscellaneous Transaction Forms *See also*, Texas Utilities Code Section 182.052(c).

SECTION F. RATES AND SERVICE FEES

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

1. **Additional Assessment**

In the event any federal, state or local government imposes on the Corporation a “per meter” fee or an assessment based on a percent of water charges, this fee or assessment will be billed and collected as a “pass through” charge to the customer.

2. **Assessments**

If at the end of the fiscal year, or in the event of emergency repairs, the Board of Directors determines the total amount derived from the collection of water charges to be insufficient for the payment of all costs incident to the operation of the Corporation’s system during the year in which such charges are collected, the Board shall make and levy an assessment against each Member of the Corporation as the Board may determine or as may be required by Rural Development, so that the sum of such assessments and the amount collected from water and other charges is sufficient to fully pay all costs of the operation, maintenance, replacement and repayment of indebtedness for the year’s operations. (See Article XVIII of USDA Model Bylaws, Section 1 Rev.12-2011)

3. **Customer History Report Fee**

A fee of **\$25.00** shall be charged to provide a copy of the Member’s record of past account information in response to a Member’s request for such a record.

4. **Customer Service Inspection Fee**

A fee of **\$75.00** will be assessed each Applicant before permanent continuous service is provided to new construction. This cost is included in the installation fee.

5. **Disconnect Fee**

Fee of **\$50.00** shall be assessed for the disconnection of water service for any membership.

6. **Easement Fee**

When the Corporation determines that private right-of-way easements and/or facilities sites are necessary to provide service to the Applicant, the Applicant shall be required to make good faith efforts to secure easements in behalf of the Corporation and/or pay all costs incurred by the Corporation in validating, clearing, and retaining such right-of-way in addition to tap fees otherwise required pursuant to the provisions of this Tariff. The costs may include all legal fees and expenses necessary to attempt to secure such right-of-way and/or facilities sites in behalf of the Applicant. (See Section E. 20.; Section F. 8. b.)

7. **Equipment Damage Fee**

If the Corporation’s facilities or equipment have been damaged by tampering, by-passing, installing unauthorized taps, reconnecting service without authority, or other service diversion, a fee shall be charged equal to the actual costs 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 and tenant if an Alternate Billing Agreement is in place. If the Corporation’s facilities or equipment have been damaged due to negligence or unauthorized use of the Corporation’s equipment, right-of-way, or meter shut-off valve, or due to other acts for which

the Corporation incurs losses or damages, the Member shall be liable for all labor and material charges incurred as a result of said acts or negligence.

8. **Impact Fee (Equity Buy-In Fee)**

In addition to the Membership Fee, each Applicant for new service that requires a new service tap shall be required to achieve parity with the contributions to the construction or acquisition of the Corporation's assets related to capacity that have been made previously by existing Members. This fee shall be assessed immediately prior to providing service on a per-service unit basis for each service requested and shall be assigned and restricted to that property for which the service was originally requested. This fee is not a tap fee. This fee shall be set aside for future capacity improvements such as line upgrades, new tanks, treatment, or production.

- a. **Monthly Base Water Fee is \$35.00**
- b. **Impact Fee is \$1920.00**

The formula applied to such fee calculated annually after receipt of the system audit is as follows:

Sample Calculation:

Total Contributions and Assets of the Corporation minus (-)

Accumulated Depreciation minus (-)

Outstanding Corporation Debt Principle minus (-)

Developer Contributions minus (-)

Grants received divided by

Total Number of Members / Customers equals = Average Net Equity Buy-In Fee

9. **Franchise Fee Assessment**

A fee of **0%** of the amount billed for water service will be assessed each customer whose meter is located inside the corporate limits of the **Onalaska, Texas**, as required by the City's ordinance requiring a franchise fee.

10. **Groundwater District Production Fee**

A fee of **\$0.04** per thousand gallons of water used by each Member. This fee is collected to pay a portion of the annual fee charged to the Corporation by **Lower Trinity Groundwater Conservation District** based on the amount of water pumped from the Corporation's wells located within the boundaries of the District.

11. **Information Copy Fee**

A **\$0.35** fee per page for the copying of any public information will be charged to the person requesting that information in compliance with the cost rules of the Texas Government Code Section 552.261 et. Seq. If the request results in more than 50 pages, the charge for labor and overhead shall be **\$20.00** per hour taken to make the document copies.

12. **Installation Fee**

The Corporation shall charge a **\$450.00** installation fee for service as follows:

a. **Standard Service** shall include all:

- Tap fee – all current labor and materials necessary to provide individual metered water service
- Engineering fee
- Legal fee
- Customer service inspection fee
- Administrative costs
- Any additional site-specific equipment or appurtenances necessary to provide water service

- Standard service fees shall be charged on a per tap basis as computed immediately prior to such time as metered service is requested and installed.
- Standard Service Installations shall include all costs of any pipeline relocations as per Section E. 5 of this Tariff.

13. Late Payment Fee

Once per billing period, a penalty of **\$5.00** shall be applied to delinquent bills. This late payment penalty shall not be applied to any balance to which the penalty was applied in a previous billing period but shall be applied to any unpaid balance during the current billing period. If the account balance is not satisfied within ten (10) days, an Owner Late Notification letter will be sent to the Member and a fee of **\$25.00** will be added to the account balance (Section F. 22).

14. Line Extension Reimbursement Fee

An approved Applicant may have to pay, on a prorated basis, a line reimbursement fee to the Corporation for the purpose of reimbursing a member or other entity that made the initial capital outlay to extend service to that area.

15. Membership Fee

At the time the application for service is approved, a non-refundable Membership Fee of **\$100.00** must be paid for each service requested before service shall be provided or reserved for the Applicant by the Corporation. The membership fee cannot be more than 12 times the minimum monthly base rate.

16. Meter Tampering and Damage to Property Penalty

In addition to the Equipment Damage Fee, the Corporation may charge a penalty for “Tampering” as defined in Section E. 16. The penalty may only be assessed against the person who committed the Tampering. The penalty cannot be assessed against the Member for the Tampering committed by their tenant. The penalty shall not exceed six (6) times the Base Rate.

17. Monthly Charges.

a. Base Rate Water Service

The monthly charge for standard metered water service is **\$35.00** for a 5/8" X 3/4" meter and includes the first two thousand gallons of water provided. The 5/8" X 3/4" meter charge is used as a base multiplier for larger non-standard meters in accordance with the following chart based on American Water Works Association maximum continuous flow specifications:

2) <u>Meter Size</u>	3) <u>5/8" x 3/4" Meter Equivalents</u>	4) <u>Monthly Rate</u>
5/8"	1.0	\$35.00
3/4"	1.5	\$35.00

b. Gallonage Charge - In addition to the Base Rate, a gallonage charge shall be added at the following rates for usage during any one (1) billing period.

Water:

- First two thousand gallons are included in the base rate
- \$4.50 per 1,000 gallons for 2,001 gallons up to 5,000 gallons
- \$4.75 per 1,000 gallons for 5,001 gallons to 10,000 gallons
- \$5.00 per 1,000 gallons for 10,001 gallons to 20,000 gallons
- \$5.25 per 1,000 gallons for 20,001 gallons and above

The Corporation shall, as required by Texas Water Code Section 5.701, collect from each of its retail customers a regulatory assessment equal to one-half of one percent of the charge for retail water service. This charge shall be collected in addition to other charges for utility service. This fee is collected on all charges pertaining to Section E. 16. Monthly Charges of this Tariff. (16 TAC 291.76(d).)

18. Mortgage/Guarantor Notification Fee

The Corporation shall assess a fee of **\$75.00** for each notification to a Membership lien-holder under agreement prior to Membership cancellation. (See Miscellaneous Transaction Forms.)

19. Meter Test Fee

The Corporation shall test a Member's meter upon written request of the Member. (See Meter Test Authorization and Test Report Form in Section J) Under the terms of Section E. of this Tariff, a charge of **\$50.00** shall be imposed on the affected account.

20. Non-Disclosure Fee

A fee of **\$25.00** shall be assessed to any Member or tenant requesting in writing that personal information under the terms of this tariff not be disclosed to the public.

21. Other Fees

All services outside the normal scope of utility operations that the Corporation may be compelled to provide at the request of a Member or the general public shall be charged to the recipient based on the cost of providing such service.

22. Owner Notification Fee

The Corporation shall assess a fee of **\$25.00** per notification to a Member of a delinquent account status prior to disconnection of service. This letter is sent on the day after bills are due (usually the 17th) and Final notice sent ten days later if charges are not paid. (See Miscellaneous Transaction Forms.)

23. Reconnect Fee

The Corporation shall charge a fee of **\$50.00** for reconnecting service after the Corporation has previously disconnected the service for any reason provided for in this Tariff except for activation of service under Section E. 1. b. Re-Service.

24. Regulatory Assessment

A fee of **0.5%** of the amount billed for water service will be assessed each customer; this assessment is required under Texas law and TCEQ regulations. **NOTE:** The regulatory assessment is not to be collected from state agencies, wholesale customers, or buyers of non-potable (not drinkable) water. (Ref. TCEQ RG-199 revised Sept. 2017; TCEQ Section 291.76 (c))

25. 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 **\$40.00**. (See Miscellaneous Transaction Forms)

26. Seasonal Reconnect Fee

The Corporation shall charge a one-time **\$50.00** fee per occurrence during which service is suspended/locked, not to exceed nine (9) months during any twelve (12) consecutive months.

27. Service Trip Fee

The Corporation shall charge a trip fee of **\$75.00** for any service call or trip to the Member's tap as a result of a request by the Member or tenant for response to damage of the Corporation's or another Member's facilities; for customer service inspections due to suspicion of meter

tampering, bypass or diversion of service. For service trips that extend beyond one hour, such as when an extended line location is required, the Corporation shall charge **\$50.00** per employee per hour for each additional hour required.

28. Transfer Fee

A Fee of **\$100.00** shall be assessed for the transfer of any membership.

SECTION G. DROUGHT CONTINGENCY AND EMERGENCY WATER DEMAND MANAGEMENT PLAN

1. Introduction

The goal of this plan is to cause a reduction in water use in response to drought or emergency conditions so that the water availability can be preserved. Since emergency conditions can occur rapidly, responses must also be enacted quickly. This plan has been prepared in advance considering conditions that will initiate and terminate the water use restriction program.

A Drought/Emergency Management Committee consisting of two Board Members and the System Manager will monitor usage patterns and public education efforts and will make recommendations to the Board on future conservation efforts, demand management procedures or any changes to this plan. The Committee will develop public awareness notices, bill stuffers, and other methods that will begin and continue as a constant type of reminder that water should be conserved at all times, not just during a drought or emergency. This Committee will also review and evaluate any needed amendments or major changes due to changes in the WSC service area population, distribution system or supply. This review and evaluation will be done on a regular basis of five years unless conditions necessitate more frequent amendments. The plan will be implemented according to the three stages of water use restrictions as imposed by the Board. Paragraph 4 describes the conditions that will trigger these stages.

2. Public Involvement

Opportunity for the public to provide input into the preparation of the Plan was provided by the Board by scheduling and providing public notice of a public meeting to accept input on the Plan. Notice of the meeting was provided to all customers. In the adoption of this plan, the Board considered all comments from customers.

3. Coordination with Regional Water Planning Group

Being located within the **Lower Trinity Ground Water Conservation District**, a copy of this Plan has been provided to that Regional Water Planning Group.

4. *Trigger Conditions*

The Drought Emergency Management Committee is responsible for monitoring water supply and demand conditions on a monthly basis (or more frequently if conditions warrant) and shall determine when conditions warrant initiation or termination of each stage of the plan, that is, when the specified triggers are reached. The Committee will monitor monthly operating reports, water supply or storage tank levels and/or rainfall as needed to determine when trigger conditions are reached. The triggering conditions described below take into consideration: the vulnerability of the water source under drought of record conditions, the production, treatment and distribution capacities of the system, and member usage based upon historical patterns.

- a. **Stage I - Mild Condition:** Stage I water allocation measures may be implemented when one or more of the following conditions exist:
 - 1) Water consumption has reached 80 percent of daily maximum supply for three (3) consecutive days.
 - 2) Water supply is reduced to a level that is only 20 percent greater than the average consumption for the previous month.
 - 3) There is an extended period (at least eight (8) weeks) of low rainfall and daily use has risen 20 percent above the use for the same period during the previous year.
- b. **Stage II - Moderate Conditions:** Stage II water allocation measures may be implemented when one of the following conditions exist:
 - 1) Water consumption has reached 90 percent of the amount available for three consecutive days.
 - 2) The water level in any of the water storage tanks cannot be replenished for three (3) consecutive days. Example: The highest recorded water level drops 90% (63) feet or more for two (2) consecutive days.
- c. **Stage III - Severe Conditions:** Stage III water allocation measures may be implemented when one of the following five conditions exist:
 - 1) Failure of a major component of the system or an event which reduces the minimum residual pressure in the system below 20 psi for a period of 24 hours or longer.
 - 2) Water consumption of 95 percent or more of the maximum available for three (3) consecutive days.
 - 3) Water consumption of 100 percent of the maximum available and the water storage levels in the system drop during one 24-hour period.
 - 4) Natural or man-made contamination of the water supply source(s).
 - 5) The declaration of a state of disaster due to drought conditions in a county or counties served by the Corporation.
 - 6) Reduction of wholesale water supply due to drought conditions.
 - 7) Other unforeseen events which could cause imminent health or safety risks to the public.

5. *Stage Levels of Water Allocations*

The stage levels of water allocations are to be placed in effect by the triggers in Paragraph 4. The System shall institute monitoring and enforce penalties for violations of the Drought Plan for each of the Stages listed below. The water allocation measures are summarized below.

- a. **Stage I - Mild Conditions**
 - 1) Alternate day, time of day, or duration restrictions for outside water usage allowed. (System will notify Customers which restriction is in effect)

- 2) The system will reduce flushing operations.
- 3) Reduction of customers' water use will be encouraged through notices on bills or other method.

b. Stage II - Moderate Conditions

- 1) All outside water use is prohibited (except for a livestock or other exemption or variance granted under this section).
- 2) Make public service announcements as conditions change via local media (TV, radio, newspapers, etc.).

c. Stage III - Severe Conditions

- 1) All outside watering prohibited.
- 2) Water use will be restricted to a percentage of each member's prior month usage. This percentage may be adjusted as needed according to demand on the system. Notice of this amount will be sent to each customer.
- 3) Corporation shall continue enforcement and educational efforts.

NOTE:

- Refer to your water purchase contract for additional restrictions/requirements that may be imposed by stipulations from the wholesale supplier.
- There may be additional restrictions imposed by Governmental Entities.
- Meters will be read as often as necessary to ensure compliance with this program for the benefit of all the customers.

6. Initiation and Termination Procedures

Once a trigger condition occurs, the Corporation, or its designated responsible representative, shall, based on recommendation from the Chairperson of the Drought/Emergency Management Committee, decide if the appropriate stage of water use restrictions shall be initiated. The initiation may be delayed if there is a reasonable possibility the water system performance will not be compromised by the condition. If water allocation is to be instituted, written notice to the customers shall be given.

Written notice of the proposed water use restrictions measure shall be mailed or delivered to each affected customer upon the initiation of each stage. Notice may be sent by email only if the customer chooses the option to receive email notices instead of mailed notices and provides a valid email address. In addition, upon adoption of Stage II or Stage III, a notice will be placed in a local newspaper or announced on a local radio or television station. The customer notice shall contain the following information:

- a. The date water restriction shall begin,
- b. The expected duration,
- c. The stage (level) of water allocations to be employed,
- d. Penalty for violations of the water allocation program, and
- e. Affected area or areas.

A sample Customer Notice of Water Restrictions conditions is included in Miscellaneous Transaction Forms of this tariff.

If the water allocation program extends 30 days then the Chairperson of the Drought/Emergency Management Committee or manager shall present the reasons for the allocations at the next scheduled Board Meeting and shall request the concurrence of the Board to extend the allocation period.

When the trigger condition no longer exists then the responsible official may terminate the water allocations provided that such an action is based on sound judgment. Written notice of the end of allocations shall be given to customers. A water allocation period may not exceed 60 days without extension by action of the Board.

7. *Penalties for Violations*

- a. **First Violation** – The Corporation will assess a penalty of **\$37.00**. The customer/member will be notified by a written notice of their specific violation and their need to comply with the tariff rules. The notice will show the amount of penalty * to be assessed and inform the customer that failure to pay the penalty will result in termination of service. Reconnection will require payment of the penalty and a charge for the service call to restore service. The notice will also inform the customer that additional violations will trigger more severe penalties and may result in termination of service regardless of whether the customer pays the penalties.
- b. **Second Violation** - The Corporation will assess a penalty * of **\$74.00**. The notice of second violation will show the amount of penalty to be assessed and will inform the customer that failure to pay the penalty will result in termination of service to be restored only upon payment of penalty and service call to restore service. The notice will also inform the customer that additional violations will trigger more severe penalties and may result in termination of service regardless of whether the customer pays the penalties.
- c. **Subsequent Violations** - The Corporation will assess an additional penalty * of **\$111** for violations continuing after the Second Violation. The notice of subsequent violation will show the amount of the penalty to be assessed and will inform the violator that failure to pay the penalty will result in termination of service to be restored only upon payment of penalty and service call to restore service. The notice will also inform the customer that the Corporation may also install a flow restricting device in the customer’s meter service to limit the amount of water that will pass through the meter in a 24-hour period. The costs of this procedure will be for the actual work and equipment and shall be paid by the customer. Removal of this device will be considered Meter Tampering and will result in

disconnection of service without further notice. The notice of subsequent violation will also inform the customer that additional penalties will be assessed for additional violations; and in addition to penalties, that water service will be terminated for a period of three (3) days regardless of whether the customer pays the penalties for the additional violations.

- d. **Termination** – For each continuing violation, the Corporation will assess an additional penalty of **\$148.00**. Service will also be terminated for a period of three (3) days. The notice of termination will show the date on which water service will be terminated and the date on which service will be restored, unless the customer has failed to pay delinquent penalties, assessments or charges. Service will remain off until any delinquent penalty or other assessment is fully paid including a charge for the service call to restore service

These provisions apply to all members/customers of the Corporation.

NOTE: PENALTY * – A WSC is allowed to charge a reasonable penalty to customers that fail to comply with the water use restriction procedures in accordance with 16 TAC 291.41(j) if:

- The penalty is clearly stated in the tariff;
- The penalty is reasonable and does not exceed six (6) times the minimum monthly bill stated in the water supply corporation’s current tariff; and

- The water supply corporation has deposited the penalty in a separate account dedicated to enhancing water supply for the benefit of all the water supply corporation's customers.

8. Exemptions or Waivers

The Drought/Emergency Management Committee may, in writing, grant temporary variance for existing water uses otherwise prohibited under this Plan if it is determined that failure to grant such variance would cause an emergency condition adversely affecting the health or sanitation for the public or the person requesting such variance and if one or more of the following conditions are met:

- a. Compliance with this Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is in effect.

Alternative methods can be implemented which will achieve the same level of reduction in water use.

Persons requesting an exemption from the provisions of this Plan shall file a petition for variance with the Drought/Emergency Management Committee within five (5) days after the Plan or a particular drought response stage has been invoked or after a condition justifying the variance first occurs. All petitions for variances shall be reviewed by the Committee and shall include the following:

- Name and address of the petitioner(s).
- Purpose of water use.
- Specific provision(s) of the Plan from which the petitioner is requesting relief.
- Detailed statement as to how the specific provision of the Plan adversely affects the petitioner or what damage or harm will occur to the petitioner or others if petitioner complies with this Plan.
- Description of the relief requested.
- Period of time for which the variance is sought.
- Alternative water use restrictions or other measures the petitioner is taking or proposes to take to meet the intent of this Plan and the compliance date.
- Other pertinent information, as requested by the Committee.

Variances granted by the Committee shall be subject to the following conditions, unless specifically waived or modified by the Committee or Board of Directors:

- Variances granted shall include a timetable for compliance.
- Variances granted shall expire when the water allocation is no longer in effect, unless the petitioner has failed to meet specified requirements. No variance allowed for a condition requiring water allocation will continue beyond the termination of water allocation under Section F. Any variance for a subsequent water allocation must be petitioned again. The fact that a variance has been granted in response to a petition will have no relevance to the Committee's decision on any subsequent petition.

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

9. Implementation

The Board establishes a Drought/Emergency Management Committee by Resolution, the chairperson of which will be the responsible representative to make Drought and Emergency Water Management actions. This Committee will review the procedures in this plan annually or more frequently. Modifications may be required to accommodate system growth, changes in water use demand, available water supply and/or other circumstances.

This Plan was adopted by the Board at a properly noticed meeting held on October 8, 2022.

Corporation Official: Jim Marxen

Title: Board President

SECTION H: SAMPLE APPLICATION PACKET

Water Supply Corporation Service Application and Agreement Form (USDA RUS-TX Bulletin 17809 (Rev. 5/2017))

Right-of-Way Easement (Location Required) (Form RD-TX 442-8 (Rev. 6-06))

Right-of-Way Easement (General) (Form RD-TX 442-9 (Rev. 6-06))

RUS-TX Bulletin 1780-9

(Rev. 5/2017)

CORPORATION USE ONLY

Date Approved: _____

Service Classification: _____

_____ Cost: _____

Work Order Number: _____

Eng. Update: _____

Account Number: _____

Service Inspection Date: _____

CANYON PARK WATER SUPPLY CORPORATION

SERVICE APPLICATION AND AGREEMENT

Please Print:

DATE _____

APPLICANT'S NAME

CO-APPLICANT'S NAME

CURRENT BILLING ADDRESS:

FUTURE BILLING ADDRESS:

PHONE NUMBER Home (_____) _____ - _____

Work (_____) _____ - _____

PROOF OF OWNERSHIP PROVIDED BY

DRIVER'S LICENSE NUMBER OF APPLICANT

LEGAL DESCRIPTION OF PROPERTY (Include name of road, subdivision with lot and block number)

PREVIOUS OWNER'S NAME AND ADDRESS (if transferring Membership)

PROPERTY SIZE/ACREAGE _____ SQUARE FOOTAGE OF
RESIDENCE/STRUCTURE _____

Approved _____

NUMBER IN FAMILY _____
LIVESTOCK & NUMBER _____

SPECIAL SERVICE NEEDS OF APPLICANT

NOTE: FORM MUST BE COMPLETED BY APPLICANT ONLY. A MAP OF SERVICE LOCATION REQUEST MUST BE ATTACHED.

AGREEMENT made this _____ day of _____, _____,

between Canyon Park Water Supply Corporation, a corporation organized under the laws of the State of Texas (hereinafter called the Corporation) and

_____ (hereinafter called the Applicant and/or Member),

Witnesseth:

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

The Member shall pay the Corporation for service hereunder as determined by the Corporation's tariff and upon the terms and conditions set forth therein. The Applicant may request a copy of the Corporation's tariff. A copy of this agreement shall be executed before service may be provided to the Applicant.

The Board of Directors shall have the authority to discontinue service and cancel the Membership of any Member not complying with any policy or not paying any utility fees or charges as required by the Corporation's published rates, fees, and conditions of service. At any time service is discontinued, terminated or suspended, the Corporation shall not re-establish service unless it has a current, signed copy of this agreement and the member/applicant has complied with all terms and conditions that caused the service discontinuance/termination.

If this agreement is completed for the purpose of assigning utility service as a part of a rural domestic water and/or wastewater system loan project contemplated with the Rural Development, an Applicant shall pay an Indication of Interest Fee in lieu of a Membership Fee for the purposes of determining:

- a. The number of taps to be considered in the design and

Approved _____

- b. The number of potential ratepayers considered in determining the financial feasibility of constructing
- c. new water system or
- d. expanding the facilities of an existing water system.

The Applicant hereby agrees to obtain, utilize, and/or reserve service as soon as it is available. Applicant, upon qualification for service under the terms of the Corporation's policies, shall further qualify as a Member and the Indication of Interest Fee shall then be converted by the Corporation to a Membership Fee. Applicant further agrees to pay, upon becoming a Member, the monthly charges for such service as prescribed in the Corporation's tariff. Any breach of this agreement shall give cause for the Corporation to liquidate, as damages, the fees previously paid as an indication of interest. In addition to any Indication of Interest Fees forfeited, the Corporation may assess a lump sum of \$300.00 as liquidated damages to defray any losses incurred by the Corporation. If delivery of service to said location is deemed infeasible by the Corporation as a part of this project, the Applicant shall be denied Membership in the Corporation and the Indication of Interest Fee, less expenses, shall be refunded. The Applicant may re-apply for service at a later date under the terms and conditions of the Corporation's policies. For the purposes of this agreement, an Indication of Interest Fee shall be of an amount equal to the Corporation's Membership Fees.

All water shall be metered by meters to be furnished and installed by the Corporation. The meter and/or wastewater connection is for the sole use of the Member or customer and is to provide service to only one (1) dwelling or one (1) business. Extension of pipe(s) to transfer utility service from one property to another, to share, resell, or submeter water to any other persons, dwellings, businesses, or property, etc., is prohibited.

The Corporation shall have the right to locate a water service meter and the pipe necessary to connect the meter on the Member's property at a point to be chosen by the Corporation, and shall have access to its property and equipment located upon Member's premises at all reasonable and necessary times for any purpose connected with or in the furtherance of its business operations, and upon discontinuance of service the Corporation shall have the right to remove any of its equipment from the Member's property. The Member shall install, at their own expense, any necessary service lines from the Corporation's facilities and equipment to the point of use, including any customer service isolation valves, backflow prevention devices, clean-outs, and other equipment as may be specified by the Corporation. The Corporation shall also have access to the Member's property for the purpose of inspecting for possible cross-connections, potential contamination hazards, illegal lead materials, and any other violations or possible violations of state and federal statutes and regulations relating to the federal Safe Drinking Water Act or Chapter 341 of the Texas Health & Safety Code or and the corporation's tariff and service policies.

The Corporation is responsible for protecting the drinking water supply from contamination or pollution which could result from improper practices. This service agreement serves as notice to each customer of the restrictions which are in place to provide this protection. The Corporation shall enforce these restrictions to ensure the public health and welfare. The following undesirable practices are prohibited by state regulations:

- a. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be

Approved _____

isolated from the public water system by an airgap or an appropriate backflow prevention assembly in accordance with state regulations.

- b. No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the proper installation of an airgap or a reduced pressure-zone backflow prevention assembly and a service agreement must exist for annual inspection and testing by a certified backflow prevention device tester.
- c. No connection which allows condensing, cooling, or industrial process water to be returned to the public drinking water supply is permitted.
- d. No pipe or pipe fitting which contains more than 0.25% lead may be used for the installation or repair of any public water supply. No solder or flux which contains more than 0.2 % lead may be used for the installation or repair plumbing of any plumbing in a residential or nonresidential facility providing water for human consumption and connected to a public drinking water supply system.

The Corporation shall maintain a copy of this agreement as long as the Member and/or premises is connected to the public water system. The Member shall allow their property to be inspected for possible cross-connections, potential contamination hazards, and illegal lead materials. These inspections shall be conducted by the Corporation or its designated agent prior to initiating service and periodically thereafter. The inspections shall be conducted during the Corporation's normal business hours.

The Corporation shall notify the Member in writing of any cross-connections or other undesirable practices which have been identified during the initial or subsequent inspection. The Member shall immediately correct any undesirable practice on their premises. The Member shall, at their expense, properly install, test, and maintain any backflow prevention device required by the Corporation. Copies of all testing and maintenance records shall be provided to the Corporation as required. Failure to comply with the terms of this service agreement shall cause the Corporation to either terminate service or properly install, test, and maintain an appropriate backflow prevention device at the service connection. Any expenses associated with the enforcement of this agreement shall be billed to the Member.

In the event the total water supply is insufficient to meet all of the Members, or in the event there is a shortage of water, the Corporation may initiate the Emergency Rationing Program as specified in the Corporation's Tariff. By execution of this agreement, the Applicant hereby shall comply with the terms of said program.

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

The Applicant shall grant to the Corporation permanent recorded easement(s) dedicated to the Corporation for the purpose of providing reasonable rights of access and use to allow the

Approved _____

Corporation to construct, maintain, replace, upgrade, parallel, inspect, test and operate any facilities necessary to serve that Applicant as well as the Corporation's purposes in providing system-wide service for existing or future members.

By execution hereof, the Applicant shall guarantee payment of all other rates, fees, and charges due on any account for which said Applicant owns a Membership Certificate. Said guarantee shall pledge any and all Membership Fees against any balance due the Corporation. Liquidation of said Membership Fees shall give rise to discontinuance of service under the terms and conditions of the Corporation's tariff.

By execution hereof, the Applicant agrees that non-compliance with the terms of this agreement by said Applicant shall constitute denial or discontinuance of service until such time as the violation is corrected to the satisfaction of the Corporation.

Any misrepresentation of the facts by the Applicant on any of the four pages of this agreement shall result in discontinuance of service pursuant to the terms and conditions of the Corporation's tariff.

Witnessed

Applicant Member

Approved and Accepted

Date Approved

Approved _____

**UNITED STATES DEPARTMENT OF AGRICULTURE
Rural Utilities Service**

RIGHT-OF-WAY EASEMENT (Location of Easement Required)

KNOW ALL MEN BY THESE PRESENTS, That _____
(hereinafter called "Grantors"), in consideration of one dollar (\$1.00) and other good and valuable consideration paid by Canyon Park Water Supply Corporation, does hereby grant, bargain, sell, transfer, and convey to said Grantee, its successors, and assigns, a perpetual easement with the right to erect, construct, install, and lay and thereafter access and use, operate, inspect, repair, maintain, replace, upgrade, parallel and remove water distribution and/or sewer collection lines and appurtenances, over and across _____ acres of land, more particularly described in instrument recorded in Vol. _____, Page _____, Deed Records, _____ County, Texas, together with the right of ingress and egress over Grantors' adjacent lands for the purposes for which the above mentioned rights are granted. The easement hereby granted shall not exceed 15' in width, the center line thereof to be located across said land as follows:

Grantee shall have such other rights and benefits necessary and/or convenient for the full enjoyment and use of the rights herein granted, including without limitation, (1) the reasonable right of ingress and egress over and across lands owned by Grantor which are contiguous to the easement; (2) the reasonable right from time to time to remove any and all paving, undergrowth and other obstructions that may injure the Grantee's facilities and appurtenances or interfere with the construction, maintenance, inspection, operation, protection, repair, alteration, testing, replacement, upgrading, relocation (as above limited), substitution or removal thereof; and (3) the right to abandon-in-place any and all water supply and/or sewer distribution lines, service lines and associated appurtenances, such that Grantee shall have no obligation or liability to Grantor, or their successor or assigns, to move or remove any such abandoned lines or appurtenances.

In the event the county or state hereafter widens or relocates any public road so as to require the relocation of this water and/or sewer line as installed, Grantor further grants to Grantee an additional easement over and across the land described above for the purpose of laterally relocating said water and/or sewer lines as may be necessary to clear the road improvements, which easement hereby granted shall be limited to a strip of land 15' in width, the center line thereof being the pipeline as relocated.

The consideration recited herein shall constitute payment in full for all damages sustained by Grantors by reason of the installation of the structures referred to herein, and the Grantee will maintain such easement in a state of good repair and efficiency so that no unreasonable damages will result from its use to Grantors' premises. This agreement together with other provisions of this grant shall constitute a covenant running with the land for the benefit of the Grantee, its successors, and assigns. The Grantors covenant that they are the owners of the above described lands and that said lands are free and clear of all encumbrances and liens except the following:

Approved _____

Form RD-TX 442-8
(Rev. 6-06)

Grantor does hereby bind itself, its successors and assigns, to WARRANT AND FOREVER DEFEND, all and singular, the easement herein granted to Grantee, or Grantee's successors and assigns, against every person whomsoever claiming, or to claim, the same or any part thereof.

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

IN WITNESS WHEREOF the said Grantors have executed this instrument this _____ day of _____, 20_____.

ACKNOWLEDGEMENT
(Individual)

STATE OF TEXAS §
COUNTY OF POLK §

This instrument was acknowledged before me on _____ by _____
_____.

(SEAL)

Notary Public, State of Texas

After recording, return to:

Canyon Park Water Supply Corporation
PO Box 1928
Onalaska, TX 77360

Form RD-TX 442-9

Approved _____

(Rev 6-06)

**UNITED STATES DEPARTMENT OF AGRICULTURE
Rural Utilities Service**

RIGHT-OF-WAY EASEMENT (General Type Easement)

KNOW ALL MEN BY THESE PRESENTS, that _____
(hereinafter called "Grantors"), in consideration of one dollar (\$1.00) and other good and valuable consideration paid by Canyon Park Water Supply Corporation (hereinafter called "Grantee"), the receipt and sufficiency of which is hereby acknowledged, does hereby grant, bargain, sell, transfer, and convey to said Grantee, its successors, and assigns, a perpetual easement with the right to erect, construct, install and lay and thereafter access and use, operate, inspect, repair, maintain, replace, upgrade, parallel and remove water distribution and/or sewer collection lines and appurtenances, over and across _____ acres of land, more particularly described in instrument recorded in Vol. _____, Page _____, Deed Records, _____ County, Texas, together with the right of ingress and egress over Grantor's adjacent lands for the purpose for which the above mentioned rights are granted. The easement hereby granted shall not exceed 15' in width, and Grantee is hereby authorized to designate the course of the easement herein conveyed except that when the pipeline(s) is installed, the easement herein granted shall be limited to a strip of land 15' in width, the center line thereof being the pipeline as installed.

Grantee shall have such other rights and benefits necessary and/or convenient for the full enjoyment and use of the rights herein granted, including without limitation, (1) the reasonable right of ingress and egress over and across lands owned by Grantor which are contiguous to the easement; (2) the reasonable right from time to time to remove any and all paving, undergrowth and other obstructions that may injure Grantee's facilities and appurtenances or interfere with the construction, maintenance, inspection, operation, protection, repair, alteration, testing, replacement, upgrading, relocation (as above limited), substitution or removal thereof; and (3) the rights to abandon-in-place any and all water supply and/or sewer distribution lines, service lines and associated appurtenances, such that Grantee shall have no obligation or liability to Grantor, or their successors or assigns, to move or remove any such abandoned lines or appurtenances.

In the event the easement hereby granted abuts on a public road and the county or state hereafter widens or relocates the public road so as to require the relocation of this water and/or sewer line as installed, Grantor further grants to Grantee an additional easement over and across the land described above for the purpose of laterally relocating said water and/or sewer line as may be necessary to clear the road improvements, which easement hereby granted shall be limited to a strip of land 15' in width, the center line thereof being the pipeline as relocated.

The consideration recited herein shall constitute payment in full for all damages sustained by Grantors by reason of the installation of the structures referred to herein and the Grantee will maintain such easement in a state of good repair and efficiency so that no unreasonable damages will result from its use to Grantor's premises. This Agreement together with other provisions of this grant shall constitute a covenant running with the land for the benefit of the Grantee, its successors, and assigns. The Grantors covenant that they are the owners of the above described lands and that said lands are free and clear of all encumbrances and liens except the following:

Approved _____

Grantor does hereby bind itself, its successors and assigns, to WARRANT AND FOREVER DEFEND, all and singular, the easement herein granted to Grantee, or Grantee's successors and assigns, against every person whomsoever claiming, or to claim, the same or any part thereof.

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

IN WITNESS WHEREOF the said Grantors have executed this instrument this _____ day of _____, 20____

ACKNOWLEDGMENT
(Individual)

STATE OF TEXAS §
COUNTY OF POLK §

This instrument was acknowledged before me on _____ by

(SEAL)

Notary Public, State of Texas

Approved _____

**SECTION I - MISCELLANEOUS SAMPLE TRANSACTION
FORMS**

SAMPLE ALTERNATE BILLING AGREEMENT FOR RENTAL ACCOUNTS

NAME: _____

METER #: _____

ADDRESS: _____

ACCT #: _____

I hereby authorize Canyon Park Water Supply Corporation to send all billings on my account to the person(s) and address below until further written notice:

I understand that under this agreement that I will be given notice by the Corporation of all delinquencies on this account prior to disconnection of service. A notification fee shall be charged to the account in accordance with the provisions of the Corporation's Tariff.

I understand that if I request that my membership be canceled at this location, thereby discontinuing service to an occupied rental property, that the Corporation will provide the above listed person with written notice of disconnection five (5) days prior to the scheduled disconnection date.

I also understand that as the property owner and member of Canyon Park Water Supply Corporation, I am responsible to ensure that this account balance is kept current, in accordance with the Corporation's Tariff Section E 10 e and E 18. If service has been disconnected, this account shall not be reinstated until all debt on the account has been paid in full.

Signature _____

Date _____

Approved _____

SAMPLE CANYON PARK WSC CONFIDENTIALITY OF PERSONAL INFORMATION CONTAINED IN UTILITY RECORDS

Chapter 182, Subchapter B of the Texas Utilities Code allows water utilities to give their customers the option of making the customer’s address, telephone number, account records, and social security number confidential. A customer also may make confidential information relating to the volume or units of utility usage or the amounts billed to or collected from the individual for utility usage unless the primary source of water for the utility is a sole-source designated aquifer.

IS THERE A CHARGE FOR THIS SERVICE?

Yes. There is a one-time charge of \$25.00 to cover the cost of postage and implementation which must be paid at the time of request.

HOW CAN YOU REQUEST THIS?

Simply complete the form at the bottom of this page and return it with your check or money order for \$25.00 to:

Canyon Park WSC
P.O. Box 1928
Onalaska, TX 77360

Your response is not necessary if you do not want this service.

WE MUST STILL PROVIDE THIS INFORMATION UNDER LAW TO CERTAIN PERSONS.

We must still provide this information to (1) an official or employee of the state or a political subdivision of the state, or the federal government acting in an official capacity; (2) an employee of a utility acting in connection with the employee’s duties; (3) a consumer reporting agency; (4) a contractor or subcontractor approved by and providing services to the utility or to the state, a political subdivision of the state, the federal government, or an agency of the state or federal government; (5) a person for whom the customer has contractually waived confidentiality for personal information; or (6) another entity that provides water, wastewater, sewer, gas, garbage, electricity, or drainage service for compensation.

Detach and Return This Section

I want you to make my personal information, including my address, telephone number, usage and billing records, and social security number confidential. I have enclosed my payment of \$25.00 for this service.

Name of Account Holder

Account Number

Address

Area Code/Telephone Number

City, State, Zip Code

Signature

SAMPLE CUSTOMER NOTICE OF WATER USE RESTRICTIONS

Approved _____

**CANYON PARK WSC DROUGHT CONTINGENCY &
EMERGENCY WATER DEMAND MANAGEMENT PLAN**

DATE: _____

TO: Customers of Canyon Park Water Supply Corporation

FROM: _____, Manager, Canyon Park WSC

Due to extreme water usage during the past weeks, our system is unable to meet the demand of all water needs. Therefore, under our Drought Contingency and Emergency Water Demand Management Plan on file with the Texas Commission on Environmental Quality, Stage ____ - _____ allocations will begin on _____ and will be in effect no later than _____ or until the situation improves.

Stage ____ allocation restricts your water use as follows:

_____.

The Board has authorized those penalties and measures contained in the Corporation's tariff that may be levied against you and placed on your account(s) if you are found violating this allocation. Subsequent violations may result in temporary termination of service. If you feel you have good cause for a variance from this water use restrictions program please contact us in writing at the address above. A complete copy of our approved Drought Contingency and Emergency Water Demand Management Plan is available for review at our business office. A copy may be obtained for standard copying charges.

Thank you for your cooperation.

Corporation Official _____

Title: _____

Approved _____

**SAMPLE CUSTOMER NOTICE OF FIRST VIOLATION AND PENALTY
OF CANYON PARK WSC DROUGHT CONTINGENCY & EMERGENCY
WATER DEMAND MANAGEMENT PLAN**

DATE: _____

FROM: _____, Corporation Official, _____ WSC

TO: _____, you are hereby notified that on _____ it was determined that you violated the restrictions on your water use that are required under the Corporation's Drought Contingency and Emergency Water Demand Management Plan. Specifically, [DESCRIBE VIOLATION].

This is the FIRST NOTICE of violation. You are hereby notified of a violation of the Corporation's Notice of Water Use Restrictions sent to all customers on _____ (see attached [ATTACH COPY OF CUSTOMER NOTICE OF WATER USE RESTRICTIONS]). Accordingly, and as provided in the Corporation's Tariff, you are hereby directed to pay a penalty of \$ _____, to be received in the Corporation's business office no later than ____ a. m. / p. m., _____ 20____.

Failure to pay this penalty by this date and time will result in disconnection of your water service WITHOUT FURTHER NOTICE. Any further reconnection will require payment of the penalty and a charge for the service call to restore service. You will be assessed an additional, and more severe, penalty for any future violation(s) of the Corporation's Water Use Restrictions following this Notice. Continued violations may result in disconnection of your water service regardless of whether you pay the penalties assessed for these violations.

A complete copy of the Corporation's approved Drought Contingency and Emergency Water Demand Management Plan remains available for your review at our business office. A copy of the Plan may be obtained on payment of standard copying charges.

The conservation of our water resources is an important responsibility of all members and customers. We appreciate your cooperation.

Corporation Official _____

Title: _____

Approved _____

**SAMPLE CUSTOMER NOTICE OF SECOND VIOLATION AND
PENALTY OF CANYON PARK WSC DROUGHT CONTINGENCY &
EMERGENCY WATER DEMAND MANAGEMENT PLAN**

DATE: _____

FROM: _____, Corporation Official, Canyon Park WSC

TO: _____, you are hereby notified that on _[Date]_ it was determined that you violated the restrictions on your water use that are required under the Corporation's Drought Contingency and Emergency Water Demand Management Plan. Specifically, [DESCRIBE VIOLATION].

This is the SECOND violation. You were notified of a previous violation on _____ (see attached [ATTACH COPY OF CUSTOMER NOTICE OF VIOLATION]). Accordingly, and as provided in the Corporation's Tariff, you are hereby directed to pay a penalty of _____, to be received in the Corporation's business office no later than ___ a. m. / p. m., _____ 20_____.

Failure to pay this penalty by this date and time will result in disconnection of your water service WITHOUT FURTHER NOTICE. Any further reconnection will require payment of the penalty and a charge for the service call to restore service.

You are directed immediately to restrict your water use as directed in the Corporation's first Notice of Violation. **You will be assessed an additional, and more severe, penalty for any violation(s) of the Corporation's Water Use Restrictions following this Notice.** Continued violations may result in disconnection of your water service regardless of whether you pay the penalties assessed for these violations.

A complete copy of our approved Drought Contingency and Emergency Water demand Management Plan remains available for your review at our business office. A copy of the Plan may be obtained on payment of standard copying charges.

The conservation of our water resources is an important responsibility of all members and customers. We appreciate your cooperation.

Corporation Official _____

Title _____

Approved _____

**SAMPLE CUSTOMER NOTICE OF SUBSEQUENT VIOLATION AND
PENALTY OF CANYON PARK WSC DROUGHT CONTINGENCY &
EMERGENCY WATER DEMAND MANAGEMENT PLAN**

DATE: _____

FROM: _____, Corporation Official, _____ WSC

TO: _____, you are hereby notified that on _____ it was determined that you violated the allocation restricting your water use which is required under the Corporation's Drought Contingency and Emergency Water Demand Plan. Specifically, [DESCRIBE VIOLATION].

You have been notified previously of the restrictions on your water use that must be followed, and you were assessed a penalty for your second violation which occurred on [Date] (see attached [ATTACH A COPY OF CUSTOMER NOTICE OF SECOND VIOLATION AND PENALTY]).

The Corporation's previous notice advised you that you would be assessed an additional, and more severe, penalty if the violation continued. This is required under the Corporation's Tariff. Accordingly, you are hereby directed to pay a penalty of _____, to be received in the Corporation's business office no later than _____ a. m. / p. m., _____ 20_____. **Failure to pay this penalty by this date and time will result in disconnection of your water service WITHOUT FURTHER NOTICE.** Any reconnection will require payment of the penalty and a charge for the service call to restore service.

In addition, the Corporation may install a flow restricting device, which will limit the amount of water that will flow through your meter. The costs of this procedure will be for the actual work and equipment and shall be paid by the customer. Removal of this device will be considered Meter Tampering and will result in disconnection of service without further notice.

You are once again directed immediately to restrict your water use as directed in the Corporation's first notice to you. You have been directed to do so _____ previously. **Additional penalties will be assessed for additional violations. In addition to these penalties, YOUR WATER SERVICE WILL BE TERMINATED FOR A PERIOD OF THREE (3) DAYS FOR ANY ADDITIONAL VIOLATIONS regardless of whether you pay the penalties assessed for these violations.**

Your prompt attention to this matter will be appreciated by the Canyon Park Water Supply Corporation and its members.

Corporation Official _____

Title _____

Approved _____

**SAMPLE NOTICE OF DISCONNECTION FOR VIOLATION OF
CANYON PARK WSC DROUGHT CONTINGENCY & EMERGENCY
WATER DEMAND MANAGEMENT PLAN**

DATE: _____

FROM: _____, Corporation Official, Canyon Park WSC

TO: _____, you are hereby notified that on [Date] it was determined that you violated the restrictions on your water use that are required under the Corporation's Drought Contingency and Emergency Water Demand Management Plan. Specifically, [DESCRIBE VIOLATION].

There have been repeated violations. You previously have been notified of violations on _____, _____, and _____. Because these violations have continued, and as provided under Section E of the Corporation's Tariff, your water service will be disconnected on _____ 20 _____. Your service will not be restored until _____ and only after payment of all applicable charges, fees for the service call to restore your service and any monthly bills are paid in full.

Additional violations thereafter will result in additional suspensions of your water service.

We regret that your continued violation of the water use restrictions required under the Corporation's Drought Contingency and Emergency Water Demand Plan have led to this action.

Corporation Official _____

Title _____

**SAMPLE CANYON PARK WSC NOTICE OF PROHIBITION OF
MULTIPLE CONNECTIONS TO A SINGLE TAP**

DATE: _____

FROM: _____, Corporation Official, CANYON PARK WSC

TO: _____,

You are hereby notified that Canyon Park Water Supply Corporation (“Corporation”) has sufficient reason to believe a Multiple Connection exists on your property at _____ in violation of the Corporation’s tariff, Section E Prohibition of Multiple Connections. Pursuant to the tariff, no more than one (1) residential, commercial, or industrial service connection is allowed per meter.

The Corporation shall discontinue service under the Disconnection with Notice provisions of the Corporation’s tariff if the Multiple Connection is not rectified within ~~30~~ 10 days. See 16 Texas Administrative Code (TAC) Section 24.89 (a)(4), and TAC 290.38(15) and 290.44(d)(4).

Corporation Official _____

Title _____

SAMPLE CANYON PARK WSC DEFERRED PAYMENT AGREEMENT

By execution of this Agreement, the undersigned Member agrees to payment of outstanding debt for water utility service as set forth below:

Member agrees to pay \$ _____ per month, in addition to current monthly water utility service rates, fees, and charges, as set forth in the Corporation’s Tariff, until the account is paid in full. Any fees normally assessed by the corporation on any unpaid balance shall apply to the declining unpaid balance.

Failure to fulfill the terms of this Agreement shall institute the Corporation’s disconnection procedures as set forth in the Corporation’s Tariff unless other satisfactory arrangements are made by the Member and approved by the Corporation’s authorized representative.

Member

_____ Date

WSC Corporation Official

Title

**SAMPLE CANYON PARK WATER SUPPLY CORPORATION
INSTALLMENT AGREEMENT**

AN AGREEMENT made this ____ day of _____, 20____, between Canyon Park Water Supply Corporation, a corporation organized under the laws of the State of Texas (hereinafter called the Corporation) and _____, (hereinafter called the Applicant and/or Member).

By execution of this Agreement, the undersigned Member agrees to payment of outstanding debt for water utility service, fees, and charges, as set forth in the Corporation's Tariff, until the _____ (Fee) is paid in full. Any fees normally assessed by the Corporation on any unpaid balance shall apply to the declining unpaid balance.

Failure to fulfill the terms of this Agreement shall institute the Corporation's disconnection procedures as set forth in the Corporation's Tariff.

APPROVED AND ACCEPTED this ____ day of _____, 20____ at the regular monthly meeting of the Board of Directors of the Canyon Park Water Supply Corporation.

President, _____ CANYON PARK WSC

Sec/Treasurer, _____ CANYON PARK WSC

THE STATE OF TEXAS COUNTY OF POLK IN WITNESS WHEREOF the said Member/Applicant has executed this instrument this ____ day of _____, 20____.

BEFORE ME, the undersigned, a Notary Public in and for said County and State of Texas, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS ____ day of _____, 20____.

Member/Applicant Signature

Notary Signature

Notary Public in and for Polk County, Texas.
Commission Expires ____/____/____

**SAMPLE CANYON PARK WATER SUPPLY CORPORATION
MEMBERSHIP MORTGAGE AGREEMENT**

This agreement hereby verifies that the Canyon Park WSC provides or is able to provide utility service under the terms and conditions of its Tariff to the property so designated in this agreement.

The Canyon Park WSC does meet the service requirements of the Public Utility Commission and Texas Commission on Environmental Quality and currently holds all authorization or certification required.

The Membership available/assigned to this property is transferable to all legally qualifying interests upon compliance with the terms and conditions of the Canyon Park WSC's Tariff, including but not limited to completion of all required forms and applications, payment of all fees, and payment of final account balances.

The Canyon Park WSC shall notify any Loan/Membership guarantor and/or mortgagee by certified mail at least thirty (60) days prior to Membership/Service termination and guarantor/mortgagee hereby guarantees payment of any account balances required to prevent termination of Membership by the Canyon Park WSC.

A guarantor and/or mortgagee shall qualify as a bona fide lienholder to the Membership by providing a Deed of Trust*, to be hereto affixed, for the real property in question and designated below which clearly defines the guarantor and/or mortgagee as the lien-holder of the Membership and the real property for which Membership was issued. Canyon Park WSC shall notify the entity so designated in the Deed of Trust*.

Legal Description of Property:

Mortgagee (Lien-Holder)

Guarantor (If Applicable)

WSC Representative

Date

Note: * Please attach Deed of Trust or other proof of ownership for permanent record.

**SAMPLE CANYON PARK WATER SUPPLY CORPORATION
METER TEST AUTHORIZATION AND TEST REPORT**

NAME: _____

ADDRESS: _____

DATE OF REQUEST: _____ PHONE NUMBER (DAY): _____

ACCOUNT NUMBER: _____ METER SERIAL NUMBER: _____

REASONS FOR REQUEST: _____

Members requesting a meter test may be present during the test, but if not, Member shall accept test results shown by the Corporation. The test shall be conducted in accordance with the American Water Works Association standards and methods on a certified test bench or on-site with an acceptable certified test meter. Member agrees to pay \$____.00 for the test if the results indicate an AWWA acceptable performance, plus any outstanding water utility service. In the event that the Member is required to pay for the test and for outstanding water utility service as set forth herein, said charges shall be applied to the next billing sent to the Member after the date of the test.

Signed by Member

METER TEST RESULTS

Low Flow (1/4 GPM) _____% AWWA Standard 97.0 - 103.0 %
Intermediate (2 GPM) _____% AWWA Standard 98.5 - 101.5 %
High Flow (10 GPM) _____% AWWA standard 98.5 - 101.5 %

Register test _____ minutes at _____ gallons per minute recorded per _____ gallons.

Meter tests accurately; no adjustments due.

Meter tests high; adjustment due on water charges by _____ %

Meter tests low; no adjustment due.

Test conducted by _____

Approved

**SAMPLE CANYON PARK WATER SUPPLY CORPORATION
NOTICE TO OWNER OF PAST DUE ACCOUNT**

You are hereby given notice Billing Agreement on your account # _____ that your renter/lessee is past due on this account with the Corporation. The renter/lessee has been sent a second and final notice, a copy of which is enclosed, and utility service is scheduled for disconnection unless the bill is paid by the final due date. If disconnection occurs, the Corporation's policies under the terms and conditions of its Tariff shall govern reconnection of service. A fee of \$25.00 has been posted to the account for mailing of this notice. Any unpaid bills, service fees, or reconnect fees (service trip fees) are chargeable to the member. If you have any questions concerning the status of this account, please do not hesitate to call our office at _____.

Corporation Official _____

Title _____

Alternate Billing Account Name _____

Address _____

Account # _____

Amount Due Including Service Charges _____

Final Due Date _____

**SAMPLE CANYON PARK WSC
NOTICE OF RETURNED CHECK**

DATE: _____

Dear _____ :

Your check number _____ in the amount of \$ _____, dated _____ 20 __, has been returned to us by your bank. Please replace the check within ten days from the date of this notice with cash, money order or certified check. Include the charges listed below to avoid disconnection of water service at;

Address of Service

Account #

1. Original amount billed - \$ _____
2. Late fees - \$ _____
3. Return check fee \$ _____
4. Total Due - \$ _____

If you have any questions, please contact Canyon Park WSC Management at 936-646-3529.

Corporation Official

Title

**SAMPLE CANYON PARK WATER SUPPLY CORPORATION
REQUEST FOR SERVICE DISCONTINUANCE & MEMBERSHIP
CANCELLATION**

I/Business Name _____, hereby request that my water service account number _____ located at _____, be disconnected from Canyon Park Water Supply Corporation service and that my membership fee is be refunded. I understand that if I should ever want my service reinstated I may have to reapply for service as a new member and I may have to pay all costs as indicated in the reservice provisions in the current copy of the Water Supply Corporation Tariff.

Charges for water service will terminate when this signed statement is received by the Canyon Park WSC office. I understand and agree that a fee will be incurred for the processing of this transaction in addition to final water service trip charges.

(Residential account)

If applicable, I further represent to the Corporation that my spouse joins me in this request and I am authorized to execute this Request for Service Discontinuance on behalf of my spouse as a joint owner of the aforementioned property.

(Commercial account)

I further represent to the Corporation that I am the duly authorized representative of _____ and have full authority to execute this Request for Service Discontinuance on behalf of said business.

Signature

Date of Signature

Approved _____

SAMPLE EASEMENT DENIAL LETTER AND AFFIDAVIT

Date :

(Name of Property Owner :
Property Owner's Address)

VIA: First Class Mail and Certified Mail, Return Receipt Requested No. _____

Dear _____:

Canyon Park Water Supply Corporation (Corporation) has requested an easement for a water distribution system across your property. To date, you have not provided such easement. It is now necessary that the requested easement be granted or refused by you, and the Corporation is asking that you do so within thirty (30) days after receipt of this letter. A copy of the requested easement is enclosed with this letter.

If the Corporation does not receive a completed easement within the 30 days specified, the Corporation will consider this failure to be a denial of easement on your part and the Corporation will complete and sign a copy of this letter to be retained in the Corporation's records for future water/sewer service to your property.

If, at some future time you (or another owner of your property or any portion of your property) requests water/sewer service, the Corporation will require an easement before water/sewer service will be provided, as authorized by Section 49.218(d) - (f) of the Texas Water Code. At that time, and in addition to other costs required for water/sewer service, the Corporation will require payment of all reasonable costs for relocation or construction of the water/sewer distribution system along the easement that will be provided. (The Corporation's Engineer estimates this cost to be [FILL IN ESTIMATED COST], as reflected in the attached document. This cost could be greater in the future.) You may wish to consult your attorney as to whether this future cost is a material condition that you must disclose to anyone buying your property (or any part of your property) in the future.

If you need any clarification on this matter or wish to discuss any aspects of the enclosed easement, please contact our office: P.O. Box 1928, 936-646-3529.

We appreciate your attention to this matter.

Sincerely,

[appropriate signature]

SAMPLE ACKNOWLEDGEMENT OF REFUSAL

I, _____, hereby refuse to provide the easement requested by Canyon Park Water Supply Corporation for authority to construct/operate a water distribution system across my property.

AFFIDAVIT

Being duly sworn upon my oath, I hereby certify that this is a true copy of the Easement Denial Letter and attached easement sent by certified mail to _____ on _____, and a signed receipt verifying delivery and acceptance is attached to this Affidavit [ALTERNATIVE: and the return noting refusal to accept or verify delivery is attached to this Affidavit]. This Affidavit will be maintained as a part of the records of Canyon Park Water Supply Corporation. I further certify that a signed easement or signed Acknowledgement of Refusal was not received within thirty days following receipt by _____. I further attest that the Corporation's engineer has provided _____ a current estimate of the cost (copy attached) for replacing/constructing the water/sewer distribution system within the requested easement with notice that the cost may increase in the future.

[name]

[position with Corporation]

Date: _____

THE STATE OF TEXAS
COUNTY OF POLK

THIS INSTRUMENT was acknowledged before me on _____, 20__, by _____.

(SEAL)

Notary Public, _____ County, Texas
My Commission Expires: _____.

SAMPLE CANYON PARK WSC NOTICE OF DISCONNECTON

TO:

ACCOUNT NUMBER:

DATE:

DATE OF SCHEDULED DISCONNECTION:

You are hereby notified that your account is delinquent, and your service is in jeopardy if being disconnected. If our office does not receive payment within ten days of the date of this notice, your service will be disconnected. Once service has been disconnected, all fees including past due fees, late fees, trip fees, etc. must be paid to reestablish service. Please arrange payment on your account as soon as possible to avoid disconnection. The System payment locations are 435 Huckleberry Rd, Monday – Friday hours of 10am to 2pm. Payments are also accepted over the phone by calling 936-646-3529 during the normal business hours of 10am through 2pm. Payments may also be made online at CanyonParkWaterSupply.com.

Corporation Official

Title

**SAMPLE CANYON PARK WSC
MEMBERSHIP TERMINATION AND LIQUIDATION NOTICE**

TO:

ACCOUNT NUMBER:

DATE:

DATE OF SCHEDULED TERMINATION:

You are hereby advised that the delinquent status of your account is jeopardizing your Membership with the Corporation. If our office does not receive payment within ten days of the date of this notice, your Membership will be terminated and liquidated if applicable. To regain service after liquidation, you must reapply and pay all costs applicable to purchasing a new Membership under the current terms of the Corporation's Tariff. If you have no intentions of retaining our service, make sure the service line is capped. We will not cap your line for you, but will remove the meter regardless of the circumstances.

Corporation Official

Title

SAMPLE APPLICANT'S NOTICE OF INSUFFICIENT INFORMATION

CANYON PARK WATER SUPPLY CORPORATION

Address: P.O. Box 1928, Onalaska, TX 77360

Phone Number: 936-646-3529

Contact Person: _____

APPLICANT'S NOTICE OF INSUFFICIENT INFORMATION

TO:

ACCOUNT NUMBER:

DATE:

DATE OF SCHEDULED DISCONNECTION: _____

You are hereby advised that the INCOMPLETE status of your FORMS as indicated below is jeopardizing your Membership with the Corporation. If our office does not receive COMPLETED DOCUMENTS OR PROPER INFORMATION within ten days of the date of this notice, your utility service will be terminated. To regain service after termination, you must re-apply for Membership and pay all costs applicable to a new Member under the terms of the Corporation's Tariff. Your meter will also be removed on the Disconnection Date indicated above. If you have no intentions of retaining our service, make sure the service line is capped. We will not cap your line for you, but will remove the meter regardless of the circumstances on the Disconnection Date indicated above.

Circle all the forms needing additional information from the Applicant/Member.

- A. SERVICE APPLICATION AND AGREEMENT
- B. RIGHT-OF-WAY EASEMENT
- C. SANITARY CONTROL EASEMENT
- D. ALTERNATE BILLING AGREEMENT
- E. NON-STANDARD SERVICE AGREEMENT OR CONTRACT
- F. FINAL PLAT
- G. BANKRUPTCY INFORMATION FOR YOUR ACCOUNT(S)
- H. OTHER INFORMATION

Corporation Official

Title

**Texas Commission on Environmental Quality
Customer Service Inspection Certificate**

Name of PWS:	
PWS ID #:	
Location of Service:	

Reason for Inspection:	
New construction	
Existing service where contaminant hazards are suspected	
Material improvement, correction or expansion of distribution facilities	

I _____, upon inspection of the private water distribution facilities connected to the aforementioned public water supply do hereby certify that, to the best of my knowledge

Compliance	Non-Compliance		
		(1)	No direct or indirect connection between the public drinking water supply and a potential source of contamination exists. Potential sources of contamination are isolated from the public water system by an air gap or an appropriate backflow prevention assembly in accordance with Commission regulations.
		(2)	No cross-connection between the public drinking water supply and a private water system exists. Where an actual air gap is not maintained between the public water supply and a private water supply, an approved reduced pressure principle backflow prevention assembly is properly installed.
		(3)	No connection exists which would allow the return of water used for condensing, cooling or industrial processes back to the public water supply.
		(4)	No pipe or pipe fitting which contains more than 8.0% lead exists in private water distribution facilities installed on or after July 1, 1988 and prior to January 4, 2014.
		(5)	Plumbing installed on or after January 4, 2014 bears the expected labeling indicating $\leq 0.25\%$ lead content. If not properly labeled, please provide written comment.
		(6)	No solder or flux which contains more than 0.2% lead exists in private water distribution facilities installed on or after July 1, 1988.

I further certify that the following materials were used in the installation of the private water distribution facilities:

Service lines:	Lead	Copper	PVC	Other
Solder:	Lead	Lead Free	Solvent Weld	Other

Remarks:	

I recognize that this document shall be retained by the aforementioned Public Water System for a minimum of ten years and that I am legally responsible for the validity of the information I have provided.

Signature of Inspector:		License Type:	
Inspector Name(Print/Type):		License Number:	
Title of Inspector:		Date / Time of Insp.:	/

A Customer Service Inspection Certificate should be on file for each connection in a public water system to document compliance with 30 TAC § 290.44(h)/290.46(j).

SECTION J. MISCELLANEOUS

TARIFF FILING INSTRUCTIONS AND SAMPLE LETTER

INSTRUCTIONS

Under PUC rule 22.71(c)(5)(D) THE WSC will need to file two paper copies of your tariff. One copy (not the original) should be unbound and numbered from start to finish per PUC Rule 16 TAC §22.72(g)(2).

All filings regardless of their size and number of copies must be sent to the following address for processing per PUC Rule 16 TAC §22.71(b):

Mailing Address:

Public Utility Commission of Texas
Central Records
1701 N Congress PO Box 13326
Austin, Texas 78711-3326

Shipping / Overnight Delivery Address:

Public Utility Commission of Texas
Central Records
1701 N Congress, Suite 8-100
Austin, Texas 78701

Any filing consisting of 10 pages or larger must be filed electronically per PUC Rule 16 TAC §22.72(h). The following link will take you to the webpages for electronic filing interface and instructions:

<http://www.puc.texas.gov/industry/filings/Default.aspx>

Sample Tariff Change Letter

November 30, 2022

Public Utility Commission of Texas
Central Records
1701 N Congress PO Box 13326
Austin, Texas 78711-3326

Re: Tariff for Canyon Park WSC, CCN No. 12496, in Polk County

Dear Tariff Clerk:

Pursuant to Texas Water Code Section 13.136(c) and 16 TAC Section 24.21(j), enclosed is one copy of the *(new tariff/revisions to our existing tariff)* for Canyon Park Water Supply Corporation provided for informational purposes.

Changes are:

- Adoption of the TRWA Water Tariff with revisions that do not apply to the WSC such as sewer services.
- Replacement of any Canyon Park Water Supply Corporation tariff currently on file.

Sincerely,

Jim Marxen
President, Canyon Park WSC Board of Directors
Canyon Park Water Supply Corporation

CALCULATION OF THE AVERAGE NET EQUITY BUY IN FEE OF A SAMPLE UTILITY

Meaningful determination of the Average Net Equity Buy-In Fee is achieved only when the following conditions are met in calculation of the fee:

1. An accurate accounting of the fixed and cash assets of the utility should be maintained, preferably by a Certified Public Accountant; and
2. All funds obtained as an Equity Buy-In Fee or other similar funds which are to be used for future capital expenditures should be maintained in a separate fund and earmarked for this purpose. This amount should not include the debt reserves;
3. A realistic depreciation schedule should be maintained for each asset item based on its anticipated useful life rather than on the life of the debt incurred to pay for the asset; and
4. An actual count should be retained of existing and terminated accounts for which capital contributions have been received, but not to include Membership transfers. This count shall be the number of Contributing Members on which the average is taken in calculation of the Net Equity Buy-In Fee.

EXAMPLE:

Fixed Assets of the Corporation	
\$3,000,000.00	
Minus (-) Accumulated Depreciation	
\$750,000.00	
Minus (-) Outstanding Corporation Debt Principle	
\$800,000.00	
Equals (=) Corporation Equity	
\$1,450,000.00	
Minus (-) Developer's Capital Contribution	
\$57,000.00	
Minus (-) Grants Received	
\$500,000.00	
Total Number of Members / Customers Equals (=) Net Equity Buy In fee	
\$893,000.00	
Average Net Equity per 2,000 Contributing Members	
\$446.50	

Sample - Release of Easements

TRWA RECOMMENDED 5/8" X 3/4" METER EQUIVALENTS BASED ON AWWA SPECIFICATIONS AND DESIGN CRITERIA

METER SIZE	RECOMMENDED CONTINUOUS RATE OF FLOW	RESIDENTIAL METER EQUIVALENTS
5/8" X 3/4"	10.0 GPM	1.00
3/4"	15.0 GPM	1.50

NOTE: ALTHOUGH AWWA DOES NOT RECOMMEND A CONTINUOUS FLOW OF GREATER THAN 50 PERCENT FOR DISPLACEMENT AND MULTIJET METERS, METER EQUIVALENTS ARE CALCULATED ON A PROPORTIONAL BASIS AND REMAIN THE SAME REGARDLESS OF ALLOWABLE RATES.