

Tariff

OF

**BOLIVAR WATER
SUPPLY
CORPORATION**

**BOLIVAR WATER SUPPLY CORPORATION
4151 FM 455 West
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Sanger, TX 76266
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Tariff

OF

**BOLIVAR WATER
SUPPLY CORPORATION**

SECTION A. **RESOLUTION AND AUTHORITY**

a.

SECTION A.

RESOLUTIONS

THE BOARD OF DIRECTORS OF BOLIVAR WATER SUPPLY CORPORATION ESTABLISHES THAT:

1. This Tariff of the Bolivar Water Supply Corporation, serving in Denton, Cooke, and Wise Counties, Texas consisting of Sections A. through H. and forms inclusive, is adopted and enacted as the current regulations and policies.
2. Only those preexisting written contracts or agreements executed by the present or previous Board of Directors shall remain in effect, unless the contract or agreement requires compliance with changes of the tariff from time to time.
3. The adoption of this tariff does not prohibit or limit the Corporation from enforcing previous penalties or assessments from before the current effective date.
4. An official copy of this and all policies or records shall be available during regular office hours of the Corporation. The Secretary of the Corporation shall maintain the original copy as approved and all previous copies for exhibit.
5. 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.

6. This tariff has been adopted in compliance in Open Meeting in compliance with the Open Meeting Act, Chapter 551 of the Texas Government Code.

PASSED and APPROVED by unanimous vote of the Board of Directors on February 12, 2009.

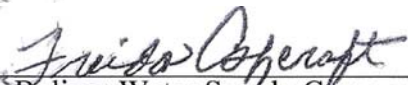


President, Bolivar Water Supply Corporation

SEAL



ATTEST:



Secretary, Bolivar Water Supply Corporation

Tariff

OF

**BOLIVAR WATER
SUPPLY CORPORATION**

SECTION B. STATEMENTS

SECTION B.

STATEMENTS

1. **Organization.** The Bolivar Water Supply Corporation is a member-owned, non-profit corporation incorporated pursuant to the Water Supply/Sewer Service Corporation Act, Texas Water Code, Chapter 67 (formerly VATCS, Article 1434a) and as supplemented by the Texas Non-Profit Corporation Act, VATCS, Article 1396-1.01, *et seq.* (as amended) for the purpose of furnishing potable water and 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, in conjunction with the Corporation's articles of incorporation and bylaws, apply to the water provided by the Bolivar Water Supply Corporation, also referred to as Corporation, WSC, or BWSC. Failure on the part of the Member, Consumer, 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 (see Article 1396-2.09) that establish the make-up 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. No Fire Protection Responsibility or Liability.** "Fire hydrants" installed within the Corporation's water distribution system are provided at the convenience of the Corporation and do not imply any responsibility on the part of the Corporation to meet fire flow requirements of local, county, state, or federal governmental agencies. Such fire hydrants are support facilities only meant to be used as flush and control valves in the public drinking water system. State public health and safety regulations require public drinking water systems to be flushed on a routine basis and metallic flush valves (commonly referred to a "fire hydrant") are a preferred manner of complying with these regulations. The Corporation makes no representation that it is offering fire protection or fire flows under any fire code or fire fighting standard. The Corporation has no obligation at law to provide water for fire related activities because this is not a public water Corporation or potable domestic water service as defined by the Texas Water Code and/or the Texas Health and Safety Code. The Corporation, at its sole option, may permit local area fire departments to use water from its public drinking water system on an "AS IS, AS AVAILABLE" basis and will in no manner be liable for damages caused by its inability to supply sufficient water for the prevention or suppression of fire. Any fire department or other person using the Corporation's water system to take water for fire fighting purposes shall be liable to the Corporation for damage caused to the Corporation's plant and equipment during such use, especially for, but not limited to, damage to pumps caused by improperly opening and closing hydrants/valves under pressure or damage for driving heavy vehicles over water lines. The Corporation reserves the right to remove any fire hydrant (metallic flush valve), due to improper use or detriment to the system as determined by the Corporation, at any time without notice, refund, or compensation to the contributors. Any water taken from the Corporation's water system for any purpose, including fire fighting, without prior knowledge and consent of the Board of Directors and/or the General Manager shall be deemed to be theft and shall be prosecuted. Fire Departments may obtain advanced consent for emergency usage on an "AS IS, AS AVAILABLE" basis.

The Corporation is not required by law and does not provide fire prevention or fire fighting services. The Corporation therefore does not accept liability for fire-related injuries or damages to persons or property caused or aggravated by the availability (or lack thereof) of water or water pressure (or lack thereof) during

fire emergencies. The Corporation may (but is not required to) contract with individual customers/applicants to provide water service capacities to their properties in excess of the TCEQ's domestic water system regulations so that such water volumes and pressures may be used by the customer/applicant or local fire department (at their sole election and responsibility) for fire fighting purposes. Such additional water service capacities shall be provided only in response to and according to design criteria and/or plans prepared by the customer/applicant's registered professional engineer. Notwithstanding any understanding or intent of such customer/applicant for the use of such excess water service capacity, The Corporation does not profess, state, warrant, guarantee, or imply that such additional water service capacity is, or shall ever be, adequate or sufficient for fire fighting. The Corporation neither possesses nor claims to possess knowledge or expertise in fire fighting or the requirements of fire fighting. No statement or action of the Corporation shall ever be implied or meant to suggest that any facilities of the Corporation comply with any state or local fire code.

6. **Damage Liability.** The Bolivar WSC is not liable for damages caused by service interruptions, events beyond its control, and for normal system failures. The utility makes no representations or warranties (expressed or implied) that customer's appliances will not be damaged by disruptions of or fluctuations in water service whatever the cause. The limit of liability of the WSC is the extent of the cost of service provided. By acceptance of Membership, Member consents to waiver of such liability. The utility is not required by law and does not provide fire prevention or fire fighting services. The utility therefore does not accept liability for fire-related injuries or damages to persons or property caused or aggravated by the availability (or lack thereof) of water or water pressure (or lack thereof) during fire emergencies.
7. **Information Disclosure.** The records of the Corporation shall be kept in the Corporation office at 4151 FM 455 West, Sanger Texas 76266. All information collected, assembled, or maintained by or for the Corporation shall be disclosed to the public in accordance with the Texas Open Records Act. An individual customer may request in writing that their name, address, telephone number, or social security number 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 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 the Board of Directors has made final decision.
10. **Plumbing Standards.** The Corporation adopts applicable sections of the Uniform Plumbing Code as guidance in the design, installation, and maintenance of plumbing systems and service

facilities connecting or connected to the utility's water facilities, to the extent appropriate under the applicable statutes and regulations governing public water and sewer utility systems. Any Member may be required to retrofit plumbing systems and service facilities as determined to be necessary by the Corporation for the purposes of compliance with the Uniform Plumbing Code. (30 TAC 290.46(i)) The piping and other equipment on the premises furnished by the customer will be maintained by the customer at all times in conformity with the requirements of the TCEQ, the Uniform Plumbing Code, any applicable municipal plumbing codes and with the service rules and regulations of the Utility. The customer will bring out his service line to his property line at the point on the customer's property mutually acceptable to the customer and the Utility subject to such requirements as may exist by TCEQ rule. No water service smaller than 5/8" will be connected. No pipe or pipe fitting which contains more than 8.0% lead can be used for the installation or repair of plumbing at any connection that provides water for human use. No solder or flux that contains more than 0.2% lead can be used at any connection that provides water for human use.

11. ***Submetering Responsibility.*** Sub-metering and Non-Sub-metering by Master Metered Accounts may be allowed in the Corporation's water distribution or sewer collection system provided the Master Metered Account customer complies with the Texas Commission on Environmental Quality's Chapter 291 Subchapter H rules pertaining to Submetering. The Corporation has no jurisdiction or responsibility to the tenants; tenants receiving water under a Master Metered Account are not considered customers of the Corporation. Any interruption or impairment of water service to the tenants is the responsibility of the Master Metered Account Customer. Any complaints regarding submetering should be directed to the Texas Commission on Environmental Quality.
12. ***Threats to Utility Personnel or Property.*** Threats to utility personnel or other actions which prevent the lawful conduct of utility business on utility property, easements or rights of entry shall result in immediate discontinuance of utility service until the condition is corrected or the threat is permanently removed. Threats to or assaults upon utility personnel shall result in criminal prosecution.
13. ***Wholesale Water Service.*** The Corporation shall provide wholesale water service to another state-approved retail public water utility **only** when, and under such terms and conditions, as are approved by the Board of Directors on a case-by-case basis. Nothing in this tariff shall be deemed to indicate, warrant or express any ability or willingness of the Corporation to provide wholesale service to anyone at any time. Such service shall be provided only in compliance with a lawful and final regulatory or court order or when providing such service will not diminish the Corporation's ability to provide continuous and adequate service to affected portions of its certificated service area within the sole discretion of the Corporation's Board of Directors.
14. ***Standards for Construction.*** Unless otherwise approved by the Board of Directors, all plant, facilities, equipment, lines, controls and other appurtenances to the water system shall be constructed according to the uniform standards of construction prepared by the Corporation's consulting engineer. In addition, the Corporation adopts all applicable sections of the Denton County Subdivision Regulations and the TCEQ's Rules and Regulations for Public Drinking Water Systems (30 Texas Administrative Code 290.38 *et seq.*) as its minimum standards for mobile home parks, trailer parks and recreational vehicle parks throughout its entire certificated service area. Applicants for service to these facilities must present clear and convincing evidence that these additional standards have been complied with and, for those lying within Denton County, that Denton County has approved the facility prior to making application for water service.
15. ***Antennas on Corporation Property.*** The Corporation's lawful purposes are specifically set forth in the article of incorporation and by-laws. Primary among these purposes is the provision of state-approved potable drinking water to the public. The authorized purposes do not include leasing, renting or giving access to or use of Corporation property (real or personal) to third parties for the purpose of installing, maintaining or operating of any type antenna for that party's economic benefit. While the Corporation wishes the economic success of all business enterprises within its service area, the Corporation is not in the lawful business of assisting private third parties earn economic benefit through their use of Corporation property.

It is the official policy of the Corporation that no third party shall erect, operate or maintain any type of antenna or other communication device on Corporation property.

This policy is based upon the Corporation's concerns with and intent to avoid the following:

- a. Third party entrance or access to Corporation well, pump or storage sites without the accompaniment of a licensed water system operator hired by the Corporation, which might create a potential or actual threat to the public water supply.
- b. Damage to Corporation property from the installation and maintenance of third party equipment.
- c. Safety hazard to any person working on or about Corporation property caused by the presence or operation of third party equipment.
- d. Interference with the Corporation's SCADA and other electronic equipment.
- e. Increased potential for lightning strikes to Corporation property.
- f. Lack of direct benefit to Corporation members from third party use of Corporation property.

Exceptions to this policy may be granted by the Corporation's Board of Directors only on a case-by-case basis for the installation of communication antennas by or for the direct use of local area emergency service providers or law enforcement agencies. This non-profit use is deemed to be of a general benefit to all Corporations members in the service area.

Tariff

OF

**BOLIVAR WATER
SUPPLY CORPORATION**

SECTION C. DEFINITIONS

SECTION C.

DEFINITIONS

Active Service -- Status of any Member receiving authorized service under the provisions of this Tariff.

Applicant -- Person, partnership, cooperative corporation, corporation, agency, public or private organization of any type or combination thereof applying for service with the Bolivar Water Supply Corporation.

Board of Directors -- The governing body elected by the Members of the Bolivar Water Supply Corporation. (Art. 1396-1.02 (7))

Bylaws -- The rules pertaining to the governing of the Bolivar Water Supply Corporation adopted by the Corporation Members. (Art. 1396-1.02 (5))

Capital Recovery Fee -- A fee assessed of new Applicants for service for the purpose of acquiring capital to defray the costs of expanding the system facilities in order to meet the customer growth needs of the Corporation or to reimburse the Corporation for existing capacity being reserved and used by a new service applicant. This fee is charged for each meter equivalent or service unit for whom service has been requested. The terms "equity buy-in fee" and "impact fee" whenever used in this tariff shall mean the capital recovery fee. (Section G. 5., also see Miscellaneous)

Certificate of Convenience and Necessity (CCN) -- The authorization granted under Chapter 13 Subchapter G of the Texas Water Code for Bolivar Water Supply Corporation to provide water utility service within a defined territory. Bolivar Water Supply Corporation has been issued Certificate Number 11257. Territory defined in the CCN shall be the Certificated Service Area. (See Section D. Certificated Service Area Map)

Corporation -- The Bolivar Water Supply Corporation. (Section B. 3 of this Tariff)

Disconnection of Service -- The discontinuance of water or sewer 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, and/or installation of additional pipelines. Easements may also be granted to provide ingress and egress to property owned or controlled by the Corporation, i.e., driveway easements to water well sites. Easements may be granted to provide access to private property for the purpose of inspecting, testing, repairing and maintaining utility plant and/or private plumbing on the premises. All easements must be recorded in the real property records of the county in which the property in question is located.

Final Plat -- A complete plan for the subdivision of a tract of land. The Bolivar Water Supply Corporation shall determine if a plat submitted for the purpose of this Tariff shall qualify as a final plat. (30 TAC 291.85) A plat which has been approved and signed by all applicable municipal, county, state and federal agencies or political bodies shall be presumed to be a final plat absent any findings by to the contrary by the Bolivar WSC Board of Directors.

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. Any condition that is in or creates a violation of any public drinking water system rule of the Texas Commission on Environmental Quality or the United States Environmental Protection Agency shall automatically be deemed to be a hazardous condition unless otherwise certified by the applicable regulatory agency.

Liquidated Membership -- A Membership that has been canceled due to delinquent charges exceeding the Membership Fee or for other reasons as specified in this Tariff.

Member -- Any person, partnership, cooperative corporation, corporation, agency, or public or private organization that has qualified for service and received a Membership in accordance with the Corporation's Tariff. A "member" shall also be defined and/or restricted by the definition of this term in Texas Water Code 13.002(11) and 30 TAC 291.3.

Membership Certificate -- A non-interest bearing stock certificate purchased from the Corporation evidencing a Member's interest in the Corporation. (See Tariff Section E. 6 b and ART. 1396-2.08 D)

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 be refundable upon termination of service and surrendering the Membership Certificate. (30 TAC 291.3 Definitions, Texas Water Code 13.043(g), Article 1434a, Tex. Rev. Civ. Stat. Sec. 9. A(c))

Proof of Ownership — Texas Water Code 67.016(d) gives authority to the Corporation to require ownership of real estate designated to receive service as a condition of membership and service. For the purpose of this tariff, applicants for service and membership shall provide proof of ownership by deed of trust, warranty deed, or other recordable documentation of fee simple title to real estate to be served. Renters may receive service only through memberships held and guaranteed by the fee simple owner of the property to be served.

Rural Utilities Service (RUS) -- An Agency of the United States Department of Agriculture Rural Development Mission Area, previously called Farmers Home Administration Mission Area (FmHA), 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, includes successor agencies.

Renter -- A consumer who rents or leases property from a Member or who may otherwise be termed a tenant. (Section E. 7.)

Re-Service -- Providing service to an Applicant at a location for which service previously existed. Costs of such re-servicing shall be based on justifiable expenses. (See Section E. 3. b., E. 4. b., Miscellaneous)

Reserved Service Charge -- A monthly charge assessed for each property where service is being reserved. (See Section F. 6. d., e)

Service Availability Charge -- (Also known as "minimum monthly charge", "minimum", or the "base rate") The monthly charge assessed each Member/Customer for the opportunity of receiving service. The Service Availability Charge is a fixed rate based upon the meter, service size, or equivalent dwelling unit(s). (See definition of Reserved Service Charge)

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.

Service Unit -- The base unit of service used in facilities design and ratemaking. For the purpose of this Tariff, a service unit is a 5/8" X 3/4" water meter. (See Section G. 6. a., Miscellaneous)

Tariff -- The operating policies, service rules, service extension policy, service rates, rationing policies, sample application packet, and miscellaneous transaction forms adopted by the Board of Directors. A

copy of this, Board approved, tariff is on file at the Corporation office and as required since September 1, 1989 at the State office of the TCEQ.

Texas Commission on Environmental Quality (TCEQ) -- (formerly the Texas Natural Resource Conservation Commission or TNRCC) State regulatory agency having jurisdiction of water and sewer service utilities and appellate jurisdiction over the rates and fees charged by Non-Profit Water and Sewer Service Corporations. (30 TAC - Texas Administrative Code)

Transferee -- An Applicant receiving a Bolivar WSC Membership by legal means from a person or entity desiring to forfeit and transfer current rights of Membership to another person or entity. (See Section E. 6 c., Miscellaneous Transaction Forms)

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 67.016)

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**BOLIVAR WATER
SUPPLY CORPORATION**

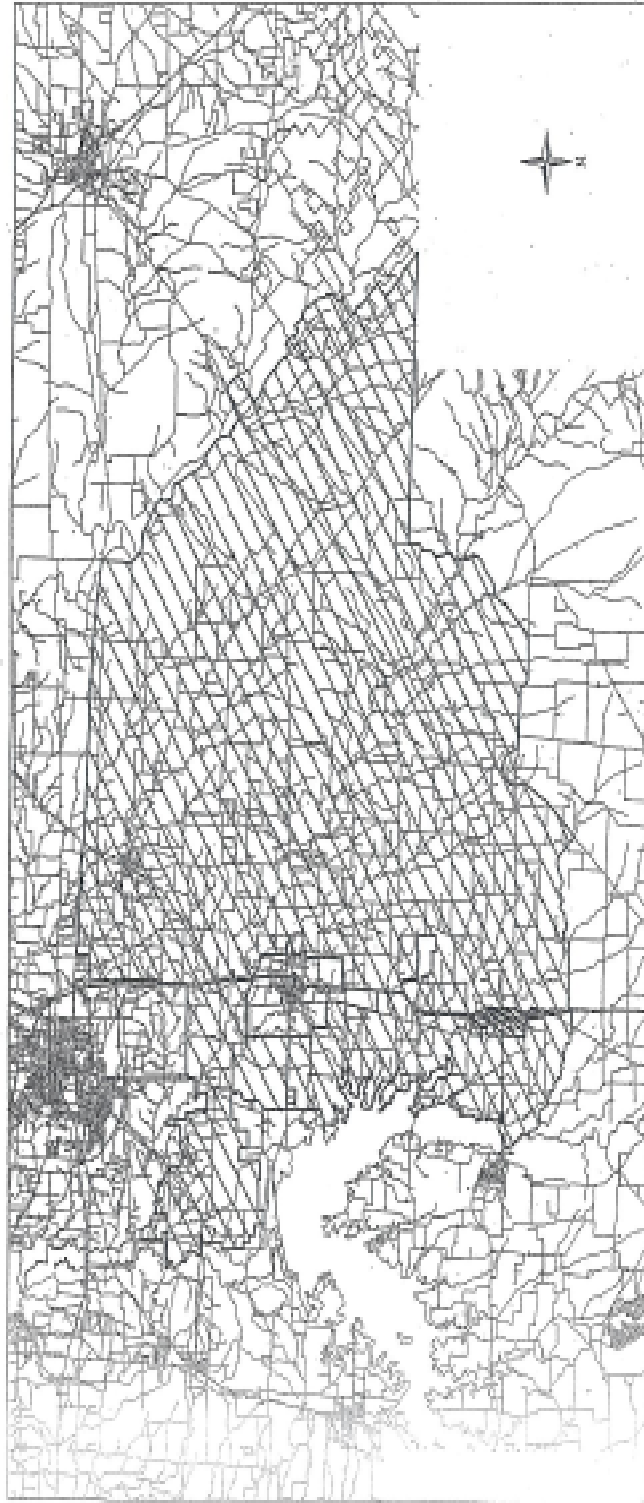
SECTION D. **GEOGRAPHIC AREA SERVED**

SECTION D.
GEOGRAPHIC AREA SERVED

MAP OF CCN AREA

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Tariff

OF

**BOLIVAR WATER
SUPPLY CORPORATION**

SECTION E. SERVICE RULES AND REGULATIONS

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SERVICE RULES AND REGULATIONS

1. **Service Entitlement.** An Applicant shall be considered qualified and entitled to water utility service when proper application has been made, all terms and conditions of Service and Membership have been met and continue to be met, an executed customer service inspection certificate has been received by the Corporation's business office and all fees have been paid as prescribed. (30 TAC 291.85 (a))

2. **Application Procedures and Requirements.** For the purposes of this Tariff, service requested by an Applicant shall be for real estate designated to receive the service provided by the Corporation and shall be divided into the following two classes:
 - a. **Standard Service** is defined, as service on an existing pipeline where pipeline or service facility extensions are not required and special design and/or engineering considerations are not necessary. Typically, this would include 5/8" X 3/4" or 3/4" sized water meter services set on existing pipelines. A Service Applicant requesting a one-inch or smaller meter for a single residential lot with a lawn sprinkler system shall be considered Standard Service. Standard service shall not exist if the existing water utility service facilities at the Customer's property do not have the capacity under applicable TCEQ rules and/or prudent engineering to provide continuous and adequate service in furtherance of the Corporation's CCN service obligations.

 - b. **Non-Standard Service** is defined as any service request which requires a larger meter service, service to multiple meters on contiguous tracts under common ownership or control, service to a Master Metered Account (see E. 2. c. (4) of this section), or an addition to the supply, storage and/or distribution system. Non-standard service shall expressly include service to single lots or customers where there are already Corporation water utility facilities at the Customer's property line but those facilities are inadequate under TCEQ rules or prudent engineering to insure continuous and adequate service to that Customer or others tied to the same facilities. Non-Standard Service shall also include the following: (1) Developers who divide a tract into two or more separate lots or who re-plat one or more lots in a recorded platted subdivision for purposes of resale to the public, (2) Developers or Commercial Enterprises who own two or more tracts or lots for purposes of resale to the public, (3) Builders or Contractors owning one or more tracts or lots for purposes of building and resale to the public, (4) Commercial Customers with service demands greater than residential service demands as quantified by the Standard Service definition in this Section, (5) Industrial Customers and (6) Wholesale Customers. It shall be the obligation of the non-standard service applicant to fund the construction of all additional service capacities needed to serve that customer under the terms of this tariff and applicable TCEQ rules. If there are service alternatives, the Corporation's consulting engineer shall advise the Corporation's Board of those options, their costs and their anticipated /permitting/construction time frame. The Board shall decide which option to pursue and how costs may be allocated between the Applicant and the Corporation. If the Applicant declines to accept service under these terms, such rejection shall be deemed to be a formal withdrawal of the Applicant's service request, thus freeing the Corporation from any further responsibility for that service request. The service requirements as prescribed by Section F of this Tariff shall be required of the Non-Standard Service Applicant prior to providing service.

 - c. **Requirements for Standard and Non-Standard Service.**

Requirements for Standard and Non-Standard Service

1. The Corporation's Service Application and Agreement form shall be completed in full and signed by the Applicant. The Applicant shall grant the Corporation an ingress-egress easement into and across the property as a whole to allow Corporation personnel to service any and all water utility plant that may be constructed, operated and maintained on the property and to inspect private plumbing for hazards to the public water supply or other non-compliances with the Corporation's tariff and/or state regulations.

- 2) A right of way easement, sanitary control easement or other such easement form approved by the Corporation must be completed by the Applicant for the purpose of allowing service to the Applicant, future extensions or facility additions to improve or provide service to future applicants. Unless expressly waived by the Board of Directors for good cause due to the unique circumstances of the particular tract of

land in question, all easements granted must be exclusive to the Corporation. The grantor may not allow any roadway reservation or right-of-way easement to overlap any portion of the utility pipeline easement

regardless of the platting or roadway requirements of any governmental entity. If necessary to make a particular tract compliant with TEXDoT or county roadway requirements and the exclusivity of the Corporation's easement, the Applicant shall be required to provide the Corporation with a new easement and to relocate the Corporation's utility plant into that alternate easement at its sole expense. If the Applicant, his heirs, successors or assigns are subsequently found to have granted any real property interest that conflicts with the Corporation's exclusive easement and/or the utility facilities located therein, the Applicant, his heirs, successors or assigns shall bear all costs of relocating the Corporation's facilities in a relocated easement, if necessary. This shall be a condition of continued service from the Corporation as an agreed remedy for breach of the Applicant's covenant of exclusivity of the easement that was granted as a condition of obtaining that service. This covenant runs with the land in perpetuity with the chain of title.

- 3) 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 fee simple title to the real estate designated to receive service. (Texas Water Code 13.002 (11) and 67.016(d))
- 4) It is the Corporation's policy that each consuming facility using Corporation-supplied water be connected to the Corporation's water system through a Corporation-installed meter. The Corporation shall consider master metering to apartments, condos, trailer /RV parks, or business centers and other similar type enterprises at an Applicant's request provided the total number of units to be served all meet the following criteria and conditions:
 - (a) owned by the same person, partnership, cooperative, corporation, agency, public or private organization of any type but not including a family unit,
 - (b) directly inaccessible to public right-of-way,
 - (c) considered a commercial enterprise, i.e. for business, rental, or lease purposes, and not a configuration of individual habitations, workshops, storage buildings, warehouses or offices used for the benefit of family or friends of the property owner or lessee(s) for which regular monetary consideration is not collected
 - (d) are not otherwise readily or technically able to be individually metered
 - (e) master metering is permitted by TCEQ regulations or order
 - (f) owners of mobile home parks, trailer parks and recreational vehicle parks applying for water service must provide satisfactory evidence that all applicable sections of the Denton County Subdivision Regulations and the TCEQ's Rules and Regulations for Public Drinking Water Systems (30 Texas Administrative Code 290.38 *et seq.*) have been complied with and, for those lying within Denton County, that Denton County has approved the facility prior to making application for water service. Any facilities in business as of the effective date of this tariff revision (March 1, 1999) that are currently connected to Bolivar Water Supply Corporation and which desire to continue to receiving water service must furnish the General Manager with evidence that all of these requirements have been met.
- 5) Notice of application approval and costs of service determined by the Corporation shall be presented to the Applicant and shall remain in effect for a period not to exceed thirty (30) days. After that time the Applicant must re-apply for service. (30 TAC 291.81 (a) (1)) Quotations for the cost of construction of utility plant and/or upgrades that will be necessary to meet the service demands of the service application shall be good for the date of presentation only due to the variable market for needed materials and supplies. Following the date of quotation, materials and supplies for construction may include an adjustment to reflect current market prices.
- 6) 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 recorded in public records file, the Applicant, prior to receiving the requested service, shall grant easement

to the Corporation. In addition to the normally required fees for service, the Applicant shall pay such sums as are necessary for the removal of the water main from the public right-of-way and for relocation onto the Applicant's property pursuant to such easement.

3. **Activation of Standard Service.**

- a. **New Tap** -- The Corporation shall charge a non-refundable service installation fee as required under Section G of this tariff. The service installation fee shall be quoted in writing to the Applicant. All fees shall be paid prior to installation. (30 TAC 291.86 (a)(1)(A))
- b. **Re-Service** -- On property where service previously existed, the Corporation shall charge the Membership Fee, where the Membership Fee has been liquidated, and costs necessary to restore service. In addition, the Corporation shall charge accumulated Reserved Service Fees that have been entered on the in-active account as monthly debits. This is allowing the Corporation to recover the costs of reserving capacity at the location for which re-service has been requested. If restoration of service is not requested, this fee will accumulate monthly until the total balance of Reserved Service Fees equals the amount of the Capital Recovery Fee previously paid for service to the property. After this time, the Corporation may remove the service equipment and future request for service shall be treated as a new application.
- c. **Performance of Work** -- After proper authorities grant approval, all tap and equipment installations specified by the Corporation shall be completed by the Corporation staff or designated representative.
- d. **Inspection of Customer Service Facilities** -- The property of the Applicant/ Member shall be inspected to insure compliance with state required Minimum Acceptable Operating Practices For Public Drinking Water Systems as promulgated by the Texas Commission on Environmental Quality or successor agency. (30 TAC 290.46(j)) It is the applicant's responsibility to have the property inspected by a qualified licensed inspector and to return the inspection certificate to the Corporation's business office. At its sole discretion, the Corporation may elect to allow its employees to perform inspections as independent contractors of the service applicant but not as employees or agents of the Corporation. When potential sources of contamination are identified which, in the opinion of the inspector or the Corporation, require the installation of a state-approved backflow prevention device, such back flow prevention device shall be installed on the customer's service line or other necessary plumbing facilities by an appropriately licensed plumber/back flow prevention device specialist at the customer's expense. The backflow prevention device shall be maintained by the customer at his expense and inspected annually by a licensed inspector. Copies of the annual inspection report must be provided to the Corporation. Failure to comply with this requirement may constitute grounds for termination of water service with notice.

4. **Activation of Non-Standard Service.**

- a. **Activation of Non-Standard Service** shall be conducted as prescribed by terms of Section F of this Tariff.
- b. **Re-Service** - The same terms, which apply under the Activation of Standard Service Sub-Section on Re-Servicing, shall be applied to Non-Standard Re-Service requests. (Section E. 3. b)

5. **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, Sub-Section 15.a.

6. **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 Certificates** - Upon qualification for service, qualification for Membership, payment of the required fees, and any debt owed to the Corporation, the Corporation shall issue a refundable Membership Certificate to the Applicant. The Membership Certificate provides proof of Membership in the Corporation and shall entitle the Member to one (1) connection to the Corporation's water utility service. The Membership Certificate also entitles the Member to one (1) vote in conducting the affairs of any Annual or Special Membership Meeting of the Corporation

as prescribed by the Corporation Bylaws. An original or a copy of each Membership Certificate shall be held on file in the Corporation Office. Ownership of more than one (1) Membership Certificate shall not authorize the Member to cast more than one (1) vote at any annual or special meeting, except as provided by the Corporation's by-laws on proxy voting. Each Membership Certificate and Stock thereby represented shall be assigned to the specified parcel of land originally designated to receive service at the time of application.

c. **Transfers of Membership.**

- 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 Sub-Section 6.c.(1) such transfer shall not be completed or recorded on the books and records of the Corporation until such time as the transferor has provided satisfactory evidence to the Corporation of such transfer. A transfer of Membership shall not be binding on the Corporation until such transfer has been approved as provided by Sub-Section 6.c.(3).
- 3) Qualifications for service upon transfer of Membership set forth in Sub-Section 6.c.(1) and 6.c.(2) shall be subject to approval of the Corporation and shall be recorded on the books and records of the Corporation only upon the following terms and conditions:
 - (a) A Transfer Authorization Form has been completed by the Transferor and Transferee;
 - (b) The Transferee has completed the required Application Packet;
 - (c) All indebtedness due the Corporation has been paid;
 - (d) The Membership Certificate has been surrendered, properly endorsed, by the Transferor; and
 - (e) The Transferee demonstrates satisfactory evidence of ownership of the property designated to receive service and from which the Membership originally arose.

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

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 Certificate, the Corporation may liquidate as many of the Member Guarantor's Membership Fees as necessary to satisfy the balance due the Corporation, provided proper notice has been given (see section E, Subsection 15.1a.[4]). The Corporation shall collect any remaining account balances by initiation of legal action. Re-instatement of service shall be subject to the terms of the Activation of Service Sub-Section E. 3. a. of this Tariff.

- f. **Cancellation Due To Policy Non-Compliance** -- The Corporation may cancel a Membership anytime a Member fails to comply with policies or by-laws of the Corporation, including but not limited to Member's failure to provide proof of ownership of the property from which the Membership arose.
- g. **Re-assignment of Canceled Membership** -- The Corporation, upon cancellation of Membership under the provisions of this Tariff, may re-assign the Membership rights thereby granted to any person who satisfactorily demonstrates eligibility for Membership, including but not limited to proof of ownership of the property from which the Membership arose.

7. **Owners 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 owner of the property 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 owner shall be required to sign an Alternate Billing Agreement if the owner 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 may notify the Member of the renter's past due payment status subject to service charges (see Section: Miscellaneous Transaction Forms).

If at any time the member request that service be discontinued to an occupied rental property, the Corporation shall provide written notice to the tenant(s) a minimum of five (5) days prior to the scheduled disconnection date.

8. **Denial Of Service.** The Corporation may deny service for the following reasons:
- a. Failure of the Applicant or Transferee to complete all required forms and pay all required fees and charges;
 - b. Failure of the Applicant or Transferee to comply with rules, regulations, policies, and bylaws of the Corporation;
 - c. Existence of a hazardous condition at the Applicant's property that 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, and/or
 - g. Applicant's service facilities are known to be inadequate or of such character that satisfactory service cannot be provided.
 - h. 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. 8.)
9. **Applicant's or Transferee's Recourse.** In the event the Corporation refuses to serve an Applicant under the provisions of these rules, the Corporation must notify the Applicant, 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.
10. **Insufficient Grounds for Refusal of Service.** The following shall not constitute sufficient cause for the refusal of service to an Applicant:
- a. Delinquency in payment for service by a previous occupant of the premises to be served;
 - b. Failure to pay a bill to correct previous underbilling due to misapplication of rates more than six (6) months prior to the date of application;

- c. Violation of the Corporation's rules pertaining to operation of non-standard equipment or unauthorized attachments which interferes with the service of others, unless the customer has first been notified and been afforded reasonable opportunity to comply with said requirements;
 - d. Failure to pay a bill of another customer as guarantor thereof unless the guarantee was made in writing to the Corporation as a condition precedent to service;
 - e. Failure to pay the bill of another customer at the same address except where the change of customer identity is made to avoid or evade payment of a utility bill;
 - f. Failure to comply with regulations or rules for anything other than the type of utility service specifically requested including failure to comply with septic tank regulations.
11. ***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 reasonable installments 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 would be made by automatic bank draft or credit/debit card. Non-payment 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.
12. ***Indigent Care Policy.*** Bolivar Water Supply Corporation is a retail public water utility and not a credit or lending institution. All water service shall be provided on a non-preferential, non-discriminatory basis to all qualified applicants upon timely payment of all applicable fees and charges. No special exceptions or classes of customers shall be recognized.
13. ***Charge Distribution and Payment Application.***
- a. **The Service Availability Charge or the Reserved Service Charge** is for the billing period from the 15th day of the month to the 15th day of the following month. The Corporation reserves the right to change its billing cycles if the workload or holidays/weekends require such practice. The Corporation shall strive to maintain a 30-31 day billing monthly, excluding February, where feasible. Charges shall be prorated for new member base fees falling during the billing period. Billings for this amount shall be mailed on or about the last day of the month . All services shall be subject to this charge whether or not the service is in use by the Member.
 - b. **Gallonage Charge** shall be billed at the rate specified in Section G and billing shall be calculated in one thousand (1000) gallon increments or portions thereof if the Corporation's billing computers are capable of proportional unit billing. 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. **Posting of Payments** -- All payments shall be posted against previous balances prior to posting against current billings.
14. ***Due Dates, Delinquent Bills, and Service Disconnection Date.*** The Corporation shall mail all bills on or about the last day of the month. All bills shall be due and payable upon the fifteenth (15th) day of the month, after which time a penalty shall be applied as described in Section G. The Corporation may disconnect service for non-payment without further notice beginning the twenty-fifth (25th) day of the month. A bill is delinquent if not paid on or before the due date. Payments made by mail will be considered late if postmarked after the due date. If the due date for the regular or final billing is on a weekend or holiday, the 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.
15. ***Rules for Disconnection of Service.*** The following describes the rules and conditions for disconnection of service.
- a. **Disconnection With Notice** -- Water utility service may be disconnected for any of the following reasons after

proper notification has been given.

- 1) Returned Checks -- The Corporation shall mail, via the U.S. Postal Service, a notice requiring redemption of the returned instrument within ten (10) days of the date of the notice to be made in the Corporation office. Redemption of the returned instrument shall be made by cash, money order, credit/debit card, or certified check. Failure to meet these terms shall initiate disconnection of service. The Corporation shall consider any such instruments returned as insufficient or non-negotiable for any reason for any two billing periods within a 12-month period evidence of bad credit risk. 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, credit/debit card.
 - 2) Failure to pay a delinquent account for utility service or failure to comply with the terms of a deferred payment agreement (Miscellaneous Transaction Forms);
 - 3) Violation of the Corporation's rules pertaining to the use of service in a manner, which interferes with the service of others or the operation of non-standard equipment if a reasonable attempt, has been made to notify the Member and the Member is provided with a reasonable opportunity to remedy the situation.
 - 4) Failure of the Member to comply with the terms of the Corporation's Service Agreement, Tariff, Bylaws, or Special Contract provided that the Corporation has given notice of said failure to comply, and Member has failed to comply within a specified amount of time after notification.
 - 5) Failure to provide access to the meter under the terms of this Tariff or to property at which water service is received when there is reason to believe that a hazardous condition or policy violation exists for which access is necessary to verify.
 - 6) Misrepresentation by any Applicant or Transferee of any fact on any form, document, or other agreement required to be executed by the Corporation.
 - 7) 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.
 - 8) Failure to pay a delinquent account billed by the Corporation for sewer utility service provided by the City of Valley View or other certificated retail public sewer utility pursuant to the Corporation's Agreement with the sewer utility.
 - 9) Failure to pay charges arising from customer-initiated service trip fee or meter re-read fee.
 - 10) Failure by a Customer/Member to pay for all repair or replacement costs resulting from the Customer/Member damaging system facilities including, but not limited to water, 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 Customer/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 Customer's/Member's service being disconnected in accordance with Disconnection with Notice Provisions in this section. Service will remain disconnected until payment is received or an acceptable payment plan is approved.
 - 11) Failure to disconnect or secure additional service tap(s) for an RV or other service connection (see E. 24. of this section) after notification by the Corporation of violation of the Prohibition of Multiple Connections.
- b. **Disconnection Without Notice** -- Water utility service may be disconnected without notice for any of the following conditions:
- 1) A known dangerous or hazardous condition exists for which service may remain disconnected for as long as the condition exists, including but not limited to a violation of the Texas Sanitation and Health Protection Law 4477-1, or there is reason to believe a dangerous or hazardous condition exists and the Member refuses to allow access for the purpose of confirming the existence of such condition and/or removing the dangerous or hazardous condition (Section E. 3. d., E. 24., 30 TAC 290.46 (j));

- 2) Service is connected without authority by a person who has not made application for service or who has reconnected service without authority following termination of service for nonpayment; and
 - 3) In instances of tampering with the Corporation's meter or equipment, by-passing the meter or equipment, or other diversion of service. **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.
 - 4) A threat to perform or actual performance of: (a) bodily injury to any Corporation employee, agent or representative or (b) damage to any Corporation property. The display of any firearm or other weapon in a confrontational, menacing or threatening manner shall be deemed to be a threat to perform bodily injury regardless of the condition of said firearm or weapon.
- c. **Disconnection Prohibited** -- Utility service may not be disconnected for any of the following reasons:
- 1) Failure of the Member to pay for merchandise or charges for non-utility service provided by the Corporation, unless 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 subsection E. 19. 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;
 - 7) In response to a request for disconnection by an Owner/Member of rental property where the renter is billed directly by the Corporation as authorized by the owner, and the renter's account is not scheduled for disconnection under the Rules for Disconnection of Service in this Tariff.
- d. **Disconnection on Holidays and Weekends** -- Unless a dangerous condition exists or the Member requests disconnection, service shall not be disconnected on a day, or on a day preceding a day, when personnel of the Corporation are not available to the public for the purpose of making collections and reconnecting service. A "dangerous condition" is one creates an immediate threat to human health or safety or immediate damage to property of the Corporation, neighboring landowners or others.
- e. **Disconnection Due to Utility Abandonment** -- The Corporation may not abandon a Member or a Certificated Service Area without written notice to its Members and all similar neighboring utilities and approval from the Texas Commission on Environmental Quality.
- f. **Disconnection for Ill and Disabled** -- The Corporation may not discontinue service to a delinquent residential Member permanently residing in an individually metered dwelling unit when that Member establishes that discontinuance of service will result in some person at that residence becoming seriously ill or more seriously ill if service is discontinued. Each time a Member seeks to avoid termination of service under this Sub-section, the Member must have the attending physician call or contact the Corporation within sixteen (16) days of issuance of the bill. A written statement must be received by the Corporation from the physician within twenty-six (26) days of the issuance of the utility bill. The prohibition against service termination shall last sixty-three (63) days from the issuance of the utility bill or such lesser period as may be agreed upon by the Corporation and Member's physician. The Member shall enter into a Deferred Payment Agreement. The Corporation shall provide notice to an owner or

rental property in the event a tenant requests service not be discontinued due to illness or disability as per the section.

g. **Disconnection of Master-Metered Accounts and Non-Standard Sewer Services** -- When a bill for water utility services is delinquent for a master-metered service complex (defined as a complex in which a single meter serves two (2) or more residential dwelling units), the following shall apply: (30 TAC SUBCHAPTER H. 291.126)

- 1) The Corporation shall send a notice to the Member as required. This notice shall also inform the Member that notice of possible disconnection will be provided to the tenants of the service complex in five (5) days if payment is not rendered before that time.
- 2) At least five (5) days after providing notice to the Member and at least five (5) days prior to disconnection, the Corporation shall post notices, stating "Termination Notice" in public areas of the service complex notifying the residents of the scheduled date for disconnection of service if the Corporation can provide such notice without committing an act of trespass (civil or criminal).
- 3) The tenants may pay the Corporation for any delinquent bill in behalf of the owner to avert disconnection or to reconnect service to the complex.

h. **Disconnection of Temporary Service** -- When an applicant with a 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.

16. **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.

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

18. **Disputed Bills.** In the event of a dispute between the Member and the Corporation regarding any bill, the Corporation shall forthwith make and conduct an investigation as shall be required by the particular case, and report the results in writing 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 except in cases involving the transfer of a Membership conditioned on payment of delinquent obligations by the Transferee, as provided under Sub-Section 6.h.

19. **Inoperative Meters.** Water meters found inoperative will be repaired or replaced within a reasonable time. If a meter is found not to register for any period, unless by-passed or tampered with, the Corporation shall make a charge for units used, but not metered, for a period not to exceed six (6) months, based on amounts used under similar conditions during the period preceding or subsequent thereto, or during corresponding periods in previous years.

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

21. **Other General Service Regulations Applicable to All Members/Customers.**

a. All payments for utility service shall be delivered or mailed to the utility's business office. If the business office fails to receive payment prior to the time of noticed disconnection for non-payment of a delinquent account, service will be terminated as scheduled. Utility service crews shall not be allowed to collect payments on customer accounts in the field.

b. Customers shall not be allowed to use the utility's cutoff valve on the utility's side of the meter. Existing

customers may install cutoff valves on their side of the meter and are encouraged to do so. All new customers must install customer-owned and -maintained cutoff valves on their side of the meter.

- c. All non-residential customers requiring a greater than 1" meter or any customer with irrigation or fire fighting systems, must install backflow prevention devices that have been approved by the utility or its consulting engineers on each of their customer service lines.
- d. Customer shall be liable for any damage or injury to utility-owned property or personnel shown to be caused by the customer, his invitees, his agents, his employees, or others directly under his control.
- e. Any applicant or existing customer required to pay for any costs not specifically set forth in the rate schedule pages of this tariff shall be entitled to a written explanation of such costs prior to payment and/or commencement of construction. If the applicant or existing customer does not believe that these costs are reasonable or necessary, the applicant or existing customer shall have the right to appeal such costs to the Corporation's Board of Directors at the next regular meeting at which such appeal can be included in the standard public notice.
- f. Tap fees shall be increased by the cost of road bores where pavement cuts are not permitted or other unique costs not normally incurred.
- g. The utility will have the right of access to the customer's premises at all times reasonable for the purpose of installing, testing, inspecting or repairing water mains or other equipment used in connection with its provision of water service, or for the purpose of removing its property and disconnecting lines, and for all other purposes necessary to the operation of the utility system including inspecting the customer's plumbing for code, plumbing or tariff violations. The customer shall allow the utility and its personnel access to the customer's property to conduct any water quality tests or inspections required by law. Unless necessary to respond to equipment failure, leak or other condition creating an immediate threat to public health and safety or the continued provision of adequate utility service to others, such entry upon the customer's property shall be during normal business hours. The customer may require any utility representative, employee, contractor, or agent seeking to make such entry identify themselves, their affiliation with the utility, and the purpose of their entry.
- h. Except in cases where the customer has a contract with the utility for reserve or auxiliary service, no other water service will be used by the customer on the same installation in conjunction with the utility's service, either by means of a crossover valve or any other connection. Customer shall not connect, or allow any other person or party to connect, onto any water lines on his premises. Two places shall not be permitted to be supplied with one service pipe where there is a water main abutting the premises.
- i. No connection shall be allowed which permits water to be returned to the public drinking water supply. No backflow prevention device shall be permitted to be installed in the customer's plumbing without notice to and written permission from the utility. Any backflow prevention devices so installed shall be inspected annually by a licensed backflow prevention device inspector or appropriately licensed plumber and a written report of such inspection delivered to the utility.
- j. No application, agreement or contract for service may be assigned.
- k. All meters, water lines and other equipment furnished by the Corporation (excepting the customer's individual service lines from the point of connection to customer's structures on customer's premises) are and shall remain the sole property of the Corporation, and nothing contained herein or in a contract/application for service shall be construed to reflect a sale or transfer of any such meters, lines or equipment to any customer. All tap and extension charges shall be for the privilege of connecting to said water lines and for installation, not purchase, of said meters and lines.

22. ***Meter Tampering and Diversion.*** For purposes of these Sections, meter-tampering, by-passing, or diversion shall all be defined as tampering with the Corporation's service equipment, by-passing the same, or other instances of diversion, such as:

- a. removing a locking or shut-off device used by the Corporation to discontinue service,
- b. physically disorienting the meter,

- c. attaching objects to the meter to divert service or to by-pass,
- d. inserting objects into the meter,
- e. and other electrical and mechanical means of tampering with, by-passing, or diverting service, and
- f. preventing the supply from being correctly resisted by a metering device due to adjusting the valve so that flow is reduced below metering capability.

The burden of proof of meter-tampering, by-passing, or diversion is on the Corporation. Photographic evidence or any other reliable and credible evidence may be used; however, any evidence shall be accompanied by a

sworn affidavit by the Corporation's staff when any action regarding meter-tampering as provided for in these Sections is initiated. A court finding of meter-tampering may be used instead of photographic or other evidence, if applicable. Unauthorized users of services of the Corporation shall be prosecuted to the extent allowed by law under the Texas Penal Code 28.03.

23. ***Meter Relocation.*** Relocation of services shall be allowed by the Corporation provided that:

- a. No transfer of Membership is involved;
- b. An easement for the proposed location has been granted to the Corporation;
- c. The Member pays the actual cost of relocation plus administrative fees, and
- d. Service capacity is available at proposed location.

24. ***Prohibition of Multiple Connections To A Single Tap.***

a. No more than one (1) residential, commercial or industrial service connection is allowed per meter. The Corporation may consider allowing an apartment building or mobile home/RV park to apply as a "Master Metered Account" and have a single meter (This refers to Section E. 2. c. (4)). Any unauthorized submetering or diversion of service shall be considered a Multiple Connection and subject to disconnection of service. 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 E.16.b.

b. For purposes of the section, the following definitions shall apply:

- 1) A "multiple connection" is the connection to any portion of a member's system that is connected to a primary delivery point already servicing on residence, one commercial or industrial facility of water line serving another residence or commercial or industrial facility. Water lines to outbuildings, barns or accessory structures shall not be considered 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 that is installed in accordance with this Tariff and applicable law and which provides water service to the residence or commercial or industrial facility of a member.
- 3) A "residence" shall mean any structure, which is designed for human habitation, which may include kitchen and bathroom facilities or the use of water around and within the structure.
- 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 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 six (6) months. If the recreation vehicle/travel trailer is being used for a permanent residence, this Tariff requires that an additional meter installation and membership be purchased. 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 or that the member pay to upgrade their meter to a larger size. The member must submit a written request to the corporation's business office at least 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 tie 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.

25. Master Metered Account Regulations. An apartment building, condominium, manufactured housing (modular, mobile or RV) community, business center or other similar type enterprise may be considered by the Corporation to be a single commercial facility if the owner applies for a meter as a “master metered account” and complies with the requirements set forth in TCEQ rules, this Tariff and applicable law. The Corporation may allow master metering service to these facilities at an Applicant’s request provided the total number of units to be served are

- owned by the same person, partnership, cooperative, corporation, agency, public or private organization of any type but not including a family unit, or
- considered a commercial enterprise, i.e. for business, rental or lease purposes.

26. Member's Responsibility.

a. The Member shall provide access to the meter as per 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 service shall be discontinued and the meter removed with no further notice. (Section E. 3. d.)

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 connections shall be designed to ensure against back-flow or siphonage into the Corporation's water supply. In particular, livestock water troughs shall be plumbed above the top of the trough with air space between the discharge and the water level in the trough. (30 TAC 290.46)

2) The use of pipe and pipe fittings that contain more than 8.0% lead or solder and flux that contain more than 0.2% lead is prohibited for any plumbing installation or repair of any residential or non-residential facility providing water for human consumption and connected to the Corporation's facilities. Customer service pipelines shall be installed by the applicant and shall be a minimum of SDR-26 PVC pipe. (30 TAC 290.46)

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

c. A Member owning more than one (1) Membership Certificate shall keep all payments current on all accounts. Failure to maintain current status on all accounts shall be enforceable as per Service Application and Agreement executed by the Member.

d. The Corporation's ownership and maintenance responsibility of water supply and metering equipment shall end at the meter or other service equipment. 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.

e. The Corporation shall require each Member to have a cut-off valve on the Member's side of the meter for purposes of isolating the Member's service pipeline and plumbing facilities from the Corporation's water pressure. The valve shall meet AWWA standards (a ball valve is preferred). The Member's use of the Corporation's curb stop or other similar valve for such purposes is prohibited. Any damage to the Corporation's equipment shall be subject to service charges. (The Corporation may install this additional cut-off valve as a part of the original meter installation.) The member is required to notify the system prior to digging or excavation activities along or near water service lines and appurtenances.

27. **Member's Responsibility for Meter Access.** The Member shall insure that the Corporation has access to the meter at all times. No objects shall be placed on or above a meter that restricts access. No fence shall be constructed or maintained in front of a water meter. If a fence exists, the Member must either install a small service gate with unrestricted usage by the Corporation, install a permanent ladder (inverted V type of metal construction heavy enough to support a 300 lb. person) or fence out the meter three feet on each side with a road opening.
28. **Main Extension Policy.**
- a. The applicant shall be responsible for the cost of any extension(s), including looping, from existing Corporation mains determined by the Corporation's engineer to be necessary to bring adequate water utility service to meet the anticipated service demands of a new customer or of a new meter for an existing customer. Bolivar Water Supply Corporation shall be responsible for any oversizing of the main necessary to meet the service needs of other members or system reliability.
 - b. The Corporation will set meters within ten (10) feet of the Corporation's main at a point as near as possible to the customer's property line consistent with ease of access to and safety and maintenance of the meter. The customer is responsible for constructing his service line from the point of water consumption to the meter. The customer shall own and maintain his own customer service line. Any leak or defect in the customer's service line must be repaired immediately in order to avoid possible contamination or hazard to the public water supply, which will result in the termination of service until remedied.
 - c. Distribution and transmission main sizes shall be determined solely by Bolivar Water Supply Corporation's engineer based upon the reasonably anticipated needs of the utility in the area to be served. **Minimum main size shall be six (6) inch diameter SDR 21 PVC for extensions within the Corporation's service area.** If larger minimum main sizes are required by TCEQ regulations or applicable municipal building codes, the larger minimum main size shall control.
 - d. **Dead End Mains.** All new water mains designed and constructed shall be required to be constructed in a loop as to avoid dead end mains. Bolivar Water Supply Corporation's engineer shall determine final configuration. This requirement may be waived by the Bolivar Water Supply Corporation's board of directors as part of an overall plan of phased transmission and/or distribution main upgrades.
29. **Enforcement of Water Conservation Practices.** HB 1152 (78 Legislature Regular Session - 2003) empowered water supply corporations to enforce customer water conservation practices by assessing reasonable penalties in the utilities' tariffs. The Corporation's General Manager is empowered to assess the penalties provided in this tariff on customer/members who violate noticed conservation practices of the Corporation. The General Manager may take this action based upon his/her own observations or those of a Corporation director, employee, operator, contractor or other person designated by the General Manager to monitor water conservation practices and/or water rationing violations. The penalties may be appealed to the TCEQ in the same manner as provided for the appeal of new customer service costs under Texas Water Code §13.043(g). As a precondition to a TCEQ appeal of any penalty assessed by the Corporation's General Manager, the customer/member assessed the penalty must first exhaust their rights of appeal to the Corporation's Board of Directors.
30. **Appeal of Water Conservation Penalties.** Any penalty assessed by the Corporation's General Manager for violation of the Corporation's noticed customer water conservation practices must be appealed in writing received at the Corporation's business office before the close of business on the due date of the water service bill containing the penalty or the due date stated on the written notice to the customer/member assessing the penalty if not assessed on the monthly service bill. Any appeal, notice of which is not received by the close of business on the due date, shall be deemed to be waived for untimeliness. An untimely appeal may be considered only upon a majority vote of all Directors of the Corporation.
31. **Non-Residential Master Metered Service.** When evaluating the water system capacity requirements of a state-approved public water system (PWS), under 30 TAC §§290.45(b)(1)(E) and 290.45(b)(1)(F), the TCEQ counts the number of units or individual consumption points served rather than the size of the bulk- or master-meter serving the property. The Corporation must install and maintain PWS capacities using this criteria rather than the customary rules which tie capacity to the metering point. Under 30 TAC §§290.38 – connection, 290.44(d)(4), 291.89(a)(1)&(4), a commercial, industrial or other non-residential service applicant may apply for a single master meter to be located on the property line that will meter all water consumed on that tract. The Corporation recognizes that master-metered service application may require two distinctly different types of service depending upon that customer-owned public drinking water facilities that will be constructed and operate on the tract. Each has unique service needs that must be addressed

separately. Those two service types are:

- a. The non-residential service applicant will take Corporation water service through a master meter and shall rely on the Corporation to deliver sufficient water pressure and volumes at all times to provide continuous and adequate potable water service to each point of usage/consumption while meeting TCEQ standards. This service shall be known as “Direct Master Metered Service.”
- b. The non-residential service applicant will take Corporation water service through a master meter and will use that water to supply a customer-owned and -maintained public drinking water system. The service applicant shall be responsible for producing sufficient water pressure and volumes at all times to provide continuous and adequate potable water service to each point of usage/consumption while meeting TCEQ standards. This service shall be known as “Customer Facilities Master Metered Service.”

32. Mandatory Conditions Non-Residential Master Metered Service. The Corporation will make master metered service available to qualified non-residential service applications only under the following special conditions.

These special conditions are supplemental to all other service requirements contained in this tariff:

- a. The service applicant’s customer-owned water system facilities must be designed and their construction overseen by a registered professional engineer licensed by the State of Texas. The plans and specifications for the customer-owned water system facilities must meet or exceed the minimum plant criteria of the TCEQ set forth in 30 TAC Chapter 290, Subchapter D and shall insure continued safe and pure potable domestic water being delivered to end users that meets the TCEQ’s water quality standards in 30 TAC Chapter 290, Subchapter F. The service applicant’s proposed customer owned water system must be approved by the TCEQ for use as a public water supply before the Corporation will begin water delivery to the designated point of delivery.
- b. The Corporation’s engineer shall review and approve the service applicant’s plans and specifications for the customer-owned water system facilities. The customer-owned water system facilities must deliver potable domestic water service at all times to each point of usage or consumption at no less than 35 psi during normal conditions or at no less than 20 psi during emergency conditions. The service applicant shall be required to modify his design and/or construction, at his expense, to comply with changes identified by the Corporation’s engineer to insure adequate water service throughout the applicant’s property. However, the master metered service applicant shall not be required to comply with the Corporation’s own minimum plant size standards unless the Corporation’s engineer determines that such minimum plant standards are necessary to provide continuous and adequate service under the anticipated service conditions on the applicant’s property. For illustration purposes only, the applicant will not have to comply with the Corporation’s six-inch minimum line size requirement and may use three- or –four inch internal distribution lines if the Corporation’s engineer determines that these smaller lines will not limit adequate water distribution to each point of usage. In case the applicant’s cannot reconcile a conflict between the service applicant’s plans and the Corporation’s normal construction standards and the Corporation’s engineers, the Corporation’s tariffed criteria as applied by the Corporation’s engineer shall control.
- c. There shall be adequate protection installed and maintained between the Corporation’s public water system and the service applicant’s customer-owned water system facilities to prevent siphonage, backflow or other potential causes of contamination of the public water supply. The Corporation’s engineer shall determine what type of protection shall be installed on a case-by-case basis. At a minimum, Direct Master Metered Service shall be isolated through the installation of a testable double check valve assembly down stream of the master meter. At a minimum, Customer Facilities Master Metered Service shall be isolated through the use of an air gap at the point of delivery between the service line and the customer’s storage tank.
- d. Non-residential master metered service shall be delivered through any control valve, flow restricter, cut off valve determined to be necessary for that service connection to insure the safe delivery of water service in a manner that preserves the Corporation’s property and has the least detrimental impact on other Corporation water customers. All such valves and control mechanism shall be installed and maintained at the service applicant’s expense. The customer shall not have access to or control over such facilities; however, the service applicant and/or his representative may be present and observe all testing of the facilities.

- e. The Corporation shall only be committed and required to provide the level of service requested by the service applicant at the original time of application. If service demands increase more than 15% of the level of service demand service initially requested and paid for, the master metered customer shall be required to apply for the additional service he is using and/or needs in the future. The customer's new service request shall be subject to the rates, terms and charges in the Corporation's tariff in effect at the time of the subsequent application. There shall be no "grandfathering" of rates, fees or terms of service.
- f. Master metered service shall only be provided to the tract and to the number of points of usage in the amount requested in the original service application. If the landowner chooses to develop the property in phases or with differing water service demands at different points in time, the applicant shall make a separate application for each phase or level of service needed. If the service applicant wants to guarantee the availability of service to the entire tract, the initial service application must cover the entire tract and must identify the maximum coincidental peak demand on the Corporation's water system at full build out and water demand.
- g. Master metered service shall only be provided to a qualified service applicant for the sole purposes of:
 - 1. self service
 - 2. service to a tenant as a condition of tenancy pursuant to a written lease, a sample copy of which must be provided the Corporation
 - 3. service to an employee as a condition of their employment..

The service applicant may not deliver Corporation water to any other person or entity for compensation except under a submetering arrangement approved by the TCEQ. No act or omission by the Corporation in providing master metered service to a qualified service applicant shall ever be deemed to or any indication of consent by the Corporation to: the encroachment of its service area by another retail public utility, the surrender of any certification or service rights held by the Corporation, or a wholesale water service arrangement of any kind.

Tariff
OF
BOLIVAR WATER
SUPPLY CORPORATION

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

SECTION F.

DEVELOPER, SUBDIVISION, AND NON-STANDARD SERVICE REQUIREMENTS

1. ***Corporation's Limitations.*** All Applicants shall recognize that the Corporation must comply with local, state, and federal rules and regulations as promulgated from time to time, and by covenants of current indebtedness. The Corporation is not required to extend retail utility service to an applicant in a subdivision where the responsible party (Applicant/Developer) of the applicable property (subdivision) has failed to comply with the terms of this policy. §13.2502 of the Texas Water Code requires that notice be given herein or by publication (See Miscellaneous Transaction Forms) or by alternative means to the Developers/Applicants. (also see Section F. 11.) The Corporation has adopted a policy of publishing this statutory notice annually as well as providing individual notice to potential land developers when they inquire about water utility service.
2. ***Purpose.*** This Section is applicable to subdivisions, additions to subdivisions, developments, or whenever additional service facilities are required. For the purposes of this Tariff, Applications subject to this Section shall be defined as Non-Standard.
3. ***Application of Rules.*** This Section may be altered or suspended for planned facility expansions when the Corporation extends its indebtedness. The Board of Directors of the Corporation shall interpret on an individual basis whether or not the Applicant's service request shall be subject to all or part of the conditions of this Section. The rules may also be altered or suspended for cause when adherence would work an unreasonable hardship on the applicant, would unnecessarily delay the extension of service to an otherwise qualified service applicant or when the service request at issue only requires the extension of existing water lines to the property line of a single residential or other low demand customer and the General Manager already knows that the Corporation has the available service capacities to meet that individual Applicant's demands. Only the Corporation's Board of Directors may alter or suspend these rules on the basis of unreasonable hardship on the applicant, would unnecessarily delay the extension of service to an otherwise qualified service applicant. The General Manager is authorized to alter or suspend the rules as applied to a single residential or low demand service Applicant.
4. ***Non-Standard Service Application.*** The Applicant shall meet the following requirements prior to the initiation of a Service Contract by the Corporation:
 - e. The Applicant shall provide the Corporation a completed Service Application And Agreement giving special attention to the item on SPECIAL SERVICE NEEDS OF THE APPLICANT.
 - f. A final plat approved by the Corporation (or one capable of being approved by the Corporation's Board of Directors at their option if the plat has not otherwise been pre-approved by the appropriate municipal or county government) showing the requested service area must accompany the application. All easements for public utility facilities of the Corporation must be clearly designated as exclusive easements of the Corporation. There may not be any overlap with roadway dedications, other public utility easements, or other property dedications. All regulatory authorities having jurisdiction over lot sizes, sewage control, drainage, right of way, streets, and other service facilities must approve the plat. Plans, specifications and special requirements of such regulatory authorities shall be submitted along with the plat. The requirement to submit an approved plat map may be waived by the General Manager, after consultation with the Corporation's consulting engineer, if the General Manager finds that the alternative maps or plats submitted will be adequate to conduct the engineering feasibility study. A certified copy of the approved plat must be filed with the General Manager within three business days of its approval by all required governmental bodies.
 - g. Applicants for single taps involving a line extension or up-sizing of facilities shall be required to submit maps or plans detailing the location of the requested extension and details of demand requirements. The final placement of any easements for the benefit of the Corporation shall be subject to the sole discretion of the Corporation's Board of Directors in consultation with their consulting engineer and attorney. While the developer/landowner's desires and needs shall be given due consideration, the long-term needs and service convenience of the Corporation shall control.
 - h. Before a plat can be finalized, the placement of water lines, easements and other utilities must be clearly shown. All easements for public utility facilities of the District must be clearly designated as exclusive easements of the District. There may not be any overlap with roadway dedications, other public utility easements, or other property dedications. All regulatory authorities having jurisdiction over lot sizes, sewage control, drainage, right of way, streets, and other service facilities must approve the plat. Plans, specifications and special requirements of such regulatory authorities shall be submitted along with the plat. Applicants for single taps involving a line extension or up-sizing of facilities shall be required to submit maps or plans detailing the location of the

requested extension and details of demand requirements.

- i. Any subdivision to be developed in the Corporation's service area requesting ten (10) or more Living Unit Equivalents (LUE), will be required to provide permanent recorded water rights with required groundwater conservation district (GCD) pumpage permits or long-term purchased water capacity, at the rate of one-half acre-foot per LUE. For purposes of this subsection, "long-term" shall mean a primary term of not less than twenty (20) years or a series of consecutive contract terms of not less than twenty (20) years. The preferred term shall be forty- (40)- years. The term of availability and the degree of reliability of the water purchased water supply are the most critical terms. So long as they remain within a range of reasonableness for purchased water in this region, the prices paid for the purchased water under such contracts may be adjustable. The applicant shall be required to guarantee and pay any "take-or-pay" or similar terms in a purchased water contract submitted to meet the obligations of this section. The applicant shall not be required to pay that portion related to the monthly purchased water bill for water consumed by Corporation water customers and for which the Corporation is collecting normal water service fees.
- j. All water rights or purchased capacities provided must be reviewed by the Corporation's Engineer and Attorney and approved by the Corporation's Board of Directors before being accepted. For the purpose of this Section, an "LUE" shall be deemed a water service connection with a coincidental peak demand of 10 gpm or less. If a water service connection will have a coincidental peak demand of 10 gpm or more, the Applicant shall provide a proportionately larger permitted water service capacity. The increased water service capacity requirement shall be calculated by multiplying the AWWA meter equivalency factor for the larger meter to be used to meet the greater service demand by the one-half acre-foot. Service will not be initiated until these water service capacities have been permanently transferred to the Corporation.
- k. At the sole option of the Corporation's Board of Directors, a developer or landowner subject to this water service capacity requirement may be authorized to meet its obligation through the payment of monetary consideration to be used to acquire the needed water service capacity. This payment shall be applied to reimburse the Corporation for existing water rights or purchased water capacity already held by the Corporation that have not previously been dedicated to or reserved for other Corporation customers. This option shall not be interpreted to mean that a non-standard Applicant may meet its water supply obligations merely paying the Corporation a fee and requiring the Corporation to shop the market for that Applicant's water supply. This option shall be preferred when more than one developer or landowner are requesting service to the same general area at the same time and their combined service demands can be met through a single water rights acquisition or long-term purchased water contract..
- l. If after the service investigation has been completed, the Corporation determines that the Applicant's service request is for property outside the area dedicated in the Corporation's Certificate of Convenience and Necessity, service may be extended, at the Corporation's sole discretion and without obligation, provided that:
 - 1) The service location is contiguous to or within one-fourth (1/4) mile of the Corporation's Certificated Service Area;
 - 2) The service location is not in an area receiving similar service from another utility; and
 - 3) The service location is not within another utility's Certificate of Convenience and Necessity.
- m. The conditions precedent shall apply, in the order presented, after the Corporation's consulting engineer has finished the engineering feasibility study and has submitted his preliminary service plan to the Board of Directors for review and approval.
 - 1) The Board of Directors shall review and consider the Non-Standard Service Investigation Report (engineering feasibility study), after notice to the Applicant, at a noticed meeting of the Board. If the Board determines that the Corporation can meet the non-standard service request, the Board shall approve the plan (of the possible alternatives) submitted by the consulting engineer that the Board deems most appropriate. This decision shall be made after due consideration of the Corporation's obligation to serve under its certificate of convenience and necessity and the impact of the service alternatives will have on the Applicant and the Corporation's existing customers. Due to the variable market for needed materials and supplies, estimates or calculations for the cost of construction of utility plant and/or upgrades that will be necessary to meet the service demands of the service application shall be good only for the date of presentation by the Corporation's engineer. Following the date of presentation, the cost of materials and supplies for construction are subject to adjustment to reflect current market prices.

- 2) Corporation's approval of the Application after its review and approval of the Non-Standard Service Investigation Report from the Corporation's engineer shall remain in effect for a period of thirty (30) days. If the Applicant has not proceeded with each required condition precedent listed herein within the prescribed time period, the Corporation's approval shall become void and the Applicant shall have to begin the application process anew.
- 3) Within the first ten (10) days of Corporation's approval of the Non-Standard Service Investigation Report and the selection of the acceptable service plan, the Applicant must pay all applicable membership fees at the Corporation's office by cashier's check. The payment of impact fees, inspection fees or other extension charges shall not be required at this time unless otherwise directed by the Board at the time of approval. Payment of the membership fees shall conditionally reserve an adequate supply of water to meet the domestic potable water requirements of the Applicant's proposed service location. This capacity reservation is contingent upon satisfactory completion of all other obligations imposed upon the Applicant by this tariff. If the Applicant defaults on any condition precedent listed herein, the water capacity reservation shall be forfeited and may only be reacquired by beginning the application process anew. No capacity reservation for fire flows or other non-potable domestic water utility service need shall be made merely by paying membership fees. Water service capacity for non-utility needs shall only be final when a separate contract is executed and all costs associated therewith are paid.
- 4) Once the application is made and the investigation fee paid, all tariffed fees and extension charges are grandfathered as to that application with the exception of material and supply costs discussed below. If the Applicant makes any material change to his service request after the Board of Directors' approval, the application is voided and all approvals and grandfathering of fees and charges are automatically withdrawn. If the Applicant fails to fully comply with any obligation imposed upon him by this subsection, the application is voided and all prior approvals and grandfathering of fees and charges are automatically withdrawn. The deadlines established in this subsection may be extended by the Corporation's Board of Directors on a case-by-case basis for good cause only at the next regular Board of Directors meeting following the expiration of the approval. Thereafter, the Applicant shall be required to make a complete new Non-Standard Service Application and begin the full application process over.
- 5) Within the first ten (10) days of Corporation's approval of the Non-Standard Service Investigation Report and the selection of the acceptable service plan, the Applicant shall pay the estimated engineering, surveying and legal fees for this application at the Corporation's office by cashier's check. Upon receipt of these fees, the Corporation's consulting engineer shall begin preparation of the complete design and construction plans. The Corporation's attorney shall begin preparation of the final non-standard service contract.
- 6) After the design and construction plans are prepared, they shall be submitted to the Corporation's Board with a copy to the Applicant. The Applicant shall be given the option of selecting the Board meeting he/she wishes to have the Board consider and approve the design and construction plans before the solicitation of construction bids. The Applicant's option period shall be sixty (60) days or until the second regular monthly Board meeting following the engineer's release of the design and construction plans, whichever is later. Once the Board has approved the design and construction plans, the Applicant must prosecute its service request on the time line of this subsection or the application shall become void. Then the Applicant must start the application process anew.
- 7) After the Board has approved the design and construction plans, it shall authorize the General Manager, in association with the engineer and attorney, to solicit construction bids. The Applicant may nominate any qualified contractor(s) to receive copies of the bid solicitation materials and notices. Unless the Corporation has had a history of poor performance or inferior construction from the Applicant's nominated contractor(s), said contractor(s) shall have any equal opportunity to receive the final construction contractor as any other bidder. Solicitation of bids shall not be required for small construction projects or lined line extensions if the Corporation can easily fulfill the construction requirements with the contractor(s) used in the routine operation of the water system. The Applicant is always entitled to have his/her project submitted to bids if they are not satisfied with relying on the Corporation's customary contractor(s); however, this is no guarantee that the Corporation's customary

contractor(s) will not be the winning bidder(s).

- 8) Due to the variable market for needed materials and supplies, quotations for the cost of construction of utility plant and/or upgrades that will be necessary to meet the service demands of the service application shall be required to be firm and binding for the first thirty (30) days following submittal of a construction bid. Thereafter, the construction bid may include an adjustment provision to reflect current market prices. Any such post-submittal adjustment must be supported by written documentation justifying the change and shall be subject to approval by the Corporation's General Manager and consulting engineer. If an adjustment mechanism is included in the bid, it must be included in the final construction contract and subject to the same approvals by the Corporation's General Manager and consulting engineer.
 - 9) After construction bids are received, they shall be opened at the place designated in the solicitation documents. The bids shall be evaluated by the Corporation's General Manager and consulting engineer and presented to the Board for final approval. After review and discussion in a noticed public meeting, the Board shall select the winning bid and empower the General Manager, engineer and attorney to proceed with the necessary contracts and construction.
 - 10) Within the first thirty (30) days of the Corporation's selection of the winning construction bid, the Applicant must do the following:
 - a. The Applicant must execute the final Non-Standard Service Contract. The final Non-Standard Service Contract may be reviewed and approved by the Corporation's Board of Directors after the 30-day approval period without adverse impact to the Applicant.
 - b. The Applicant must pay all impact, inspection, taps and other tariffed fees associated with every potential service connection for which application has been made. These fees are to be paid at the Corporation's office by cashier's check.
 - c. The Applicant shall fund the construction escrow account at the Corporation's designated bank. This Applicant shall deposit the full estimated cost of the construction identified by the Corporation's consulting engineer, subject to variable material and supply costs as provided herein.
5. **Design.** The Corporation shall study the design requirements of the Applicant's required facilities prior to initiation of a Service Agreement by adopting the following schedule:
- a. The Corporation's Consulting Engineer shall design all service facilities for the Applicant's requested service within the Corporation's specifications or within certain codes and specifications of neighboring municipalities for all Non-Standard Service Applications that lie within the enforced extra territorial jurisdiction of a municipality.
 - b. The Engineer's fees shall be paid out of the Non-Standard Service Investigation Fee, provided the actual costs of the Engineer's services do not exceed the amount of the Non-Standard Service Investigation Fee allotted for engineering services. If the Applicant's services exceed the allotted fee, the Applicant shall pay the balance of engineering fees prior to commencing with the service investigation.
 - c. The Consulting Engineer shall submit to the Corporation a set of detailed plans, specifications, and cost estimates for the project.
 - d. If no local authority imposes other design criteria on the Applicant's service request, the Corporation's Engineer shall design all facilities for any Applicant to meet the demand for service as platted and/or requested in the plans or plat submitted in application for service. The Corporation reserves the right to upgrade design of service facilities to meet future demands, provided however, that the Corporation pays the expense of such upgrading above the Applicant's facility requirements.
6. **Non-Standard Service Contract.** All Applicants requesting or requiring Non-Standard Service shall enter into a written contract, drawn up by the Corporation's Attorney, in addition to submitting the Corporation's Service Application and Agreement. Said contract shall define the terms of service prior to construction of required service facilities. Guidelines for the

service contract may include, but are not limited to:

- a. All costs associated with required administration, design, construction, and inspection of facilities for water service to the Applicant's service area and terms by which these costs are to be paid.
- b. Procedures by which the Applicant shall accept or deny a contractor's bid, thereby committing to continue or discontinue the project.
- c. Equity Buy In Fee (Impact Fees) required by the Corporation in addition to the other costs required under this Section. In the event the Corporation's Engineer, with concurrence of the Board of Directors, determines that the Applicant's development can best be served by the construction of a separate stand-alone water system, the Board may waive all or part of applicable Equity Buy In or capital recovery fees. This may occur when the Applicant pays for all of the production, storage treatment, pressure and distribution plant deemed necessary by the Corporation for all of the long term service demands of the property, including without limitation, purchased wholesale water capacity or related fees, legal and other consultant fees and/or underground water production permit fees, and no other service capacity of the Corporation shall be needed to serve that development.
- d. Monthly Reserved Service Charges as applicable to the service request. In the event the Corporation's Engineer, with concurrence of the Board of Directors, determines that the Applicant's development can best be served by the construction of a separate stand-alone water system, the Board may waive all or part of applicable monthly reserved service charges. This may occur when the Applicant pays for all of the production, storage treatment, pressure and distribution plant deemed necessary by the Corporation for all of the long term service demands of the property, including without limitation, purchased wholesale water capacity or related fees, legal and other consultant fees and/or underground water production permit fees, and no other service capacity of the Corporation shall be needed to serve that development. The Applicant may still be charged the Corporation's cost of maintaining yet unutilized plant capacity until such time that capacity is dedicated to active service meters. The amount and method of calculation of such charges shall be negotiated and set forth in the non-standard service contract for that development.
- e. Terms by which reserved service shall be provided to the Applicant and duration of reserved service with respect to the impact the Applicant's service request will have upon the Corporation's system capability to meet other service requests.
- f. Terms by which the Applicant shall be reimbursed or compensated for fees duplicated in assessments for monthly rates and Equity Buy In Fees. This shall include the waiver or repayment of Equity Buy In Fees up to but not to exceed the amount the Applicant directly pays for the production, storage treatment, pressure and distribution plant deemed necessary by the Corporation for all of the long term service demands of the property and/or other portions of the Corporation's certificated service area.
- g. Terms by which the Corporation shall administer the Applicant's project with respect to:
 - 1) Design of the Applicant's service facilities;
 - 2) Securing and qualifying bids;
 - 3) Selection of a qualified bidder for construction;
 - 4) Execution of the Service Agreement;
 - 5) Pay all tariffed fees not heretofore paid, I, e., impact, right-of-way fees, inspection, and tap fees;
 - 6) Creation and funding of the escrow construction account;
 - 7) Dispensing advanced funds for construction of facilities required for the Applicant's service;
 - 8) Inspecting construction of facilities; and
 - 9) Testing facilities and closing the project.

- h. Terms by which the Applicant shall indemnify the Corporation from all third party claims or lawsuit in connection with the project contemplated.
- i. Terms by which the Applicant shall deed all constructed facilities to the Corporation and by which the Corporation shall assume operation and maintenance responsibility, including any enforcement of warranties in connection with construction of the Applicant's project.
- j. Terms by which the Applicant shall grant title or easement for right-of-ways, constructed facilities, and facility sites and/or terms by which the Applicant shall provide for the securing of required right-of-ways and sites.
- k. Terms by which the Board of Directors shall review and approve the Service Contract pursuant to current rules, regulations, and bylaws.

7. **Property and Right of Way Acquisition.** The Corporation shall require private right of way easements on private property for the construction of water facilities according to the following conditions:

- b. If the Corporation determines that right of way easements or facility sites outside the Applicant's property are required, the Corporation shall require the Applicant to make good faith efforts to secure easements or title to facility sites in behalf of the Corporation. All right of way easements and property titles shall be researched, validated, and filed by the Corporation at the expense of the Applicant.
- c. All facilities installed in public right of way in behalf of the Applicant, due to inability to secure private right of way easements, shall be subject to costs equal to the original cost of facility installation for those facilities in public right of ways, plus the estimated cost of future relocation to private right of ways, provided however, that funds will not be received at a later date from other sources for such relocation.
- d. The Corporation shall require an exclusive dedicated right of way on the Applicant's property (as required by the size of the planned facilities and as determined by the Corporation engineer) and title to property required for other on-site facilities. There may not be any overlap with roadway dedications, other public utility easements, or other property dedications. The Applicant must covenant that they will not subsequently grant any future property interests that conflict with the Corporation's easements or titles.
- e. If the Applicant is subsequently found to have granted any real property interest that conflicts with the Corporation's exclusive easement and/or the utility facilities located therein, the Applicant, his heirs, successors and assigns shall bear all costs of relocating the Corporation's facilities in a relocated easement, if necessary. This obligation is deemed to be the agreed remedy for the breach of the covenant that ran with the exclusive easement granted to the Corporation as a precondition to the initial granting of utility service to the property in question.
- f. The Applicant shall grant the Corporation a separate ingress-egress easement into and across the property as a whole (the subdivision) to allow Corporation personnel to service any and all water utility plant that may be constructed, operated and maintained on the property. This latter easement shall terminate only when the last item of Corporation utility plant is permanently removed from public service.
- g. Easements and facilities sites shall be prepared for the construction of the Corporation's pipelines and facility installations in accordance with the Corporation's requirements and at the expense of the Applicant. All costs of any kind incurred by the Corporation to bring utility service to the Applicant in sufficient quantities to comply with TCEQ rules while meeting anticipated local demand consistent with the type of development proposed by the Applicant shall be borne by the Applicant. It is the Applicant that is in the business of taking and being rewarded for the risk of real estate development, not the Corporation and its resident-customers. The Corporation shall only pay for oversizing plant meant to serve customers or future customers outside of the Applicant's property.

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

- a. The Applicant shall sign the Service Contract noting willingness to proceed with the project and shall pay all costs in advance of construction associated with the project;
 - b. The Contractor shall provide an adequate bid bond under terms acceptable to the Corporation;
 - c. The Contractor shall secure adequate performance and payment bonding for the project under terms acceptable to the Corporation;
 - d. The Contractor shall supply favorable references acceptable to the Corporation;
 - e. The Contractor shall qualify with the Corporation as competent to complete the work, and
 - f. The Contractor shall provide adequate certificates of insurance as required by the Corporation.
9. ***Pre-Payment For Construction And Service.*** After the Applicant has executed the Service Agreement, the Applicant shall pay to the Corporation all costs necessary for completion of the project prior to construction and in accordance with the terms of the Service Contract.
10. ***Construction.***
- a. All roadwork pursuant to county and/or municipal standards (if applicable) shall be completed prior to facility construction to avoid future problems resulting from road right-of-way completion and excavation. Subject to approval of the requisite authority, road sleeves may be installed prior to road construction to avoid road damage during construction of Applicant's facilities.
 - b. The Corporation shall, at the expense of the Applicant, inspect the facilities to ensure that Corporation standards are achieved.
 - c. Construction plans and specifications shall be strictly adhered to, but the Corporation reserves the right to change-order any specifications, due to unforeseen circumstances during the design phase, to better facilitate operation of the Applicant's facility. All change-order amounts shall be charged to the Applicant.
11. **Service Within Subdivisions** -- The Corporation's objective to provide service to any customer located within a subdivision governed by this section is strictly limited to the non-standard service specified by the Applicant. The purchaser of any lots who do not receive service because this service has not been specified or paid for by the Applicant shall have no recourse to the Corporation but may have recourse to the Applicant/Developer.

Tariff

OF

**BOLIVAR WATER
SUPPLY CORPORATION**

SECTION G. RATES AND SERVICE FEES

SECTION G.

RATES AND SERVICE FEES

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

1. **Service Investigation Fee.** The Corporation shall conduct a service investigation for each service application submitted at the Corporation office. An initial determination shall be made by the Corporation, without charge, as to whether the service request is Standard or Non-Standard. An investigation shall then be conducted and the results reported under the following terms:
 - a. All Standard Service requests shall be investigated without charge and all applicable costs for providing service shall be quoted in writing to the Applicant within ten (10) working days of application.
 - b. All Non-Standard Service requests shall be subject to a fee, appropriate to each project, of sufficient amount to cover all administrative, legal, and engineering fees associated with investigation of the Corporation's ability to deliver service to the Applicant to;
 - (1) provide cost estimates of the project,
 - (2) to present detailed plans and specifications as per final plat,
 - (3) to advertise and accept bids for the project,
 - (4) to present a Non-Standard Service Contract to the Applicant, and
 - (5) to provide other services as required by the Corporation for such investigation. A Non-Standard Service Contract shall be presented to the Applicant within a suitable amount of time as determined by the complexity of the project. (See Section F.)
2. **Membership Fee.** At the time the application for service is approved, a refundable Membership Fee must be paid before service shall be provided or reserved for the Applicant by the Corporation. The Membership Fee for water service is \$100.00 for each service unit.
3. **Easement Fee.** When the Corporation determines that private right-of-way easements and/or facilities sites are necessary to provide service to the Applicant, the Applicant shall be required to 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. 2. c. (2), Section F. 7. a.)
4. **Installation Fee.** The Corporation shall charge an installation fee for service as follows:
 - a. **Standard Service** shall include all current labor, materials, engineering, legal, customer service inspection (if Corporation chooses to inspect), and administrative costs necessary to provide individual metered water service and shall be charged on a per tap basis as computed immediately prior to such time as metered service is requested and installed. The approved tap fees are set forth in Section 5 below. The service applicant may also be charged the actual cost of road bores and other unique costs incurred in the installation of that individual tap.
 - b. **Non-Standard Service** shall include any and all construction labor and materials, inspection, administration, legal, and engineering fees, as determined by the Corporation under the rules of Section F of this Tariff.
 - c. **Standard and Non-Standard Service Installations** shall include all costs of any pipeline re-locations as per Section E.1.c. (6) of this Tariff.
5. **Capital Recovery Fee, Meter Inspection Fee, Engineering Fee, Membership Fee and Meter Installation Fee.** In addition to the Membership Fee, each Applicant shall be required to pay an amount projected to defray the cost of up-grading system facilities to meet growth demands created by adding customers requesting standard service or to compensate the Corporation for existing capacity being dedicated or reserved for the benefit of that applicant. This fee

shall be assessed immediately prior to providing or reserving service on a per service unit basis for each tap/lot and shall be assigned and restricted to the tap/lot for which the service was originally requested. If the Corporation must construct or obtain production, storage, treatment, pressure or transmission capacity to meet the anticipated service demands of the applicant and the cost of such construction exceeds the capital recovery fee for the meter determined to be necessary for that applicant, the applicant shall pay the greater of the two costs. Developers or other applicants requesting service to more than one lot/tract that will be individually metered, shall pay a capital recovery fee equal to the sum of the total number of lots to be served by the capital recovery fee for each size meter needed to serve the applicant.

Master Metered Service:

When evaluating the water system capacity requirements of a state-approved public water system (PWS), under 30 TAC §§290.45(b)(1)(E) and 290.45(b)(1)(F), the TCEQ counts the number of units or individual consumption points served rather than the size of the bulk- or master-meter serving the property. The Corporation must install and maintain PWS capacities using this criteria rather than the customary rules which tie capacity to the metering point. Under 30 TAC §§290.38 – connection, 290.44(d)(4), 291.89(a)(1)&(4), a commercial, industrial or other non-residential service applicant may apply for a single master meter to be located on the property line that will meter all water consumed on that tract. The Corporation recognizes that a master-metered service application may apply to two distinctly different types of service, depending upon the type of customer-owned public drinking water facilities to be constructed and operated on the tract. Each has unique service needs that must be addressed separately. Those two service types are:

- c. The non-residential service applicant will take Corporation water service through a master meter and shall rely on the Corporation to deliver sufficient water pressure and volumes at all times to provide continuous and adequate potable water service to each point of usage/consumption while meeting TCEQ standards. This service shall be known as “Direct Master Metered Service.”
- d. The non-residential service applicant will take Corporation water service through a master meter and will use that water to supply a customer-owned and -maintained public drinking water system. The service applicant shall be responsible for producing sufficient water pressure and volumes at all times to provide continuous and adequate potable water service to each point of usage/consumption while meeting TCEQ standards. This service shall be known as “Customer Facilities Master Metered Service.”

Applicants requesting Direct Master Metered Service shall pay a capital recovery fee equal to the sum of the total number of service connections to be served by the capital recovery fee for the smallest tariffed water meter capable of adequately serving each service connection. For illustration purpose only: If a rental mobile home park (RMHP) requests a three-inch (3”) meter for bulk or master-metered water service delivered to its property line and the RMHP will use its own customer-owned distribution system to deliver water to 100 mobile home sites/pads, each of which could be adequately serviced with a ¾-inch x 5/8-inch, 10-gpm meter, the capital recover fee for the RMHP would be 100 times the capital recovery fee for a ¾-inch x 5/8-inch meter and not the capital recovery fee that would otherwise be charged for a single 3-inch meter. If a commercial business park requests a three-inch (3”) meter for master-metered water service and the park will use its own customer-owned distribution system to deliver water to four free-standing office buildings each of which could be adequately served with its own 1 ½-inch meter the capital recover fee for the park would be 4 times the capital recovery fee for a 1 ½-inch meter and not the capital recovery fee that would otherwise be charged for a single 3-inch meter.

Customer Facilities Master Metered Service shall be provided on a case-by-case basis. The Corporation’s engineer shall evaluate each service request and the manner, amount and place of requested water delivery. The Corporation’s engineer shall determine the best means of meeting the applicant’s service request within the Corporation’s available and/or feasible water service resources in the affected portion of the Corporation’s service area. The Corporation’s engineer shall determine what size master meter and service lines that will be needed to meet that applicant’s service demand. Unless the Customer Facilities Master Metered Service applicant constructs and maintains sufficient customer-owed public water system facilities to meet reasonably anticipated coincidental peak demands without requiring additional direct water flows from the Corporation, the service applicant shall pay a capital recovery fee equal to the capital recovery fee that would be charged for Direct Master Metered Service. If the Corporation’s engineer determines that there will be adequate customer-owned facilities to meet reasonably anticipated coincidental peak demands from on-site storage with pressurization by the customer, a capital recover fee shall be calculated based upon the water flow demands the Customer Facilities Master Metered Service will place on the system. This calculation shall be made separately for each application. In no event shall the capital recovery fee for Customer Facilities Master Metered Service be less than the normal commercial capital recovery fee for the size of the meter the Corporation’s engineer determines should be installed. In the event the service applicant requests a meter size larger than the Corporation’s engineer suggests, the minimum fee shall be based upon the requested meter size.

In the event the Corporation's Engineer, with concurrence of the Board of Directors, determines that the Applicant's development can best be served by the construction of a separate stand-alone water system, the Board may waive all or part of capital recovery fees. This shall occur only when the Applicant pays for all of the production, storage treatment, pressure and distribution plant deemed necessary by the Corporation for all of the long term service demands of the property, including without limitation, purchased wholesale water capacity or related fees, legal and other consultant fees and/or underground water production permit fees, and no other service capacity of the Corporation shall be needed to serve that development.

There shall be a \$25.00 Engineering Fee paid on each new meter regardless of size. A Membership is required for each meter for which a Fee of \$100.00 shall be levied. Meter Installation (Tap) Fees shall be charged as set forth below.

Effective March 1, 2009, Bolivar WSC's capital recover fee for a 5/8" X 3/4" meter is **\$3,000**. Other standard capital recovery fees, based upon the meter equivalents set forth in this tariff, shall be:

METER SIZE	5/8" X 3/4" METER EQUIVALENTS	CAP. REC. FEE	MEMBERSHIP FEE	ENGINEER FEE	INSTALLATION FEE
5/8" X 3/4"	1.0	\$3,000.00	\$100.00	\$25.00	\$700.00
1"	2.5	\$4,500.00	\$100.00	\$25.00	\$1,400.00
1 1/2"	5.0	\$5,000.00	\$100.00	\$25.00	\$2,000.00
2"	8.0	\$6,000.00	\$100.00	\$25.00	\$2,500.00
3" TURB.	17.5	\$7,000.00	\$100.00	\$25.00	\$3,000.00

Standard residential service to a single lot through a 5/8 x 3/4-inch meter shall be charged the normal \$3,000 capital recovery or impact fee.

6. **Monthly Charges.**

- a. **Water Service Availability Charge --** The monthly charge for metered water service, which includes NO gallons allowable gallonage, is based on demand by meter size. Each charge is assessed based on the number of 5/8" X 3/4" meters (as per American Water Works Association maximum continuous flow specifications (see Miscellaneous) equivalent to the size indicated and is used as a base multiplier for the Service Availability Charge and allowable gallonage. All single family homes (manufactured or site-built) on individually owned lots or tracts, residential duplexes and residential triplexes must be individually metered and shall be deemed to be residential customers so long as the primary use of the property being served is for habitation. Any property, regardless of usage, requiring a meter in excess of one and one-half inches shall be deemed to be non-residential customers. Unless they are individually metered, all residential premises/properties having four or more living units shall be deemed to be non-residential customers.

Rates and equivalents for the Corporation's defined customer classes are as follows:

RESIDENTIAL CUSTOMERS (-0- gallons included):

METER SIZE	5/8" X 3/4" METER EQUIVALENTS	MONTHLY RATE
5/8" X 3/4"	1.0	\$___28.50
1"	2.5	\$___71.25
1 1/2"	5.0	\$___142.50
2"	8.0	\$___228.00

NON-RESIDENTIAL CUSTOMERS (-0- gallons included):
NON-MASTER-METERED SERVICE

METER SIZE	5/8" X 3/4" METER EQUIVALENTS	MONTHLY RATE
5/8" X 3/4"	1.0	\$___28.50
1"	2.5	\$___71.25

1 1/2"	5.0	\$___142.50
2"	8.0	\$___228.00
3" TURB.	17.5	\$___498.75

NON-RESIDENTIAL CUSTOMERS (-0- gallons included):

DIRECT MASTER-METERED SERVICE

Service applicants requesting direct master-metered service [as defined in G (5) above] shall pay a non-residential water service availability charge equal to the sum of the total number of service connections to be served by the non-residential water service availability charge for the smallest tariffed water meter capable of adequately serving each service connection. For illustration purpose only: If a rental mobile home park (RMHP) requests a three-inch (3") meter for bulk or master-metered water service delivered to its property line and the RMHP will use its own customer-owned distribution system to deliver water to 100 mobile home sites/pads, each of which could be adequately serviced with a 3/4-inch x 5/8-inch, 10-gpm meter, the monthly non-residential water service availability charge for the RMHP would be 100 times the capital recovery fee for a 3/4-inch x 5/8-inch meter and not the non-residential water service availability charge that would otherwise be charged for a single 3-inch meter. If a commercial business park requests a three-inch (3") meter for master-metered water service and the park will use its own customer-owned distribution system to deliver water to four free-standing office buildings each of which could be adequately served with its own 1 1/2-inch meter the monthly non-residential water service availability charge for the park would be 4 times the non-residential water service availability charge for a 1 1/2-inch meter and not the non-residential water service availability charge that would otherwise be charged for a single 3-inch meter. *(effective 03/01/2009)*

NON-RESIDENTIAL CUSTOMERS (-0- GALLONS INCLUDED):
CUSTOMER FACILITIES MASTER METERED SERVICE

Service applicants requesting customer facilities master-metered service [as defined in G (5) above] shall pay the non-residential water service availability charge for non-residential, non-master-metered service customers being served through the same size water meter. The determination of what size meter shall be used for each individual customer shall be made by the Corporation's engineer based upon the technical data provided him and confirmed by the Corporation's Board of Directors.

b. **Reserved Service Charges** -- The monthly charge for each active account at a specific location for which a meter has not been installed but for which the Corporation and the Applicant have entered into agreement and/or contract for reserved service. This monthly charge shall be based on the Corporation's fixed costs to service the Applicant's dedicated facilities on a per Service Unit basis. This charge reserves service to the Applicant's real estate designated to receive service. This fee is determined on a case-by-case basis, but shall never exceed the Service Availability Charge for Metered Service on a per Service Unit basis.

In the event the Corporation's Engineer, with concurrence of the Board of Directors, determines that the Applicant's development can best be served by the construction of a separate stand-alone water system, the Board may waive all or part of applicable monthly reserved service charges. This may occur when the Applicant pays for all of the production, storage treatment, pressure and distribution plant deemed necessary by the Corporation for all of the long term service demands of the property, including without limitation, purchased wholesale water capacity or related fees, legal and other consultant fees and/or underground water production permit fees, and no other service capacity of the Corporation shall be needed to serve that development. The Applicant may still be charged the Corporation's cost of maintaining yet unutilized plant capacity until such time that capacity is dedicated to active service meters.

The amount and method of calculation of such charges shall be negotiated and set forth in the non-standard service contract for that development.

c. **Gallonge Charge** - In addition to the Service Availability Charge, a gallonge charge shall be added at the following rates for usage during any one (1) billing period, standard and non standard.

- (1) \$2.75 per thousand gallons for first 2,000 gallons metered;
 \$3.50 per thousand gallons for next 3,000 gallons metered;
 \$3.75 per thousand gallons for next 5,000 gallons metered;
 \$4.25 per thousand gallons for next 15,000 gallons metered';
 \$6.25 per thousand gallons metered thereafter.

(2) Groundwater Conservation District Fee. The Corporation is subject to the regulatory jurisdiction of one or more groundwater conservation districts (GCDs), each charge the Corporation a pumpage fee(s). These fees will be passed on to customers as a surcharge to the normal Gallonage Charge. A surcharge of \$0.23 per 1,000 gallons metered will be charged. This fee shall be subject to change whenever any GCD changes the fees it charges the Corporation.

(3) **Non-Residential Customers** – Commercial monthly minimum rate for non-single family residential and Commercial Enterprises shall be determined by the size of meter installed. The monthly minimum for these types of commercial facilities will be based upon residential 5/8” meter equivalents at 10 gpm.

<u>METER SIZE</u>	<u>RATED CONTINUOUS FLOW</u>	<u>MONTHLY MINIMUM</u>
5/8”	10 GPM	\$28.50
1”	25 GPM	\$72.25
1-1/2”	50 GPM	\$142.50
2”	80 GPM	\$228.00
3”	170 GPM	\$498.75

d. **TCEQ Gross Receipts Assessment.** The Corporation shall, as required by Section 5.235, Water Code of the State of Texas, 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 G.6. Monthly Charges of this tariff. (30 TAC 291.76 d.(3) (i))

7. **Late Payment Fee.** Penalty of 5% on all account billings shall be applied. This late payment penalty shall not be applied to any balance to which the penalty was applied in a previous billing, but shall be applied to any unpaid balance during the current billing period.

8. **Owner Notification Fee.** The Corporation may, at the expense of the Member, notify said Member of a renter/lessee delinquent account status prior to disconnection of service. The Owner Notification Fee shall be \$5.00 per notification. (See Miscellaneous Transaction Forms.)

9. **Mortgagee/Guarantor Notification Fee.** The Corporation shall assess a fee of \$5.00 for each notification to a Membership lien-holder under agreement prior to Membership cancellation. (See Miscellaneous Transaction Forms.)

10. **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 \$35.00. (See Miscellaneous Transaction Forms) If two or more checks are returned within any twelve-month period, the customer shall be required to make future payments in cash or by money order for a period of twelve months.

11. **Reconnect Fee.** If a customer voluntarily terminates their service or fails to restore it within 45 days after disconnection for other causes and seeks to restore that service at the same location within 12 months of the initial termination, the customer shall be required to pay a service fee equal to the Service Availability Charge above for their meter size and customer class for each month their service was inactive. If the service is inactive for more than 12 months and the same customer seeks to restore that same service at the same location, they shall pay the standard field service charges. For purposes of this tariff, the customer shall be deemed to be the same person or entity if they are a beneficial recipient of the utility service even if the request for service is in the name of another individual. Falsification of a service application or other information provided to the Corporation concerning the beneficial recipients of utility service shall be grounds for termination or refusal of service.

12. **Field Service Charges.**

- a. Disconnect for non-payment, bad checks or tampering -- \$100.00
- b. Reconnect fees after disconnection for non-payment:
 - 1. During business hours -- \$100.00
 - 2. After 4:00 pm -- \$125.00

All collections for reconnection of service shall be made at the Corporation’s business office during regular office hours.

All reconnections will be scheduled for the date of receipt of payment for such reconnection, but in the event that other duties prevent reconnection during normal working hours, the Corporation staff will reconnect service after hours at the after hours rate. If the customer does not want to pay the after hours rate, they must request in writing that reconnection should not be made until normal working hours on the next business day.

13. **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. Removal of any locking device without authorization from the Corporation's General Manager shall be deemed to be damage by tampering. Removal of a locking device or subsequent acts of tampering, bypassing or diversion shall result in the meter being pulled. If the Corporation's equipment has not been damaged, a fee equal to the greater of: (a) the actual costs for all labor, material, equipment, and other actions necessary to correct service diversions, unauthorized taps, or reconnection of service without authority or (b) the applicable field service charge in Section 14 above shall be charged. All components of this fee will be itemized, and a statement shall be provided to the Member. **IF THE CORPORATION'S FACILITIES OR EQUIPMENT 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 FROM ANY SOURCE OR BY ANY PERSON OR ENTITY ON THE MEMBER'S PROPERTY THROUGH 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.**
14. **Customer History Report Fee.** A fee of \$2.00 shall be charged to provide a copy of the Member's record of past water purchases in response to a Member's request for such a record. If the Member has a *bona fide* billing dispute with the Corporation, which may be resolved by the production of a Customer History Report, no charge will be made for the first report. The fee shall apply to all subsequent reports.
15. **Meter Test Fee.** The Corporation shall test a Member's meter upon written request of the Member. Under the terms of Section E of this Tariff, a charge of \$100.00 shall be imposed on the affected account. The fee must be prepaid. If the meter is determined to be inaccurate, the fee shall be refunded.
16. **Transfer Fee.** An Applicant for service that is a Transferee shall complete all required application forms, etc., and pay a Transfer Fee of \$25.00. A transfer fee shall apply whenever a new account is activated but service was never terminated at the meter.
17. **Membership Certificate Copy Fee.** A fee of \$5.00 will be charged to provide a duplicate copy of the Membership Certificate.
18. **Non-Disclosure Fee.** A fee of \$5.00 shall be assessed any customer requesting in writing that personal information under the terms of this tariff not be disclosed to the public.
19. **Information Disclosure Fee.** All public information except that which has been individually requested as confidential shall be available to the public for a fee to be determined by the Corporation based on the level of service and costs to provide such information, but not to be inconsistent with the terms of the Texas Open Records Act: Chapter 552, Texas Government Code.
20. **Customer Service Inspection Fee.** The Corporation will not perform customer service inspections on applicants' or members' properties. These inspections are required to be performed by licensed customer service inspectors. It shall be the applicant or member's responsibility to have the inspection performed by the licensed inspector of their choice. No permanent potable water service, or continue service if an inspection is required of existing plumbing, will be provided until the required certificate is delivered to the Corporation.
21. **Other Office Service Fees.**
 - a. **Rental Account Status Charge.** A charge of \$15.00 shall be made for the change of renter on any account that will include the file update and final bill processing for the previous renter.
 - b. **Disconnect Order Processing Fee.** A charge of \$25.00 shall be levied on all accounts for which payment has been received prior to actual disconnection but after a disconnection order had been prepared and/or issued.

c. **Meter Re-read Fee.** In the event the member/designee requests that a meter be re-read for any reason and the new reading verifies that the initial reading taken by the Corporation was correct, a fee of \$25.00 shall be charged for the additional reading. Prepayment of the fee is required. If the initial reading was incorrect, the collected fee shall be refunded.

d. **Final Reading Fee.** In the event the member/designee requests a final reading of their meter for the purpose of transferring the account, a final reading fee of \$25.00 shall be imposed.

e. **Service Call Fee .** In the event a member/designee requests a service of the Corporation which is clearly not the responsibility of the Corporation or to investigate a service problem located on the customer's service line or plumbing on the customer's side of the meter, a service charge equal to the labor, materials and administrative costs incurred by the Corporation shall be charged the members account.

f. **Meter/Tap Relocation Fee.** Relocation of a tap or meter at a member/customer's request shall be made at the actual cost of the relocation, subject to a \$700.00 minimum charge depending on the meter size, provided that the property to which the tap or meter is to be relocated is owned by the member/customer making the request.

g. **Locked Meter Charge.** The Corporation shall lock, at the request of a member/customer, the meter at the location where an active membership is serviced. A fee shall be charged of \$25.00 for unlocking the meter during regular field service hours or \$35.00 for unlocking after regular field service hours.

22. **Temporary Service Fees.** In the event temporary service is requested to be re-established for dwelling inspections at the request of Lending Brokers or Realtors a fee shall be charged of \$25.00 to turn water on and \$25.00 to turn water off in addition to any water usage cost.

23. **Other Service Fees.** All services outside the normal scope of utility operations, which the Corporation may be compelled to provide at the request of a customer or Member, shall be charged to the recipient based on the cost of providing such service.

24. **Penalties for Violation of Water Conservation Practices.** HB 1152 (78 Legislature Regular Session - 2003) empowered water supply corporations to enforce customer water conservation practices by assessing reasonable penalties in the utilities' tariffs. Pursuant to the Act, the Corporation adopts the following penalties for violations of noticed water conservation practices and water rationing restrictions:

All penalties are based upon each noticed drought or water conservation-causing event. Each time all involuntary water use restrictions are lifted, a new cycle begins and each customer/member has a violation count of zero -0-.

1. **VIOLATION OF RATIONING RULES:**

- a. First violation – Bolivar WSC may install a flow restrictor in the lines to limit the amount of water which will pass through the meter in a 24-hour period. The cost to be charged to the member's account shall be the actual installed cost to Bolivar WSC.
- b. Subsequent violations – Bolivar WSC may terminate service at the meter for a period of seven (7) days, or until the end of the calendar month, whichever is LESS. The normal reconnect fee of Bolivar WSC shall apply for restoration of service.

2. **EXEMPTIONS OR VARIANCES FROM RATIONING RULES:**

Bolivar may grant any member an exemption or variance from the uniform rationing program, for good cause. Bolivar WSC shall treat all members equally concerning exemptions and variances, and shall not employ discrimination in such grants.

3. **RATES:** All existing rate schedules shall remain in effect during the rationing period, and no charges may be levied against a member which are not contained in the approved tariff of Bolivar WSC as filed with the Commission.

TARIFF

OF

**BOLIVAR WATER
SUPPLY CORPORATION**

SECTION H.

**EMERGENCY WATER DEMAND MANAGEMENT PLAN
AND EMERGENCY RATIONING PROGRAM**

SECTION H.
EMERGENCY WATER DEMAND MANAGEMENT PLAN
AND EMERGENCY RATIONING PROGRAM

1. INTRODUCTION

The goal of this plan is to cause a reduction in water use in response to 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 rationing program.

A Conservation Committee consisting of the Manager's and Field Supervisor will monitor usage patterns, public education efforts and make recommendations to the Board on future conservation efforts. 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 an emergency. This Committee will 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 Corporation adopts the following priorities in the distribution of available water resources:

- a. Domestic indoor water usage only for drinking, bathing, cooking, hygiene, etc.
- b. Domestic indoors water usage *plus* livestock and domesticated animals.
- c. Domestic indoors water usage *plus* livestock and domesticated animals *plus* a reasonable amount of outdoor usage, i, e, car washing, watering house foundations, flower beds with drip or leaky pipe irrigation
- d. Domestic indoors water usage *plus* livestock and domesticated animals *plus* a reasonable amount of outdoor usage defined above *plus* spray irrigation of lawns and residential yards not to exceed one-third acre
- e. Domestic indoors water usage *plus* livestock and domesticated animals *plus* a reasonable amount of outdoor usage defined above *plus* spray irrigation of commercial properties, ball fields, parks and residential yards exceeding one-third acre

Water rationing restrictions are automatically waived during emergencies such as fire fighting or a situation endangering human life.

Water rationing will be implemented according to the three stages of rationing as imposed by the Board. The next section describes the conditions, which will trigger these stages.

2. TRIGGER CONDITIONS

- a. **Stage I - Mild Condition:** Stage I, 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 rationing condition may be implemented

when one of the following conditions exists:

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 or as may otherwise be indicated in the Corporation's approved drought management plan.
 3. Stage 2 pumpage reductions are ordered by the TCEQ or other empowered agency is issued.
- c. **Stage III - Severe Conditions:** Stage III rationing conditions may be implemented when one of the following four 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. Other unforeseen events that could cause imminent health or safety risks to the public.
 5. Stage 3 pumpage reductions are ordered by the Barton Springs-Edwards Underground Water District or similar water conservation order by the TCEQ or other empowered agency is issued.

3. STAGE LEVELS OF RATIONING

The stage levels of rationing are to be placed in effect by the triggers in Section B. The System shall institute monitoring and enforce penalties for violations of the Rationing Program for each of the Stages listed below. Rationing may be implemented system-wide or in limited areas as needed. The rationing measures are summarized below.

a. **Stage I – Voluntary Conservation**

1. Under Stage I, Bolivar WSC members will be requested to voluntarily restrict usage of water for outdoor purposes such as lawns, gardens, car washing, etc. Members will be requested to voluntarily limit the amount of water used to that amount absolutely necessary for health, business and outdoor water use.

b. **Stage II - Mild Conditions**

1. Under Stage II, Bolivar WSC may select one or more of the alternatives listed below, except usage for livestock is exempt.
2. Time of Use Restriction: Usage of water for outdoor purposes such as lawns, gardens, car washing, etc., may be restricted according to one or more of the following schedules, except that Bolivar may allow irrigation by hand-held hoses, hand-held buckets, or drip irrigation anytime.

- a. Alternate Day Use: Members with even numbered addresses or rural delivery numbers can use water outdoors on even numbered days and members with odd numbered addresses or rural delivery numbers can use water outdoors on odd numbered days. For members having rural delivery numbers, the last numerical digit of the rural delivery number, whether route or box number shall be used to determine watering days.
 - b. Weekday Use Only: No outside watering allowed on Saturdays, Sundays, or official Federal Holidays.
 - c. Every Five Days Use: Members whose address or rural delivery numbers ends in 0 and 1 can water on the 1st day of the month, 2 and 3 – the 2nd, 4 and 5 – 3rd, 6 and 7- 4th, 8 and 9 – 5th, 0 and 1 – 6th, ...and so on. Bolivar WSC will provide a calendar noting the respective watering fays and the order will remain consecutive as new months begin. For members having rural delivery numbers, whether route or box number, shall be used t determine watering days.
3. Hand Watering Restriction: Bolivar WSC may require that only a hand-held hose or a hand-held bucket be used for watering of lawns, gardens, trees, and shrubs.
 4. Vehicle Washing Restrictions: Bolivar WSC may prohibit or limit the times for washing of automobiles, trucks, trailers, boats, airplanes and other types of mobile equipment..
- c. **Stage III – Moderate Conditions**
1. All outside watering prohibited and the system may also limit livestock watering by notice.
- d. **Stage IV – Severe Conditions**
1. All outdoor water usage is prohibited; usage for livestock is exempt. All Consumption shall be limited to each member in one of the following ways:
 - a. A fixed percentage of each member’s average use in the prior month, the percentage to be uniformly applied on a system wide basis, each member being notified of this percentage amount, OR
 - b. A maximum number of gallons per meter (member), per week, with notice to each member of this number
 2. All meters shall be read as often as necessary to insure compliance with this program for the benefit of all the members.

4. **ADDITIONAL SERVICE RESTRICTIONS**

- a. **Rationing Due to Coincidental Peak Capacity Restrictions.** Where changes in customer demands exceed the installed capacity of the Corporation's distribution system to deliver continuous and adequate service in excess of 35 psi at each service connection at all times of coincidental peak demand, the Corporation may implement Stage I water rationing for only those customers or that portion(s) of the distribution system affected by these capacity limitations. The available water service capacities shall be allocated, on a case-by-case basis, according to the priority of uses established in this chapter. The preferred method of rationing, to the extent possible, shall be limitations on time and days of water usage with minimal usage of spray irrigation. The goal of these limitations will be to allow every affected customer to receive all the water they reasonably need over differing periods to reduce coincidental peak demands on the affected distribution system. Limited area water rationing of this type is not a substitute for good service and may only be used until adequate service capacities can be added to the system.

- b. **Contractual Rationing.** The Corporation may contract with non-residential customers to limit their time of usage for irrigation purposes to specific days and specific times. Such contracts shall be enforceable by the installation of flow restrictors or demand meters and/or service termination for repeat (2 or more) violations.

5. **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 Conservation Committee, decide if the appropriate stage of rationing 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 rationing is to be instituted, written notice to the customers shall be given.

Written notice of the proposed rationing shall be mailed or delivered to each affected customer, and 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 rationing shall begin,
- b. The expected duration,
- c. The stage (level) of rationing to be employed,
- d. Penalty for violations of the rationing program, and
- e. Affected area to be rationed.

A sample Customer Notice of rationing condition is included in Miscellaneous Transaction Forms of this tariff.

If the rationing period extends 30 days then the Chairperson of the Conservation Committee or manager shall present the reasons for the rationing at the next scheduled Board Meeting and shall request the concurrence of the Board to extend the rationing period.

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

6. **PENALTIES FOR VIOLATIONS**

For the first violation of a rationing provision a written warning shall be issued. The Corporation may install a flow restrictor in the customer's service line for the second violation. The cost of this shall be the actual cost to do the work and not exceed \$100.00.

For subsequent violations, the Corporation may terminate service for up to 7 days and charge for the service call to restore service. These provisions apply to all customers of the Corporation.

7. **EXEMPTIONS OR WAIVERS**

The System may grant exemptions or waivers for individuals that can demonstrate just cause for outside or other use of water other than permitted by this Rationing Program. Some examples may include no other source for livestock, for business purposes, for other planned construction or improvement already in progress, etc.

8. **IMPLEMENTATION**

The Board shall establish a Conservation Committee by Resolution, the chairperson, of which, will be the responsible representative to make Emergency Water Management actions. This committee should also review the procedures in this plan annually so that modifications can be made to accommodate system growth.

The provisions which affect customers in this Plan were adopted by the Board. These procedures will be put into effect by the Board or its designated representative.

Tariff
OF
BOLIVAR WATER
SUPPLY CORPORATION
SAMPLE APPLICATION PACKET

FORM: RUS -TX 1780-9 (5/99)

BOLIVAR WATER SUPPLY CORPORATION

CORPORATION USE ONLY

Date Approved _____

Service Classification _____

Cost _____

Work Order Number _____

Eng. Update _____

Account Number _____

Service Inspection Date _____

STANDARD SERVICE APPLICATION AND AGREEMENT

Please Print: DATE: _____

APPLICANT'S NAME: _____

CO-APPLICANT'S NAME: _____

CURRENT 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)

ACREAGE _____ HOUSEHOLD SIZE _____

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.

The following information is requested by the Federal Government in order to monitor compliance with Federal laws prohibiting discrimination against applicants seeking to participate in this program. You are not required to furnish this information, but are encouraged to do so. This information will not be used in evaluating your application or to discriminate against you in any way. However, if you choose not to furnish it, we are required to note the race/national origin of individual applicants on the basis of visual observation or surname.

- | | | | | | | |
|--|--|--|-----------------------------------|--|---|--|
| <input type="checkbox"/> White, Not
of Hispanic
Origin | <input type="checkbox"/> Black, Not
of Hispanic
Origin | <input type="checkbox"/> American Indian
or Alaskan
Native | <input type="checkbox"/> Hispanic | <input type="checkbox"/> Asian or
Pacific
Islander | <input type="checkbox"/> Other
(Specify) | <input type="checkbox"/> Male
<input type="checkbox"/> Female |
|--|--|--|-----------------------------------|--|---|--|

AGREEMENT made this _____ day of _____, 20____, between

Bolivar 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 by-laws 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, a copy of which has been provided as an information packet, for which Member acknowledges receipt hereof by execution of this agreement. 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.

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
- b. The number of potential ratepayers considered in determining the financial feasibility of constructing
 1. a new water system or
 2. 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

PAGE 2 of 4

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 sub meter 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, and illegal lead materials.

The Corporation is responsible for protecting the drinking water supply from contamination or pollution, which could result from improper plumbing practices. The service agreement serves as a notice to each customer of the plumbing 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 plumbing 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 isolated from the public water system by an air-gap or an appropriate backflow prevention assembly in accordance with state plumbing regulations. Additionally, all pressure relief valves and thermal expansion devices must be in compliance with state plumbing codes.
- 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 air-gap 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 8.0% lead may be used for the installation or repair of plumbing on or after July 1, 1988, at any connection, which provides water for human consumption.
- e. No solder or flux, which contains more than 0.2% lead, may be used for the installation or repair of plumbing on or after July 1, 1988, at any connection, which provides water for human consumption.
- f. No plumbing fixture is installed which is not in compliance with a state-approved plumbing code.

The Corporation shall maintain a copy of this agreement as long as the Member and/or premises are connected to the public water system. The Member shall allow his property to be

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 plumbing practices which have been identified during the initial or subsequent inspection. The Member shall immediately correct any undesirable plumbing practice on their premises. The Member shall, at his 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 Member shall grant to the Corporation, now or in the future, any easements of right-of-way for the purpose of installing, maintaining, and operating such pipelines, meters, valves, and any other equipment which may be deemed necessary by the Corporation to extend or improve service for existing or future Members, on such forms as are required by the Corporation.

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.

Witnesseth

Approved and Accepted

Applicant Member

Date Approved

**BOLIVAR WATER SUPPLY CORPORATION
NON-STANDARD SERVICE AGREEMENT**

THIS AGREEMENT is made and entered into by and between _____, hereinafter referred to as "Developer", and Bolivar Water Supply Corporation, hereinafter referred to as "WSC".

WHEREAS, Developer is engaged in developing that certain _____ acres of land in _____, County, Texas, more particularly known as the _____ subdivision, according to the plat thereof recorded at Vol. _____, Page _____ of the Plat Records of _____ County, Texas, said land being hereinafter referred to as "the Property"; and,

WHEREAS, WSC owns and operates a water system which supplies potable water for human consumption and other domestic uses to customers within its service area; and,

WHEREAS, Developer has requested WSC to provide such water service to the Property through an extension of WSC's water system, such extension being hereinafter referred to as "the Water System Extension";

NOW THEREFORE: KNOW ALL MEN BY THESE PRESENTS: THAT for and in consideration for the mutual promises hereinafter expressed, and other good and valuable consideration, the sufficiency of which is hereby acknowledged by the parties, Developer and WSC agree as follows:

1. **Engineering and Design of the Water System Extension.**

- (a) The Water System Extension shall be engineered and in accordance with the applicable specifications of the WSC and all governmental agencies having jurisdiction by WSC's consulting engineer prior to the issuance of any request for bids for the construction of the Water System Extension and the commencement of any utility system construction on the property. After completion of the plans and specifications by the WSC's consulting engineer, the plans and specifications shall become part of this Agreement by reference and shall more particularly define "the Water System Extension".
- (b) The Water System Extension must be sized to provide continuous and adequate water service to the property based on plans for the development of the Property provided to WSC by the Developer. If the property is to be developed in phases and the Developer desires the water system to be constructed in corresponding phases and such phased construction is deemed desirable and acceptable to WSC at its sole discretion, Developer shall be required to execute a separate Non-Standard Service Agreement for each development and construction phase. The execution of one or more separate Non-Standard Service Agreement(s) will not provide to or vest in the Developer any capacity reservations or service rights for any property not expressly covered by the executed agreement(s). The property to be covered and served under each agreement shall be clearly designated in a plat reviewed and approved by WSC's consulting engineer and Board of Directors to be appended to the agreement and incorporated therein for all purposes.
- (c) WSC may require the Water System Extension to be oversized in anticipation of the needs of other customers of the WSC, subject to the obligation to reimburse the Developer for any such oversizing as provided below.
- (d) Due to the variable market for needed materials and supplies, quotations for the cost of construction of utility plant and/or upgrades that will be necessary to meet the service demands of the service application shall be good only for the date of presentation by the Corporation's engineer and/or contractor. Following the date of presentation, materials and supplies for construction may include an adjustment to reflect current market prices

2. **Required Easements or Rights-of-Way.**

- (a) Developer shall be responsible for dedicating or acquiring any easements across privately owned land which are necessary for the construction of the Water System Extension and for obtaining any Governmental approvals necessary to construct the Water System Extension in public right-of-way.

- (b) The easement hereby granted shall be (exclusive and not less than) 15' in width, and Grantee is hereby authorized to designate the course of the easement herein conveyed except that when the pipeline(s) or plant is installed, the easement herein granted shall be limited to a strip of land 15' in width the centerline or center-point thereof.
- (c) There shall be a construction easement of equal width parallel and adjacent with said easement for the period necessary to construct and test public utility pipelines and such other utility plant with the easement. After the newly constructed pipeline, utility plant or other facilities have been constructed and placed into commercial operation, this construction easement shall terminate. Thereafter the easement shall be only 15' in width.
- (d) Any easements acquired by the Developer shall be assigned to WSC upon proper completion of the construction of the Water System Extension. The validity of the legal instruments by which the Developer acquires any such easements and by which Developer assigns such easements to WSC, must be approved by WSC's attorney.

3. **Construction of the Water System Extension.**

- (a) WSC's consulting engineer, at Developer's expense, shall advertise for bids for the construction of the Water System Extension in accordance with generally accepted bidding practices and shall award the contract for the construction of the Water System Extension subject to the approval of the WSC's Board of Directors. WSC may reject any bid, contractor or subcontractor. No construction will commence until plans and specifications for the Water System Extension have been submitted to and approved by the Texas Commission on Environmental Quality and any other required regulatory agency, as may be required by law. WSC shall have no liability of any kind to Developer occasioned by delays or difficulties in obtaining any required governmental approvals, permits, licenses or certificates.
- (b) The Water System Extension shall be constructed in accordance with the approved plans and specifications. WSC shall have the right to inspect all phases of the construction of the Water System Extension. Developer must give written notice to WSC of the date on which construction is scheduled to begin so that WSC may assign an inspector. WSC may charge reasonable inspection fees based on the actual costs of labor, travel and incidental expenses of the inspectors, plus 10% overhead.

4. **Dedication of Water System Extension to WSC.**

Upon proper completion of construction of the Water System Extension and final inspection thereof by WSC, the Water System Extension shall be dedicated to the WSC by an appropriate legal instrument approved by WSC's Attorney. Any costs of remediation or rehabilitation necessary to bring the Water System Extension into compliance with all state, federal, and WSC standards prior to acceptance by WSC shall be borne by Developer. WSC shall have the sole decision of when the Water System Extension is acceptable. The Water System Extension shall thereafter be owned and maintained by WSC; however, Developer shall warrant the construction and suitability of the same for a period of one (1) calendar year and shall bear all costs of repairs and improvements during this warranty period.

5. **Subdivision Restrictions.**

Developer shall create and enforce permanent and irrevocable subdivisions deed, plat or other restrictions and/or covenants running with the land that shall prohibit the construction of private potable water systems or water wells within the subdivision. These prohibitions need not apply to non-potable water sources used for irrigation

purposes only if they do not encroach on or in any way hazard the WSC's source of water. No interconnection between a private water supply and the WSC's water supply may be constructed or maintained except in strict conformance with applicable state or federal health, safety, environmental or utility regulations.

6. **Cost of the Water System Extension.**

- (a) Developer shall pay all costs associated with the Water System Extension as a contribution in aid

of construction, including without limitation to the cost of the following:

- (1) engineering and design;
 - (2) easement or right-of-way acquisition;
 - (3) construction;
 - (4) inspection;
 - (5) attorneys' fees;
 - (6) governmental or regulatory approvals required to lawfully provide service, including all costs of amending WSC's certificate of convenience and necessity;
 - (7) WSC's prescribed capital recovery (impact) fee (by anticipated meter size) and/or capacity reservation charge for each lot and/or service connection for which the Water System Extension is designed to serve less credit for any production, treatment, storage, pressure and transmission facilities added to WSC's utility system at Developer's expense to serve the property in question; however, no credit shall be provided for distribution lines, valves, taps, services, flush valves and appurtenances thereto (together the "distribution system infrastructure") constructed at Developer's expense and the total offset credit received shall never exceed the total amount of WSC's prescribed impact or capital recovery fee (by anticipated meter size) and/or capacity reservation charge which would otherwise be collected.
 - (8) WSC's prescribed right-of-way acquisition fee (by anticipated meter size) and/or capacity reservation charge for each lot and/or service connection for which the Water System Extension is designed to serve.
- (b) Developer shall indemnify WSC and hold WSC harmless from all of the foregoing costs.
- (c) Payment of Contribution in Aid of Construction:
- (1) A Non-Standard Service Investigation Fee in an amount set by the WSC's General Manager, in consultation with the WSC's consulting engineer and counsel, shall be paid by cashier's check payable to the WSC at the time of initial application for service.
 - (2) The WSC's Capital Recovery Fee, Right-of-Way Acquisition Fee and Membership Fee, as defined by the WSC's tariff, shall be paid by cashier's check payable to the WSC within ten (10) business days of the latter of approval of the consulting engineer's plans for the Service Extension by the WSC or the Texas Commission on Environmental Quality. Failure to deliver the funds to the WSC's business offices within the 10 business day period shall void the application for non-standard service and the Developer shall have to reapply and repay all applicable Non-Standard Service Investigation Fees. Upon timely payment of the Capital Recovery Fee, WSC's consulting engineer shall proceed with issuing proposals for bids for construction.
 - (3) All funds required for the Water System Extension construction shall be escrowed in an interest bearing, federally insured, account in a state chartered bank located in Denton County, Texas within sixty (60) days of the acceptance of construction bid(s) by WSC. The account shall be in the name of and under the sole control of the WSC. Interest accrued thereon shall be retained in the account for the benefit of the Developer. All escrow and other charges associated with the creation and maintenance of this account shall be borne by Developer. If the amount of the funds to be escrowed exceed \$100,000, the bank shall provide suitable collateral in the form of United States or State of Texas

treasury bonds, bills or certificates of obligation suitable as collateral under the Texas Public Funds Investment Act said collateral to be held by an agent acceptable to WSC. Developer shall be required to maintain the level of funds in said escrow account at no less than ten percent (10%) of the total estimated cost of the Water System Extension. If phased development and construction under multiple Non-Standard Service Agreements will be followed, the parties may establish and utilize a single escrow account. All funds remaining in the escrow account at the expiration of the Developer's one-year warranty of the Water System Extension (or the final warranty year if phased development and construction is followed) shall be refunded to Developer. Developer-paid impact or capital recovery fees or capacity reservation charges shall be paid directly to WSC at execution of this Agreement and shall not be subject to escrow but shall be the unrestricted funds of WSC. Failure to deliver the funds to the WSC's business offices within the 60-day period shall void the application for non-standard service and the Developer shall have to reapply and repay all applicable Non-Standard Service Investigation Fees. Upon timely delivery of these funds to the selected bank, WSC shall authorize construction to commence

- (d) Provided, however, except for the one-year warranty provide in the Agreement, nothing herein shall be construed as obligating the Developer to maintain the Water System Extension subsequent to its dedication and acceptance for maintenance by WSC and the expiration of the warranty period.
- (e) If WSC has required the Water System Extension to be oversized in anticipation of the needs of the other customers of WSC, WSC shall reimburse Developer for the additional costs of construction attributable to the oversizing, as determined by the WSC's consulting engineer, in three equal annual installments without interest beginning one year after dedication of the Water System Extension to WSC.
- (g) If the Developer requests WSC to install meters at service locations during the construction of the distribution system infrastructure, Developer shall pay the normal monthly service rates for each meter beginning with the date of installation. Unless the service meter is for the Developer's own permanent use and not for property to be resold to the public in the ordinary course of business, Developer shall pay a customer service deposit of \$100.00 per 5/8 inch meter. The deposit shall be increased by the meter equivalency factors in WSC's approved tariff for larger meters. These customer service deposits shall be payable in lieu of the WSC's customary membership fee and shall be managed and refundable in the same fashion as a membership fees under WSC's by-laws and tariff. Failure to timely pay the service charges and/or deposits for any individual meter shall be grounds for discontinuance and/or refusal of service for all other meters held by Developer.

7. **Service From the Water System Extension.**

- (a) After proper completion and dedication of the Water System Extension to WSC, WSC shall provide continuous and adequate water service to the Property under the requirements of WSC's state-issued certificate of convenience and necessity, the regulations of the Texas Commission on Environmental Quality and all duly adopted rules and regulations of WSC and payment of the following:
 - (1) All standard rates, fees and charges as reflected in WSC's approved tariff;
 - (2) Any applicable impact or capital recovery fee adopted by WSC;
 - (3) Any applicable reserved service charge adopted by WSC.
- (b) It is understood and agreed that the obligation of WSC to provide water service in the manner contemplated by this Agreement is subject to the issuance by the Texas Commission on Environmental Quality and all other governmental agencies having jurisdiction of all permits,

certificates or approvals required to lawfully provide such service.

- (c) Unless the prior approval of WSC is obtained, the Developer shall not:
- (1) construct or install additional water lines or facilities to service areas outside the proper;
 - (2) add any additional lands to the Property for which water service is to be provided pursuant to this agreement; or
 - (3) connect or serve any person or entity who, in turn, sells water service directly or indirectly to another person or entity.

8. **Effect of Force Majeure.**

In the event either party is rendered unable by force majeure to carry out any of its obligations under this Agreement, in whole or in part, then the obligations of that party, to the extent affected by the force majeure shall be suspended during the continuance of the inability, provided however, that due diligence is exercised to resume performance at the earliest practical time. As soon as reasonably possible after the occurrence of the force majeure relied upon to suspend performance, the party whose contractual obligations are affected thereby shall give notice and full particulars of the force majeure to the other party.

The cause, as far as possible, shall be remedied with all reasonable diligence. The term "force majeure" includes acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, orders of the government of the United States or the State of Texas or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraints of government and civil disturbances, explosions, breakage, or accidents to equipment, pipelines, or canals, partial or complete failure of water supply, and any other inability's of either party, whether similar to those enumerated or otherwise, that are not within the control of the party claiming the inability and that could not have been avoided by the exercise of due diligence and care. It is understood and agreed that the settlement or strikes and lockouts shall be entirely within the discretion of the party having the difficulty and that the requirement that any force majeure be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing party if the settlement is unfavorable to it in the judgment of the party having the difficulty.

9. **Notices.**

Any notice to be given hereunder by either party to the other party shall be in writing and may be effected by personal delivery or by sending said notices by registered or certified mail, return receipt requested, to the address set forth below. Notice shall be deemed given when deposited with the United States Postal Service with sufficient postage affixed. Any notice mailed to the WSC shall be addressed:

Bolivar Water Supply Corporation
Attn: General Manager
310 N 3rd Street
PO Box 1789
Sanger, TX 76266

with copy to:

Mark H. Zeppa, Esq.
Law Offices of Mark H. Zeppa, P. C.
4833 Spicewood Springs Road, Suite 202
Austin, Texas 78759-8436

Any notice mailed to Developer shall be addressed:

Either party may change the address for notice to it by giving notice of such change in accordance with the provisions of this paragraph.

10. **Severability.**

The provisions of this Agreement are severable, and if any word, phrase, clause, sentence, paragraph, section, or other part of this Agreement or the application thereof to any person or circumstance shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such word, phrase, clause, sentence, paragraph, section, or other part of this Agreement to other persons or circumstances shall not be affected thereby and this Agreement shall be construed as if such invalid or unconstitutional portion had never been contained therein.

11. **Entire Agreement.**

This Agreement, including any exhibits attached hereto and made a part hereof, constitutes the entire agreement between the parties relative to the subject matter of this Agreement. All prior agreements, covenants, representations, or warranties, whether oral or in writing, between the parties are merged herein.

12. **Amendment.**

No amendment of this Agreement shall be effective unless and until it is duly approved by each party and reduced to a writing signed by the authorized representatives of the WSC and the Developer, respectively, which amendment shall incorporate this Agreement in every particular not otherwise changed by the amendment.

13. **Governing Law.**

This Agreement shall be construed under and in accordance with the laws of the State of Texas and all obligations of the parties are expressly deemed performable within the state-certificated service area of WSC.

14. **Venue.**

Venue for any suit arising hereunder shall be in Denton County, Texas.

15. **Successors and Assigns.**

This Agreement shall be binding on and shall inure to the benefit of the heirs, successors and assigns of the parties.

16. **Assignability.**

The rights and obligations of the Developer hereunder may not be assigned without the prior written consent of the WSC.

17. **Effective Date.**

This Agreement shall be effective from and after the date of due execution by all parties.

18. **Conflict.**

In the event there is determined to be a conflict between the terms of this Agreement and the provisions in the WSC's tariff governing the same matter, the tariff shall prevail.

IN WITNESS WHEREOF each of the parties has caused this Agreement to be executed by its duly authorized representative in multiple copies, each of equal dignity, on the date or dates indicated below.

"WSC"

DEVELOPER

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Tariff

OF
Bolivar WATER
SUPPLY CORPORATION

MISCELLANEOUS TRANSACTION FORMS

ALTERNATE BILLING AGREEMENT FOR RENTAL ACCOUNTS

NAME: _____

METER #: _____

ADDRESS: _____

ACCT #: _____

I hereby authorize Bolivar 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 also understand that I am responsible to see that this account balance is kept current, as is any other account in the Corporation. This account shall not be reinstated until all debt on the account has been retired.

Signature _____

Date _____

AGREEMENT FOR TEMPORARY INSPECTION SERVICE

The water utility service applicant indicated below ("Customer") has requested for water utility service from Bolivar Water Supply Corporation ("Utility") at the service location indicated below. Under state public health and water utility service regulations [30 TAC 290.46(j)], Utility may not provide continuous potable water utility service to any new construction, to any existing service location where significant plumbing modifications have been made, or to any location where Utility has reason to believe that a cross-connection or other undesirable or unsafe condition exists until the service applicant or customer presents Utility with an executed Customer Service Inspection Certificate (30 TAC 290.47-Appendix D). It is Customer's sole obligation and responsibility, at his/her expense, to have the necessary inspection performed by a properly licensed inspector. Neither Utility nor its operators perform customer service inspections.

Notwithstanding this inspection requirement before permanent water service can be provided, Utility is allowed to provide Customer with temporary water service for dwelling inspection purposes only. Utility agrees to provide such temporary inspection water service at its standard rates, fees and conditions of service upon Customer's agreement that:

- 1. The water provided will not be consumed by humans or animals.**
- 2. Customer will notify Utility in writing when to initiate the temporary service.**
- 4. Customer will notify Utility in writing when inspection at the indicated service location has ended,**
- 5. Customer agrees not to occupy or reside in the indicated service location until Customer has delivered a fully executed Customer Service Inspection Certificate to Utility, the Standard Service Application Form and re-service fees have been paid.**

If Customer fails to abide by any provision of this agreement, water service to the indicated service location will be terminated and will not be restored under any circumstances until a fully executed Customer Service Inspection Certificate has been delivered to Utility. Termination will be made without notice if, in the opinion of Utility's licensed operator(s), Customer's service creates an immediate hazard to public health and safety. If no such hazard exists, Customer shall be notified and given a limited time to come into compliance. Utility's state-approved reconnect fee will be charged as a condition of service restoration if temporary water service is terminated for breach of this agreement.

1. Customer name: _____

2. Customer's billing address: _____

3. Customer's phone number: (____) _____ - _____

4. Service location: _____

Entered into in _____ County, Texas on the ____ day of _____, 19__.

Customer:

Bolivar Water Supply Corporation:

BY: _____

BY: _____

LAW EFFECTS CONFIDENTIALITY OF UTILITY RECORDS

The Texas Legislature passed H.B. 859 to allow various utilities to maintain confidentiality of certain records at the request of the customer. Effective September 1, 1993, H.B. 859 provides that a government operated utility which provides water, sewer, garbage, gas, or electricity for compensation, may not disclose personal information in a customer's account records if the customer requests in writing that the utility keep the information confidential. The utility is required to include with a bill sent to each of its customers a notice of the customer's right to request confidentiality of personal information as well as any applicable fee or form required to comply with such requests. Personal information means an individual's address, telephone number, or social security number. This bill applies to WSC's, cities, districts and all governmental bodies who are subject to the Open Records Act.

Such confidentiality does not prohibit a WSC from disclosing the name and address of each member on a list to be made available to the Corporation's voting members, or their agents or attorneys, in connection with any annual or special meeting of the Corporation's members.

The attached forms are designed for your use and may be copied, customized to your utility's needs, and mailed to each customer as required by law. Note the following instructions:

- Form is for use by water supply corporations.
- Type your address in the appropriate spaces.
- Fill in the charge for the service (not to exceed \$5.00).

**YOU CAN REQUEST THAT PERSONAL INFORMATION
CONTAINED IN OUR UTILITY RECORDS
NOT BE RELEASED TO UNAUTHORIZED PERSONS**

The Texas Legislature enacted a bill, effective September 1, 1993, allowing publicly-owned utilities to give their customers the option of making the customer's address, telephone number, and social security number confidential.

IS THERE A CHARGE FOR THIS SERVICE?

Yes. There is a one-time charge of \$5.00 to cover the cost of postage and implementation that 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 \$5.00 to:

Bolivar Supply Corporation
PO Box 1789
Sanger, Texas 76266

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, electricity, or drainage service for compensation.

Detach And Return This Section

Yes, I want you to make my personal information (address, telephone number, and social security number) confidential. I have enclosed my payment of \$5.00 for this service.

Name of Account Holder

Account Number

Address

Area Code/Telephone Number

City, State, Zip Code

Signature

CUSTOMER NOTICE OF WATER RATIONING

DATE: _____

TO: Customers of Bolivar Water Supply Corporation

FROM: General Manager, Bolivar 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 Emergency Water Rationing Program on file with the Texas Commission on Environmental Quality, Stage ____ - _____ Rationing will begin on _____ and will be in effect no later than _____ or until the situation improves.

Stage ____ rationing allows:

The Board has authorized the installation of a flow restrictor in your line if you are found violating these rules. Subsequent violations may result in temporary termination of service. If you feel you have good cause for a variance from this rationing program please contact us in writing at the address above. A complete copy of our approved Rationing Program is available for review at our business office.

Thank you for your cooperation.

MEMBERSHIP TRANSFER AUTHORIZATION

Transferor hereby surrenders Membership in the Bolivar WSC by execution of the attached Stock Certificate. Water service rights granted by Membership and other qualification hereby cease contingent upon further qualification of the Transferee in accordance with the policies of the Bolivar WSC.

By execution hereof, the undersigned hereby acknowledges that the Membership Transfer complies with the terms of one of the following items (1) through (4), thereby qualifying for transfer of Membership in accordance with the laws of the State of Texas.

- (1) The Membership is transferred by will to a person related to the Transferor within the second degree by consanguinity; or
- (2) The Membership is transferred without compensation to a person related to the Transferor within the second degree by consanguinity; or
- (3) The Membership is transferred without compensation or by sale to the Corporation; or
- (4) The Membership is transferred as a part of the conveyance of real estate from which the Membership arose.

Transferee understands that qualification for Membership is not binding on the Corporation and does not qualify Member for continued water service unless the following terms and conditions are met:

- (1) This Membership Transfer Authorization Form is completed by the Transferor and Transferee;
- (2) The Transferee has completed the required Application Packet;
- (3) All indebtedness due the Corporation has been paid;
- (4) The Membership Certificate has been surrendered, properly endorsed, by the record Transferor;
- (5) The Transferee demonstrates satisfactory evidence of ownership of the property designated to receive service and from which the Membership originally arose; and
- (6) Any other terms and conditions of the Corporation's Tariff are properly met.

Signature of Transferor

Signature of Transferee

MEMBERSHIP TRANSFER AUTHORIZATION (CONTINUED)

Transferor's Name

Transferee's Name

Forwarding Address

Current Address

City, State, Zip Code

City, State, Zip Code

Phone

Phone

Account Number _____

Location of Meter _____

TRANSFER FEE = \$25.00

MEMBERSHIP FEE = \$100.00 (where previously liquidated)

RECONNECT FEE = \$100.00

Note: A membership transfer fee and/or reinstatement fee(s) may be assessed to Transferee on all transfers.

ACKNOWLEDGMENT

The State of Texas
County of _____

IN WITNESS WHEREOF the said Transferor and Transferee have executed this instrument this ____ day of _____, 19____.

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared _____
Known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledge to me that they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS ____ day of _____, 19____.

(SEAL)

Notary Public in and for the State of Texas

Print name: _____

Commission expires: _____

**BOLIVAR 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. Member acknowledges and agrees that an initial field test may be performed using a calibrated or marked volumetric container. A subsequent bench test of the meter will be performed thereafter if the field test indicates the meter tests high. The subsequent test shall be conducted in accordance with the American Water Works Association standards and methods on a certified test bench. Member agrees to pay the greater of the Corporation's experienced cost of testing by an third party agency or \$100.00 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

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 _____ Report approved by _____

**BOLIVAR WSC
NOTICE TO OWNER OF RENTAL PROPERTY**

You are hereby given notice that your renter/lessee is past due on your account with the Corporation. The renter/lessee has been sent a second and final notice, a copy of which is enclosed herein, and the utility service will be 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 restoration of disconnected service. A fee of \$5.00 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 owner. If you have any questions concerning the status of this account, please do not hesitate to call.

BOLIVAR WSC MANAGEMENT

Amount Due Including Service Charges _____

Final Due Date _____

**NOTICE OF REQUIREMENT TO COMPLY WITH THE SUBDIVISION AND
SERVICE EXTENSION POLICY OF
BOLIVAR WATER SUPPLY CORPORATION**

Pursuant to Chapter 13.2502 of the Texas Water Code, Bolivar Water Supply Corporation hereby gives notice that any person who subdivides land by dividing any lot, tract, or parcel of land, within the service area of Bolivar Water Supply Corporation, Certificate of Convenience and Necessity No. 11029, in Denton, Wise, and Cooke Counties, into two or more lots or sites for the purpose of sale or development, whether immediate or future, including re-subdivision of land for which a plat has been filed and recorded or requests more than two water service connections on a single contiguous tract of land must comply with the subdivision service extension policies (the "Subdivision Policy" stated in Bolivar Water Supply Corporation's tariff.

Bolivar Water Supply Corporation is not required to extend retail water utility service to a service applicant in a subdivision where the developer of the subdivision has failed to comply with the Subdivision Policy.

Among other requirements, the Subdivision Policy requires:

Applicable elements of the Subdivision Policy, depending on the specific circumstances of the subdivision service, may include:

Evaluation by Bolivar Water Supply Corporation of the impact a proposed subdivision service extension will make on Bolivar Water Supply Corporation's water supply system and payment of the costs for this evaluation;

Payment of fees for reserving water supply capacity;

Forfeiture of reserved water supply service capacity for failure to pay applicable fees;

Payment of costs of any improvements to Bolivar Water Supply Corporation's system that are necessary to provide the water service;

Construction according to design approved by Bolivar Water Supply Corporation and dedication by the developer of water facilities within the subdivision following inspection.

Bolivar Water Supply Corporation's tariff and a map showing Bolivar Water Supply Corporation's service area may be reviewed at Bolivar Water Supply Corporation's offices, at 310 N 3rd St., Sanger, TX 76266, the tariff and service area map also are filed of record at the Texas Commission on Environmental Quality in Austin, Texas and may be reviewed by contacting the TCEQ, c/o Utilities & Districts Section, Water Permitting & Resource Management Division, P. O. Box 13087, Austin, Texas 78711.

BOLIVAR WSC
NOTICE OF RETURNED CHECK

TO:

DATE:

CHECK NUMBER:

AMOUNT OF CHECK:

Your check has been returned to us by your bank for the following reasons:

You have ten days from the date of this notice in which to redeem the returned check and pay an additional \$35.00 Returned Check Fee. Redemption of the returned check and payment of additional fees may be made by cash, money order, credit card or certified check. If you have not redeemed the returned check and paid the additional service fees within ten (10) days, your utility service will be disconnected. If you have two or more returned checks within a twelve month period, you will be required to make future utility bill payments in cash or by money order for a period of twelve months.

BOLIVAR WSC MANAGEMENT

**BOLIVAR WATER SUPPLY CORPORATION
REQUEST FOR SERVICE DISCONTINUANCE**

I, _____, hereby request that my water meter (SSN# _____) or account number _____ located on _____, be disconnected from Bolivar Water Supply Corporation service and that my membership fee be refunded to me. 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 a then current copy of the Bolivar Water Supply Corporation Tariff. Future ability to provide service will be dependent upon system capacity, which I understand may be limited and may require capital improvements to deliver adequate service. I also understand that these improvements will be at my cost. 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.

Signature

Date of Signature

**BOLIVAR WATER SUPPLY CORPORATION
RIGHT-OF-WAY EASEMENT DENIAL FORM AND AFFIDAVIT**

PROPERTY OWNER'S NAME

LEGAL DESCRIPTION OF
PROPERTY

Bolivar Water Supply Corporation has attempted to acquire an easement for a community water distribution system across your property. It is now necessary to require an easement either be granted or refused by you within thirty (30) days after receipt of this notice. Attached is Bolivar WSC's standard easement form as furnished to us by the Farmers Home Administration. If you are not in agreement to grant easement, sign the middle portion of this document and return it to us, at which time this document will be filed in our office. Failure to return this document or the attached easement will result in a copy of this document being completed and signed by us to keep on file for future reference purposes. Failure to grant easement does not relieve Bolivar WSC of the obligation to serve water to the aforementioned property in the future, but does make the then current property owner, at time of application for water service, responsible for the financial burden of moving the water line from public right-of-way to private right-of-way plus any other normal charges for service. For further clarification, contact our office at 310 N 3rd Street, Sanger, TX 76266, (940) 458-3931 Fax (940) 458-7050.

I, _____ hereby refuse Bolivar WSC easement for a community water distribution system on the aforementioned property.

Signature of Property Owner

AFFIDAVIT

Being duly sworn upon my oath, I hereby certify that this is a true copy of the document sent by certified mail to _____ on _____, and a signed receipt verifying delivery and acceptance is on file in the office of Bolivar WSC, 310 N 3rd Street, Sanger, Texas 76266. I further certify a signed easement or signed refusal of easement was not received within thirty (30) days following receipt by property. I further state under oath that the engineer for the Corporation has furnished the property owner an estimate of cost for rerouting pipeline for which easement was denied to private property.

Official of Bolivar WSC

THE STATE OF TEXAS
COUNTY OF _____

THIS INSTRUMENT was acknowledged before me on _____, 19____ by _____.

SEAL

Notary Public in and for the State of Texas
My Commission Expires: _____

**BOLIVAR WSC
TERMINATION 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 during business hours 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 a new Membership and pay all costs applicable to purchasing a new Membership under the terms of the Corporation's Tariff and bylaws. 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.

Total past due charges: \$ _____

Estimated reconnect fees:	_____	delinquent reconnect fee
	_____	\$100 membership fee
	_____	Other _____
	_____	Other _____
	_____	Other _____

Total due to avoid disconnection: \$ _____

BOLIVAR WSC MANAGEMENT
PO BOX 1789 310 N 3rd ST
Sanger, TX 7626
(940) 458-3931, Fax (940) 458-7050
Business Hours: 8:30 – 5:00, M-F

Tariff
OF
BOLIVAR WATER
SUPPLY CORPORATION

MISCELLANEOUS

TARIFF FILING REQUIREMENTS

Effective September 1, 1989, all non-profit water supply corporations are required to file their tariff with the Texas Commission on Environmental Quality for information purposes only. Tariffs should be mailed to:

**Texas Commission on Environmental Quality
P. O. Box 13087
Capitol Station
Austin, Texas 78711-3087
Attention: Rate Section Tariff Clerk**

The deadline for filing tariffs was January 1, 1990. Utilities failing to comply with the Commission's rules may be subject to fines and penalties. The Commission will accept voluntary compliance with the filing requirements without penalty.

Capital Recovery Fee

The Corporation shall charge all new connections a Capital Recovery Fee as set by Board of Directors in the approved tariff. The Base Capital Recovery Fee shall be the required contribution for standard service at new location for 5/8" X 3/4" meter. The Base Capital Recovery Fee shall be adjusted for larger meters per AWWA meter equivalency factors approved in tariff. Funds collected through capital recovery fees shall provide funding for new production, storage treatment and pressure capacity construction to meet the additional service demand created by the applicant's proposed service. If new and adequate capacity is already available at the time a new service application is made, the capital recovery fee shall compensate the Corporation for this capacity without burdening other members. Where necessary, the capital recovery fee funds may be used for transmission line upgrades, replacements or installation where such construction will benefit the water system as a whole or significant portion of it. If a developer or other multi-connection service applicant installs production, storage, treatment, pressure or transmission facilities for the benefit of the Corporation, the developer or multi-connection service applicant may receive a reduction in the amount of per connection capital recovery fee they would otherwise pay, as may be approved by the Corporation's Board of Directors, in an amount not to exceed the money value of the original cost of the facilities constructed for the Corporation's benefit.

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
1"	25.0 GPM	2.50
1 1/2"	50.0 GPM	5.00
2"	80.0 GPM	8.00
3" TURB.	175.0 GPM	17.50

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.

These meter equivalency factors shall be subject to change if, in the sole determination of the Corporation's engineer, a particular meter needed to fulfill a service applicant's demands has a higher flow rate than designated by the AWWA. The factors shall also be amended any time the AWWA revises its standards.

SANITARY CONTROL EASEMENT

DATE: _____, 19__

GRANTOR:

GRANTOR'S ADDRESS:

GRANTEE:

GRANTEE'S ADDRESS:

SANITARY CONTROL EASEMENT:

Purpose, Restrictions, and Uses of Easement:

1. The purpose of this easement is to protect the water supply of the well described and located below by means of sanitary control.
2. The construction and operation of underground petroleum and chemical storage tanks and liquid transmission pipelines, stock pens, feedlots, dump grounds, privies, cesspools, septic tank or sewage treatment drain fields, improperly constructed water wells of any depth, and all other construction or operation that could create an insanitary condition within, upon, or across the property subject to this easement are prohibited within this easement For the purpose of the easement, improperly constructed water wells are those wells which do not meet the surface and subsurface construction standards for a public water supply well.
3. The construction of tile or concrete sanitary sewers, sewer appurtenances, septic tanks, storm sewers, and cemeteries is specifically prohibited within a 50-foot radius of the water well described and located below.
4. This easement permits the construction of homes or buildings upon the Grantor's property as long as all items in Restrictions Nos. 2 and 3 are recognized and followed.
5. This easement permits normal farming and ranching operations, except that livestock shall not be allowed within 50 feet of the water well.

The Grantor's property subject to this Easement is described in the documents recorded

at: _____
Volume _____ Pages _____ of the Real Property Records of _____ County, Texas.

Property Subject to Easement:

All of that area within a 150-foot radius of the water well located _____ feet at a radial of degrees from the _____ corner of Lot _____ of _____, a Subdivision of Record in Book _____, Page _____ of the County Plat Records, _____ County, Texas.

TERM:

This easement shall run with the land and shall be binding on all parties and persons claiming under the Grantor for a period of two years from the date that this easement is recorded; after which time, this easement shall be automatically extended until the use of the subject water well as a source of water for public water systems ceases.

ENFORCEMENT:

Enforcement of this easement shall be proceedings at law or in equity against any person or persons violating or attempting to violate the restrictions in this easement, either to restrain the violation or to recover damages.

INVALIDATION:

Invalidation of any one of these restrictions or uses (covenants) by a judgment or court order shall not affect any of the other provisions of this easement, which shall remain in full force and effect.

FOR AND IN CONSIDERATION, of the sum of One Dollar (\$1.00) and for other good and valuable consideration paid by the Grantee to the Grantor, the receipt of which is hereby acknowledged, the Grantor does hereby grant and convey to Grantee and to its successors and assigns the sanitary control easement described in this easement.

GRANTOR(S)

By: _____

By: _____

INDIVIDUAL ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on the _____ day of _____, 19___, personally appeared known to me to be the person(s) whose name(s) is(are) subscribed to the foregoing instrument and acknowledged to me that executed the same for the purposes and consideration therein expressed.

Notary Public in and for
The State of Texas

My Commission Expires: _____

Typed or Printed Name of Notary

HUSBAND AND WIFE ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on the _____ day of _____, 19___, personally appeared _____, husband and _____ wife, known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

Notary Public in and for
The State of Texas

My Commission Expires: _____

Typed or Printed Name of Notary

BOLIVAR WATER SUPPLY CORPORATION

REQUIRED SPECIFICATIONS FOR PLANT AND FACILITIES CONSTRUCTION

Unless otherwise approved by the Board of Directors, all plant, facilities, equipment, lines, controls and other appurtenances to the water system shall be constructed according to the uniform standards of construction prepared by the Corporation's consulting engineer. Those specifications follow this page but are subject to change. Questions about the Corporation's uniform standards of construction should be directed to:

Kerry D. Maroney, P. E.
Biggs & Mathews, Inc.
2500 Brook Ave
Wichita Falls, TX 76301
KDM@BiggsAndMathews.com
(940) 766-0156 Fax: (940) 766-3383