



Tariff

Picoso WSC
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SECTION A. RESOLUTIONS

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

1. This Tariff of the Picos Water Supply Corporation, serving in Wilson County consisting of Sections A. through K. and forms inclusive, is adopted and enacted as the current regulations and policies effective as of _____, 2025.
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.
3. The adoption (or revisions) of this Tariff does not prohibit or limit the Corporation from enforcing previous penalties or assessments from before the current effective date.
4. An official copy of this tariff and all policies shall be available during regular office hours of the Corporation, and a copy may be viewed on the Corporation's website. The Secretary/Treasurer 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 (or revised) in compliance with the Open Meetings Act of the Texas Government Code.

PASSED and APPROVED this _____ day of _____, 20__.

President, Picos Water Supply Corporation

Secretary, Picos Water Supply Corporation

SECTION B. STATEMENTS

1. **Organization.** The Picos Water Supply Corporation (“Corporation” or “WSC”) is a member-owned, nonprofit corporation formed pursuant to Texas Water Code [Chapter 67](#), and the provisions of the [Texas Business Organizations Code](#) applicable to member-owned nonprofit corporations for the purpose of furnishing potable water service. Corporation operating policies, rates, and regulations are adopted by the Board of Directors elected by the Members of the Corporation.
2. **Non-Discrimination Policy.** Membership in the Corporation and service is provided to all Applicants who comply with the provisions of this Tariff regardless of race, creed, color, national origin, sex, disability, or marital status.
3. **Policy and Rule Application.** These policies, rules, and regulations apply to water services provided by the Corporation. Failure on the part of the Member or Applicant to observe these policies, rules and regulations gives the Corporation the authority to deny or discontinue service according to the terms of this Tariff as amended from time to time by the Board of Directors of the Corporation.
4. **Corporation Bylaws.** The Corporation Members have adopted bylaws which establish the 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.** The Corporation does not provide nor imply that fire protection is available in the distribution system, except where expressly required by municipal ordinance or agreed to by WSC. All hydrants or flush valves are for the operation and maintenance of the system and may be used by authorized fire departments according to a contract with the Corporation to supply water for use in fire suppression. The Corporation reserves the right to remove any hydrant, or assign specific refill hydrants/valves due to improper use or detriment to the system as determined by the Corporation, at any time without notice, refund, or compensation to the contributors unless such hydrants are installed pursuant to the terms of a Non-Standard Service Agreement as provided for in Section F, in which event the terms and conditions of the Agreement shall apply.
6. **Damage Liability.** The Corporation is not liable for damages caused by service interruptions, events beyond its control, and for normal system failures. The limit of liability of the Corporation is the extent of the cost of service provided. By acceptance of Membership, the Member consents to waiver of such liability.
7. **Information Disclosure.** The records of the Corporation shall be kept in the Corporation office at 3274 FM 2579, Floresville, Texas. All information collected, assembled, or maintained by or by the Corporation shall be disclosed to the public in accordance with the Texas Public Information Act and other applicable laws. **In no event and under no circumstances shall the Corporation disclose the Social Security Number of any member or customer to any person other than an employee of the Corporation.** [Chapter 182, Subchapter B of the Texas Utilities Code](#) makes confidential a water utility customer’s address, telephone number, account records, and information relating to the volume or units of utility usage, or the amounts billed to or collected from the individual for utility usage. However, an individual member may request in writing that this information be released upon request. The Corporation shall give its applicants and members notice of their right to request disclosure of this information under this policy. The confidentiality provision in [Chapter 182, Subchapter B of the Texas Utilities Code](#) does not prohibit the utility from disclosing this information to an official or employee of the state or a political subdivision of the state acting in an official capacity or an employee of the Corporation acting in connection with the employee’s duties. Further, such confidentiality does not prohibit the Corporation from disclosing the name and address of each member entitled to vote on a list to be made available to the Corporation’s voting members, or their agents or attorneys, in connection with a meeting of the Corporation’s members.

8. ***Customer Notice of Rate Change.*** The Corporation will give written notice of rate changes by mail or hand delivery and the Corporation's website as well as other methods available, if applicable, to all customers at least 30 days prior to the effective date of the new rate. The notice will contain the old rates, new rates, effective date of the new rate, meaning the first date of the applicable billing cycle where the new rate will take effect, 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 showing interest under the policies of this Tariff in becoming a Member of the Corporation shall have an opportunity to voice concerns or grievances to the Corporation by the following means and procedures:
- a. By presentation of concerns to the Corporation's manager or authorized staff member. If not resolved to the satisfaction of the aggrieved party, then,
 - b. By presenting a letter to the Board of Directors stating the individual's grievance or concern and the desired result.
 - c. The Board of Directors shall respond to the complaint by communicating the Board's decision in writing.
 - d. Any charges or fees contested as a part of the complaint in review by the Corporation under this policy shall be suspended until a satisfactory review and final decision has been made by the Board of Directors.
10. ***Customer Service Inspections.*** The Corporation requires that a customer service inspection certification be completed prior to providing continuous water service to new construction and for all new members as a part of the activation of standard and some non-standard service. Customer service inspections are also required on any existing service when the Corporation has reason to believe that cross-connections or other potential contaminant hazards exist, or after any material improvement, correction or addition to the members' water distribution facilities. This inspection is limited to the identification and prevention of cross connections, potential contaminant hazards and illegal lead materials. ([30 TAC 290.46\(j\)](#)) (See [Section G. 4.](#))
11. ***Submetering Responsibility.*** Submetering and Non-Submetering by Master Metered Accounts may be allowed in the Corporation's water distribution system provided the Master Metered Account customer complies with the Public Utility Commission, [Chapter 24, Subchapter I](#) 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 members of the Corporation. Any interruption or impairment of water service to the tenants is the responsibility of the Master Metered Account Member. Any complaints regarding submetering should be directed to the Public Utility Commission.
12. ***Voluntary Contributions Policy.*** The Corporation's board reserves the right to approve and set up guidelines for accepting Voluntary Contributions on Behalf of Emergency Service Providers in our service area. The policy, if adopted, will set up guidelines for collection, accounting, and distribution of funds to the respective local Emergency Service Response entities. ([Texas Water Code Sections 13.143 & Section 67.017](#)) (See Section I. [Voluntary Contribution Policy](#))
13. ***Prohibition Against the Resale of Water.*** The meter connection is for the sole use of the Member or customer and is to provide a service to only one (1) dwelling or one (1) business. Extension of pipe(s) to share or resell water to any other persons, dwellings, businesses, or property, etc., is prohibited.

SECTION C. DEFINITIONS

Applicant – A person, partnership, cooperative corporation, corporation, agency, public or private organization of any type applying for service with the Corporation. A person must have reached the age of majority (18) in Texas to apply for service.

Activation of Non-Standard Service - Activation of Non-Standard Service shall be conducted as prescribed by terms of [Section F](#) of this Tariff.

Base Rate –The monthly charge assessed each Member for the opportunity of receiving service. The Base Rate is a fixed rate based upon the meter size as set forth in the equivalency chart in [Section G](#).

Board of Directors – The governing body elected by the Members of the Corporation that is vested with the management of the affairs of the Corporation. ([Section 22.001\(1\), Texas Business Organizations Code](#))

Bylaws – The rules pertaining to the governing of the Corporation adopted by the Corporation Members. ([Section 22.001\(2\), Texas Business Organizations Code](#))

Certificate(s) of Convenience and Necessity (CCN) – The authorization granted under [Chapter 13 Subchapter G of the Texas Water Code](#) for the Corporation to provide water service within a defined territory. The Corporation has been issued Certificate Number(s) 12751. The territory defined in the CCN shall be the Certificated Service Area. (See [Section D](#). Certificated Service Area Map(s))

Corporation – The Picos Water Supply Corporation.

Changes in Service Classification - If at any time the Corporation determines that the member's service needs are changed from those originally applied for to another classification and that different facilities are necessary to provide adequate service, the Corporation shall require the Member to re-apply for service under the terms and conditions of this Tariff.

Debt Owed to Corporation – All debts accrued by an individual member or customer that shall include but not be limited to past due bills from the current or other/former service location(s) of the member, deferred payment agreements, fees and penalties incurred in accordance with this Tariff, disconnect/ reconnect fees, Corporation assessments, and any other amount accrued and owed to the Corporation.

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

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

Disconnection of Service – The discontinuance of water service by the Corporation to a Member/Customer. A Disconnect Fee may be charged to a member who has not paid their past due water bill by the designated date.

Easement – A private perpetual dedicated right-of-way for the installation of water pipelines and necessary facilities which allows access to property for future operation, maintenance, facility replacement, facility upgrades, and/or installation of additional pipelines (if applicable) for both service to an Applicant and system-wide service. This may also include restrictions on the adjacent area to limit the installation of sewer lines or

other facilities that would restrict the use of any area of the easement. The easement will be filed in the real property records of Wilson County, Texas.

Equity Buy-In Fee/Impact Fee – Each Applicant for new service where a new service tap is necessary shall be required to achieve parity with the contributions to the construction or acquisition of the Corporation's assets related to capacity that have been made previously by existing Members. This fee shall be calculated annually after receipt of the system audit and assessed prior to providing (or reserving service for Non-Standard service applicants) on a per service unit basis for each property and shall be assigned and restricted to that property for which the service was originally requested. (See [Section G. 7.](#), also See [Section K](#), Calculation of Average Net Equity Buy in Fee)

Extreme Weather Emergency – a period beginning when the previous day's highest temperature recorded for the Corporation's service area did not exceed 28 degrees Fahrenheit and the temperature is predicted to remain at or below that level for the next 24 hours according to the nearest National Weather Service reports for that area. An extreme weather emergency is over on the second business day the temperature exceeds 28 degrees Fahrenheit [as defined in [16 TAC 24.173](#)].

Final Plat – A complete plan for the subdivision of a tract of land showing or referencing Local Tax Appraisal Maps, access to public road(s), number and size of lots, location of dedicated water easements, and location(s) of lakes, streams, or rivers through the property. The Corporation shall determine if a plat submitted for the purpose of this Tariff shall qualify as a final plat. For purposes of evaluating Development/Subdivision service requests under [Section F](#), the Corporation may accept preliminary plats or plats awaiting final approval pending execution of agreement for service.

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

Indication of Interest Fee – A fee paid by a potential Member of the Corporation for the purpose of determining the feasibility of a construction and /or expansion project as part of a rural domestic water system loan project contemplated with the Rural Development. This fee may be converted to a Membership Fee upon determination that service to the Applicant is feasible and available. This also applies to applicants applying for Temporary Service. (See [Service Application and Agreement](#))

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

Liquidated Membership – A Membership that has been canceled due to delinquent charges or for other reasons as specified in this Tariff. (See [Section E.19 e.](#))

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

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

Membership Fee – A fee qualified as such under the terms of the tariff and the bylaws of the Corporation assigned to the real estate designated to receive service. The membership fee shall be refundable upon

termination of service and surrendering the Membership, less any debt owed to the Corporation. The membership fee cannot be more than 12 times the minimum monthly base rate.

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

Public Utility Commission (PUC) – State regulatory agency having jurisdiction over water service utilities and appellate jurisdiction over the rates and fees charged by Nonprofit Water Supply Corporations

Proof of Ownership – For the purpose of this tariff, applicants for service and membership shall provide proof of fee simple title ownership of the real estate where service is requested. (See [Texas Property Code, Title 3, Section 12.001 and 12.0011](#))

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

Renter/Tenant – A customer who rents or leases property from a Member or who may otherwise be termed a tenant. (See Tariff Section [E. 18](#))

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. Any debt owed to the Corporation and all fees shall be paid in advance of installation unless otherwise approved by the Board of Directors.

Ownership of equipment- All water meters, equipment and materials required to provide water service to the meter is the property of the Corporation and shall be maintained by the water system only. The Corporation may elect to install additional materials for new connections that will then be the responsibility of the member to maintain.

Reconnect/Re-Service – Providing service to an Applicant at a location for which service previously existed and where there is an existing setting for a meter however, the meter itself has been removed. Costs of such reconnection shall be based on justifiable expenses in connection with such reconnection. (See Tariff [Section E. 1. b.](#), and [Section J Miscellaneous Request for Service Discontinuance & Membership Cancellation](#))

Seasonal Reconnect Fee – The fee charged for resumption of service at a location where the member has voluntarily suspended service, in a written request, for a period of time not exceeding nine months within a twelve-month period. The fee is based on the total months for which service is suspended multiplied by the amount of the monthly minimum fee the Corporation charges active customers.

Service Application and Agreement – A written agreement between the Member/Applicant and the Corporation defining the specific type of service requirements requested, and the responsibilities of each party required before service is furnished.

Service Investigation Fee – A fee for costs associated with determining if service is available and determining cost of service. This can be applied to both standard and non-standard service requests. (See Tariff Section [F. 3. \(c\)](#), [F. 4.](#), and [G. 26](#)).

Service Trip Fee - A fee charged for any service call or trip to the Member's tap as a result of a request by the Member or renter/tenant for response to damage of the Corporation's or another Member's facilities; for customer service inspections due to suspicion of meter tampering, bypass or diversion of service, or to perform an inspection/test of the meter outside normal operation.

Service Unit – The base unit of service used in facilities design and rate making. For this Tariff, a standard service unit is a 5/8” X 3/4” water meter. (See Tariff [Section G. 7](#) and [G. 14.](#))

Subdivide – To divide the surface area of land into lots or tracts.

Subdivider or Person who Subdivides Land– An individual, firm, corporation, or other legal entity that owns any interest in land and that directly or indirectly subdivides land into 2 or more lots as a part of a common promotional plan in the ordinary course of business. [See also Developer](#)

Subdivision – An area of land that has been subdivided into 2 or more lots or tracts.

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

Tariff – The operating policies, service rules, service extension policy, service rates, water use restriction policies, sample application packet, and miscellaneous transaction forms adopted by the Board of Directors. A copy of this Board approved tariff is on file at the Corporation office and as required by law at the State Office of the PUC.

Temporary Service – The classification assigned to an applicant that is in the process of construction. This could also apply to services for uses other than permanent (agricultural, road construction, drilling, livestock, etc.). The Board will set the length of time associated with this classification. This classification will change to permanent service after requirements in Tariff Section [E. 25](#), [E. 26](#), [E. 27](#), and [E. 28](#) are met. Applicant must have paid an Indication of Interest Fee.

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

Transfer Fee - A fee assessed by the Corporation for costs associated with transferring membership. (See Tariff [Section E. 19. c.](#), [Section G. 28](#) and [Texas Water Code Section 67.016](#))

Transferee – An Applicant receiving a Membership by legal means from a Transferor desiring to forfeit and transfer current rights of Membership to another person or entity. (See Tariff [Section E. 19. c.](#), [Section G. 28](#) and [Texas Water Code Section 67.016](#))

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

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

1. **Actual Usage** – Amount billed or to be collected based on actual meter reading.
2. **Estimated Usage** – Amount billed or to be collected based on either the member’s historical average usage for the prior month or for the same month of the prior year where date is available. (See [Section E.5.b.](#); See also PUC Rules [16 TAC §24.165\(i\)](#) regarding estimated bills.)

Water Conservation Penalty – A penalty that may be assessed under [Section H](#) of this Tariff to enforce member water conservation practices during drought contingency or emergency water demand circumstances. (See [Texas Water Code Section 67.011 \(b\)](#) and [Section H. 7.](#))

SECTION D. GEOGRAPHIC AREA SERVED

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION



CERTIFICATE OF CONVENIENCE AND NECESSITY

To Provide Water Service Under V.T.C.A., Water Code
and Texas Natural Resource Conservation Commission Substantive Rules

Certificate No. 12751 .

I. Certificate Holder:

Name: Picos Water Supply Corporation

Address: Route 2, Box 164-AA
Floresville, Texas 78114

II. General Description and Location of Service Area:

The area covered by this certificate is located approximately 8 miles northwest of downtown Floresville, Texas. The service area is generally bounded on the north and east by the San Antonio River, on the south by Farm to Market Road 536, Farm to Market Road 2505 and State Highway 97, and on the west by the Wilson/Bexar County line in Wilson County, Texas.

Dual certification exists in a portion of the service area with McBride & Toeppich Properties dba Arrowhead Water, CCN Number 12749.

III. Certificate Maps:

The certificate holder is authorized to provide water service in the area identified on the Commission's official water service area map, WRS-247, maintained in the offices of the Texas Natural Resource Conservation Commission, 12015 Park 35 Circle, Austin, Texas with all attendant privileges and obligations.

This certificate is issued under Application No. 30644-C by the Executive Director pursuant to a Commission Resolution, adopted August 18, 1993, and subject to the rules and orders of the Commission, the laws of the State of Texas, conditions contained herein and may be revoked for violations thereof. The certificate is valid until amended or revoked by the Commission.

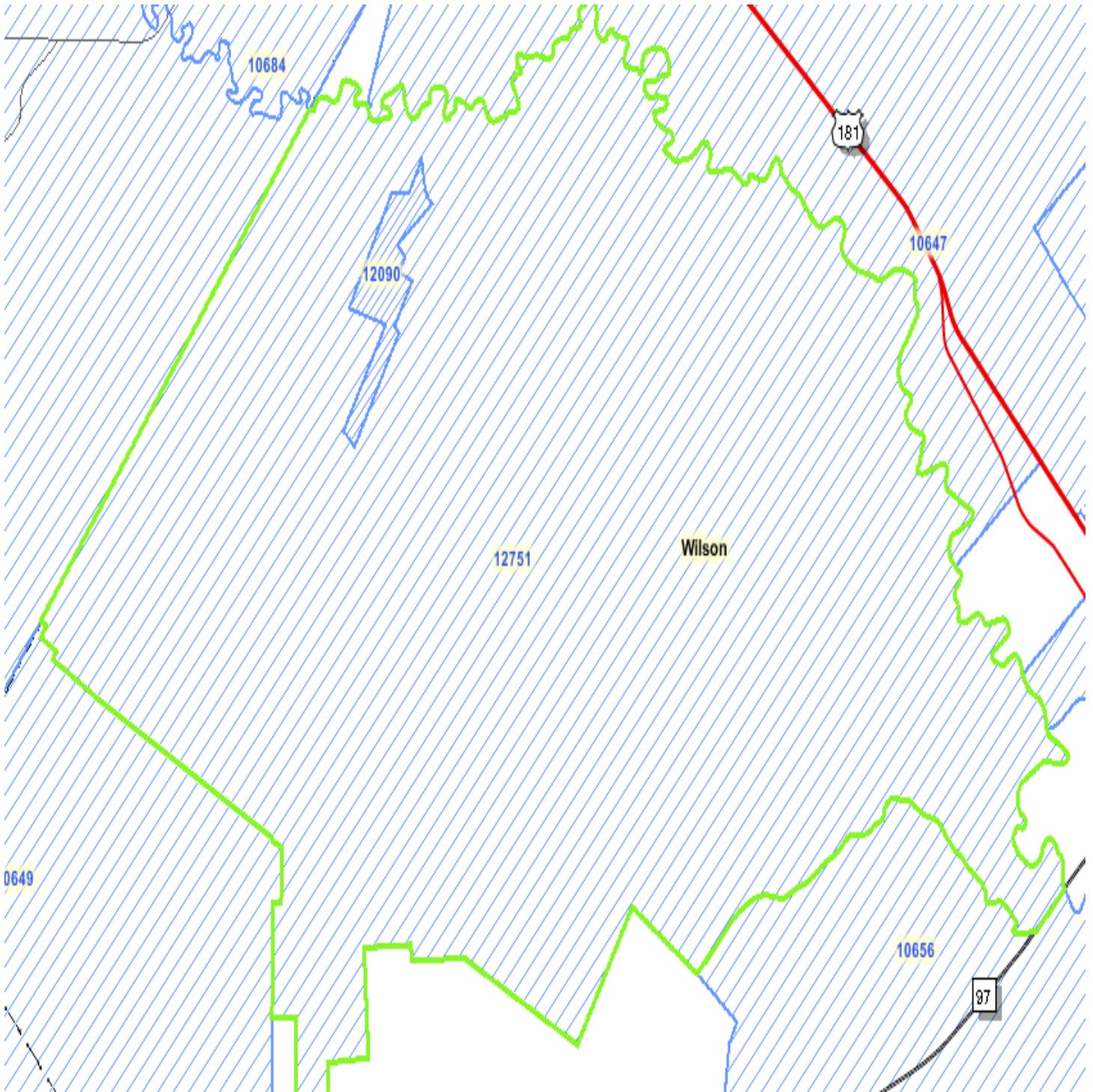
Issued Date: MAR 07 1995

ATTEST:

Gloria A. Vazquez

[Signature]
For the Commission

MAP OF CCN AREA



SECTION E. SERVICE RULES AND REGULATIONS

- 1. Activation of Standard Service.** Before receiving service, applicants must comply with all the following requirements, as applicable:
 - a. **New Tap** – The corporation shall charge a nonrefundable service installation fee as required under [Section G.](#) of this tariff. The service installation fee shall be quoted in writing to the applicant. Any debt owed to the Corporation and all fees shall be paid, or if authorized, a deferred payment agreement signed, in advance of installation. ([16 TAC 24.163\(a\)\(1\)\(A\)](#))
 - b. **Reconnect/Re-Service** – On property where service previously existed, the corporation shall charge the Membership Fee (where the Membership Fee has been liquidated or refunded), reconnection costs, materials costs (if previous meter has been removed), any debt owed to the Corporation if the applicant is the person that previously incurred those charges, seasonal reconnect fee as appropriate, and other applicable costs necessary to restore service.
 - c. **Performance of Work** – All tap and equipment installations specified by the corporation shall be completed by the corporation staff or designated representative after all requirements for service have been met. The tap for a standard service request shall be completed within five (5) working days after requirements for service have been met. This time may be extended for installation of equipment for Non-Standard Service Request. ([16 TAC 24.161\(a\)\(4\)](#), [See Section F.](#))
 - d. **Inspection of Customer Service Facilities** – The property of the Applicant/Member shall be inspected to ensure compliance with state required Minimum Acceptable Operating Practices for Public Drinking Water Systems as promulgated by the Texas Commission on Environmental Quality or successor agency. The applicant/member must, at his or her expense, properly install, inspect, test, maintain and provide all required documentation of any approved backflow prevention device required by the Corporation. ([30 TAC 290.46\(j\)](#); [Section I.](#) Service Application and Agreement)
- 2. Activation of Non-Standard Service.** Activation of Non-Standard Service shall be conducted as prescribed by terms of [Section F.3.](#) of this Tariff.
- 3. 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, based on its refusal. The Applicant may file for an appeal, in writing, with the Board of Directors of the Corporation.
- 4. Back-billing.** If a Member is undercharged the corporation may back-bill the Member. Back-billing may not exceed 12 months unless such undercharge is a result of meter tampering, bypass, or diversion by the customer as defined in this tariff ([See 16 TAC Section 24.165\(h\)](#)). If the underbilling is \$25 or more, the utility shall offer to such a member/customer a deferred payment agreement option for the same length of time as that of the underbilling.

5. Bill Adjustment Policy

Any bill adjustments are at the discretion of the Corporation and may carry specific requirements to be granted

- a. **Due to Meter Error** - The Corporation shall test any Member's meter upon written request of the member. In the event the meter tests within the accuracy standards of The American Water Works Association, a test fee as prescribed in [Section 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. The billing adjustment shall be made to the degree of the meter's inaccuracy as determined by the test. ([See Section J. Miscellaneous Transaction Forms.](#))

- b. **Due to Estimated Billing** - If the Corporation has estimated usage because the Corporation is unable to access the meter due to circumstances beyond the Corporation's control, such as a natural disaster; or because access is hindered or denied by a Member, the Corporation shall adjust the bill once access has been regained, and actual usage is determined. ([See Section E. 20. a.](#))
- c. **Due to Leak** - If a Member's monthly bill is higher than normal due to a leak on the Member's side of the meter, the Member may request a leak adjustment from the Corporation. If approved, the water usage charge will be adjusted per the percentage set by the board and the new amount, including the base rate and any additional fees will be due. The Corporation may grant an adjustment if each of the following applies:
 - The amount of excess water usage reflected in the contested bill is at least three (3) times the Member's average monthly usage.
 - The leak has been verified by the Corporation's manager or other representative; OR The Member submits documentary evidence that the leak has been repaired within thirty (30) days of its discovery or when the member was notified, including a statement from the member and/or receipt(s) for parts purchased to repair the leak; and
 - The Member has not requested a leak adjustment during the previous twenty-four (24) months for the account the adjustment is being requested for.

6. **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 date unless otherwise determined by the Corporation.

7. **Changes in Service Classification.** If at any time the Corporation determines that the member 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 Member to re-apply for service under the terms and conditions of this Tariff. Members failing to comply with this provision shall be subject to the Disconnection with Notice Provisions of this Tariff ([See Section E. 11. a.](#))

8. **Charge Distribution and Payment Application**

- a. **The Base Rate-** Is the charge for the billing period that covers approximately 30 days. Charges shall be prorated for meter installations and service termination falling during the billing period. Billings for this amount shall be mailed on or before the 25th of the month preceding the month for which this charge is due. All services shall be subject to this charge whether the service is in use by the Member.
- b. **Gallon Charge-** Shall be billed at the rate specified in [Section G.](#) and billing shall be calculated in one hundred (100) gallon increments. Water charges are based on monthly meter readings and are calculated from reading date to reading date. Readings used in all billing calculations shall be taken by the Corporation's employees or designated representative.
- c. **Posting of Payments-** All payments shall be posted against previous balances, late fees and disconnect fees prior to posting against current billings.

- d. **Forms of Payment-** The Corporation will accept the following forms of payment: personal check, cashier's check, money order, credit or debit card, automatic debit on customer's bank account, or draft on bank. The Corporation will not accept cash, two-party checks, pay checks, or any other instrument of payment that is not made out to the Corporation. The Corporation will assess the credit card processing fee associated with credit card payments to those members/renters that make payment by credit card in accordance with consumer laws.
9. **Deferred Payment Agreement.** The Corporation may offer a written deferred payment agreement to a Member who cannot pay an outstanding balance in full and is willing to pay the balance in reasonable installments as determined by the Corporation, including any late penalty fees or other fees on the monthly balance to be determined as per agreement. ([See Section J. Miscellaneous Transaction Forms](#)). The Corporation must offer a deferred payment agreement for bills due during an Extreme Weather Emergency for at least 30 days from the date an Extreme Weather Emergency ends. The Member must accept the deferred payment agreement within seven (7) days of receipt of the written deferred payment agreement from the Corporation. The failure to make required and timely payments as provided in any deferred payment agreement will void that agreement and service will be discontinued. If a member has entered into a deferred payment agreement and it becomes necessary to enter another one, the first agreement must be paid in full.
10. **Denial of Service.** The Corporation may deny service for any of the following reasons:
- a. Failure of the Applicant or Transferee to complete all application requirements, including granting an easement, completing all forms, and paying all required fees and charges.
 - b. Failure of the Applicant or Transferee to comply with rules, regulations, policies, and bylaws of the Corporation.
 - c. Existence of a hazardous condition at the Applicant's property which would jeopardize the welfare of the Members/Users of the Corporation upon connection.
 - d. Failure of Applicant or Transferee to provide representatives or employees of the Corporation with 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 service has been requested.
 - g. Applicants' service facilities are known to be inadequate or of such character that satisfactory service cannot be provided.
 - h. Failure of Applicant or transferee to comply with applicable regulations for on-site sewage disposal systems if the Corporation has been requested to deny service by the TCEQ or the TCEQ's designated representative under [Chapter 366 of the Texas Health and Safety Code](#); and
 - i. Failure of the Applicant or Transferee to pay any previous outstanding delinquent account(s) in full. This could be delinquencies resulting from the same account location or other service location(s) within the system where the Applicant or Transferee received service. (Also [see E 19.](#))

11. Disconnection of Service Rules. The following describes the rules and conditions for disconnection of service. Notwithstanding any language to the contrary in the Service Application and Agreement Form, the Corporation may only discontinue service for the reasons set forth in this Section.

- a. **Disconnection with Notice** – Water utility service may be disconnected for any of the following reasons after proper notification has been given.
1. **Returned Payment** – 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 money order, certified check, or credit/debit card. Failure to meet these terms shall initiate disconnection of service. (see Miscellaneous Transaction Forms) Any such instruments returned as insufficient or non-negotiable for any reason for any two billing periods within a 12-month period shall be considered evidence of bad credit risk by the Corporation. The Member/Customer in violation shall be placed on a “no personal check or e-check list” basis for a period of 12 months. *NOTE:* Member/Customer can pay in means of certified check, money order, or credit/debit card.
 2. **Failure to pay a delinquent account for utility service, failure to timely provide a deposit or other security under [Section E.10. i.](#), or failure to comply with the terms of a deferred payment agreement (See [Section J. Miscellaneous Transaction Forms](#))** In the event a meter is disconnected for non-payment, the following applies for service reactivation: Picoso Water Supply Corporation does not reconnect after hours, and the payment must be in our office by 2:00 pm for same day reactivation.
 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 (including, where appropriate, [Section H](#)), 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 or hinder access to the meter under the terms of this Tariff or to property at which water service is received when there is reason to believe that a hazardous condition or policy violation exists for which access is necessary to verify. Conditions that may hinder access include, but are not limited to, fences with locked gates, vehicles or objects placed on top of meters or meter boxes, and unrestrained animals.**
 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. **Cancellation of membership by Member on an account that the Member holds for water service to the Member’s renter/lessee, even if the renter/lessee has kept the account balance current under an Alternate Billing Agreement. The cancellation of membership must be signed and written by the Member. CORPORATION ASSUMES NO LIABILITY TO RENTER/LESSEE; MEMBER IS SOLELY RESPONSIBLE FOR COMPLIANCE WITH, AND LIABILITY UNDER ANY**

FEDERAL, STATE OR LOCAL LAW CREATING OR PROTECTING RIGHTS OF RENTERS/LEESSEES.

9. Violation of any applicable regulation or pertaining to on-site sewage disposal systems if the Corporation has been requested in writing to disconnect service by the TCEQ or the TCEQ's designated representative under [Chapter 366 of the Texas Health and Safety Code](#).
10. Failure to pay charges arising from fees appropriately assessed as defined in [Section G](#).
11. Failure by a Member to pay for all repair or replacement costs resulting from the Member damaging system facilities including, but not limited to water lines, service taps, meter boxes, valves, or meters by engaging in activities such as property excavations, installment of a driveway or roadway requiring encasements, lowering or re-routing of lines or system components, or by any other action. The Corporation will provide the Member with a 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 public right-of-way. Failure to pay the cost of repair or replacement will result in the Member's service being disconnected in accordance with the Disconnection with Notice Provisions in this Section. Service will remain disconnected until payment is received, or an acceptable payment plan is approved.
12. Failure to disconnect or secure additional service tap(s) for additional residences (including RVs), businesses 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 public health nuisance as defined in [Texas Health and Safety Code Sections 341.011](#) or [343.011](#). If there is reason to believe a dangerous or hazardous condition exists, the Corporation may conduct a customer service inspection (CSI) at Member's expense to verify the hazardous condition and may notify the local county health office. The Corporation will disconnect without notice if the Member refuses to allow access for the purpose of confirming the existence of such condition and/or removing the dangerous or hazardous condition ([30 TAC 291.46\(i\)](#) and [291.46\(j\)](#)). Service will be restored when a CSI confirms no health hazard exists, the health hazard has been removed or repaired, or the health hazard has been isolated from the Corporation's water system by the installation of a backflow prevention device.
2. A line leak on the member's side of the meter is considered a potentially hazardous condition under paragraph b. 1, as stated above. If the Corporation conducts a CSI and discovers that the line leak has created a hazardous condition, the Corporation will provide the member up to five (5) business days, or another period determined reasonable under the circumstances, to repair the line prior to disconnection of service.
3. Service is connected without authority by a person/entity who has not made application for service or who has reconnected service without authority following termination of service for nonpayment; and
4. In instances of tampering with the Corporation's meter tap or equipment, bypassing the meter or equipment, or other diversion of water service. **NOTE: Where reasonable, given the nature of the reason for disconnection, a written statement providing notice of disconnection and the reason**

therefore should be posted at the place of common entry or upon the front door of each affected residential unit as soon as possible after service has been disconnected.

- c. **Disconnection Prohibited** – Utility service may not be disconnected for any of the following reasons:
1. Failure of the Member to pay for merchandise or charges for non-utility service provided by the Corporation, unless an agreement exists between the Applicant and the Corporation whereby the Member guarantees payment of non-utility service as a condition of service.
 2. Failure of the Member to pay for a different type or class of utility service unless a fee for such service is included in the same bill.
 3. Failure of the Member to pay charges arising from an underbilling occurring due to any misapplication of rates more than six (6) months prior to the current billing.
 4. Failure of the Member to pay the account of another Member as guarantor thereof, unless the Corporation has in writing the guarantee as a condition precedent to service.
 5. Failure of the Member to pay charges arising from an underbilling due to any faulty metering, unless the meter has been tampered with or unless such underbilling charges are due under the Inoperative Meters [Section E. 14.](#) of this Tariff.
 6. Failure of the Member to pay estimated bill other than a bill rendered pursuant to an approved meter reading plan, unless the Corporation is unable to read the meter due to circumstances beyond its control.
 7. Failure of the Member to pay a bill due during an Extreme Weather Emergency if the Member has requested, accepted, and it follows the terms of a deferred payment agreement under [Section F. 9\).](#) of this Tariff. ([16 TAC 24.173](#))
- d. **Disconnection on Holidays and Weekends** – Unless a dangerous condition exists or the Member requests disconnection, service shall not be disconnected on a day, or on a day preceding a day, when personnel of the Corporation are not available to the public for the purpose of making collections and reconnecting service.
- e. **Disconnection Due to Utility Abandonment** – The Corporation may not abandon a Member or a Certificated Service Area without written notice to its Members and all similar neighboring utilities and approval from the Public Utilities Commission of Texas (PUCT).
- f. **Disconnection for Ill Customers** – The Corporation may not discontinue service to a delinquent residential Member or renter/tenant under an alternative billing agreement permanently residing in an individually metered dwelling unit when that Member or renter/tenant establishes that discontinuance of service will result in some person at that residence becoming seriously ill or more seriously ill if service is discontinued. To avoid disconnection under these circumstances, the Member or renter/tenant must provide a written statement from a physician to the Corporation prior to the stated date of disconnection. Service may be disconnected in accordance with Subsection (a) of this Section if the next month's bill and the past due bill are not paid by the due date of next month's bill, unless the Member or tenant enters into a Deferred Payment Agreement ([see Miscellaneous Transaction Forms](#)). The Corporation shall provide notice to an owner of rental property in the event a renter/tenant requests service not be discontinued due to illness as per this subsection. The Corporation may not discontinue service to a

delinquent residential member who has written proof from a doctor, which states said member has a condition that water is required for health purposes.

g. **Disconnection of Master Metered Accounts** – When a bill for water utility services is delinquent for a master metered service (defined as a single meter serving two (2) or more residential dwelling units), the following shall apply:

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 at notices, stating “Termination Notice” in public areas of the service complex notifying the residents of the scheduled date for disconnection of service.
3. The tenants may pay the Corporation for any delinquent bill on behalf of the owner to avert disconnection or to reconnect service to the complex.

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

i. **Seasonal Disconnection** – A member may, in a written request, voluntarily suspend service for a period not exceeding nine months within a twelve-month period. If service is re-established before the end of the ninth month, the member will be assessed a Seasonal Reconnect Fee. If service is not reestablished after the ninth month, then service may be reestablished in accordance with the reconnect/reservice requirements set forth in [Section E.1.b.](#)

13. **Disputed Bills.** In the event of a dispute between the Member and the Corporation regarding any bill, the Corporation shall investigate as required by case and report the results in writing to the Member. All disputes under this Subsection must be submitted to the Corporation, in writing, prior to the due date posted on said bill.

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

a. The Corporation shall mail all bills on or about the 25th of the month. All bills are considered the responsibility of each person signing the Service Application and Agreement Form. All bills shall be due and payable upon receipt and are past due beyond the date indicated on the bill (allowing approximately fifteen (15) days to pay), after which time a penalty shall be applied as described in [Section G](#). A bill is delinquent if not paid on or before the past due date. Payments made by mail will be considered late if postmarked after the past due date.

Accounts that are not paid by the final disconnect date will be assessed as a Disconnect Fee as described in [Section G](#). Services that have been disconnected for non-payment will not be restored until the past due amount, plus all late fees and disconnect fees have been paid. The final disconnection date will be noted on the bill.

b. The Board of Directors or manager may elect to not charge a late fee or disconnect fee in accordance with this Tariff during or after the occurrence of a natural disaster or other incident that impacts the property of members or interrupts the management and operation of the system.

- c. Upon written request, any residential customer 60 years of age or older who occupies the entire premises of a dwelling receiving water utility service from the Corporation shall receive extension of the past due date, without penalty. The extension shall not exceed 10 days beyond the usual 15-day payment period for a total of no more than 25 days from the date the bill is issued. The request may specify extension of the late payment periods for current and subsequent billings. ([Texas Utilities Code Sections 182.001 - 182.005](#)) If this request originates from a renter/tenant at a rental property the owner / member will be notified in writing of any extension request.
 - d. All insufficient fund checks, accounts closed or money orders that have had a “stop payment order” issued for payment of a water bill will be deemed delinquent as if no payment was received and appropriate fees will be applied. The meter is subject to disconnect with notice on the regular disconnection day.
15. ***Inoperative Meters/Materials.*** Water meters or materials maintained by the Corporation that are found inoperative will be repaired or replaced within a reasonable time. If a meter is found not to register usage for any period, unless bypassed 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.
16. ***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 member or occupant of the premises to be served.
 - b. Failure to pay a bill to correct previous underbilling due to misapplication of rates more than six (6) months prior to the date of application.
 - c. Violation of the Corporation’s rules pertaining to the operation of Non-Standard equipment or unauthorized attachments which interfere with the service of others, unless the customer has first been notified and been afforded reasonable opportunity to comply with said requirements.
 - d. Failure to pay a bill of another member as guarantor thereof unless the guarantee was made in writing to the Corporation as a condition precedent to service; and
 - e. Failure to pay the bill of another member at the same address except where the change of customer identity is made to avoid or evade payment of a utility bill.
17. ***Line Extension Reimbursement.*** An approved Applicant may have to pay on a prorated basis a line reimbursement fee to the Corporation for the purpose of reimbursing a member or other party that made the capital outlay to extend service to that area. ([See Miscellaneous Transaction Forms](#))
18. ***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 PUC rules, this Tariff and applicable law. The Corporation may allow master metering and/or Non-Standard service to these facilities at an Applicant’s request. ([16 TAC \(24.281\(e\)\(1\)\)](#)).
19. ***Members and Renters.*** Any Member having complied with the requirements of this Tariff, renting or leasing property designated to receive service according to the terms of this tariff to other parties, is responsible for all charges due to the Corporation. The membership for rental or leased properties shall be in the name of the Member as required by this Tariff. The Corporation may bill the renter or lessee for utility

service (at Member Request) as a third party, but the Member is fully responsible for any and all unpaid bills left by the renter/lessee. The Member shall be required to sign an Alternate Billing Agreement if the Member requests that the tenant be billed for utility service. ([See Miscellaneous Transaction Forms.](#)) The Member shall take responsibility for any necessary deposits from the renter/lessee to ensure payment of a past due bill. The Corporation will notify the Member of the renter's past due payment status. Such notification will be subject to a service charge ([see Miscellaneous Transaction Forms](#)).

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

20. Membership.

- a. **Eligibility** - Eligibility for Membership shall not guarantee service to the Applicant or Transferee; however, qualification for service is a prerequisite to Membership eligibility for new Applicants or continued Membership for Transferees.
- b. **Membership** - Upon qualification for service, qualification for Membership, payment of the required fees, and any debt owed to the Corporation, the Corporation shall certify the Applicant as a Member. The Membership shall entitle the Member to one (1) connection to the Corporation's water utility service and one (1) share of Corporation Stock. The Membership entitles the Member to one (1) vote in the election of directors and in such other matters requiring the approval of the Corporation's Members at any Annual or Special Membership Meeting of the Corporation as prescribed by the Corporation Bylaws. Ownership of more than one (1) Membership shall not authorize the Member to cast more than one (1) vote at any annual or special meeting. Each Membership and Stock thereby represented may be assigned to the specified parcel of land originally designated to receive service at the time of application. ([Texas Water Code Section 67.016](#))

NOTE (1): In the event that the Corporation is conducting a potential Members survey for indications of interest in future service for the purpose of determining the feasibility of an initial construction or expansion project under RUS guidelines, regular application procedures may be modified. An Indication of Interest Fee may be required prior to qualifications for receipt of service by the Applicant but shall only be used or applied as a Membership Fee for Membership purposes (upon issuance of a Membership) if service is ultimately received or reserved by the Applicant as a result of the planned project facilities. If service is not provided within the scope of this project, Indication of Interest Fees shall be refunded, less expenses, within sixty (60) days of the loan closing with the Rural Utilities Service.

NOTE (2): In the event the applicant is in the process of construction the Membership may be considered TEMPORARY until such time as the final Customer Service Inspection is completed, and the forms are returned as required. (See [Section C Definitions](#), [E. 26.](#), [G. 4.](#) and [Section J.](#) CSI Certificate)

- c. **Transfers of Membership.** – ([Texas Water Code Section 67.016](#))
 1. A Member or executor of estate (court order or other legal instrument) 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.
21. If Membership is transferred pursuant to the provisions of [Subsection 19. c. \(1\)](#) of this Section, such transfer shall not be completed or recorded on the books and records of the Corporation until such time as the transferor has provided satisfactory evidence to the Corporation of such transfer. A transfer of Membership shall be considered a new application for service and is not binding on the Corporation until such a transfer has been approved as provided by [Subsection 19. c. \(3\)](#) of this Section.
22. Qualifications for service upon transfer of Membership set forth in [Subsection 19. c. \(1\)](#) and [19. c. \(2\)](#) of this Section shall be subject to approval of the Corporation and shall be recorded on the books and records of the Corporation only upon the following terms and conditions:
- a. The Transferee has completed the required Service Application and Agreement including granting the Corporation with a private utility easement on the form provided by the Corporation, if an easement is required.
 - b. The membership has not been fully or partially liquidated; and
 - c. The Transferee demonstrates satisfactory evidence of ownership of the property designated to receive service and from which the Membership originally arose.
23. If the application packet and other information is not completed on the day transfer of membership is requested the corporation will give the transferee written notice of 10 additional days to produce completed documentation to the corporation office. Service will be disconnected on the day following the 10th day according to disconnecting with notice requirements. Additional time may be allowed in the direction of the manager or board.
- a. **Cancellation of Membership** – To keep a Membership in good standing, a Base Rate must be paid monthly to the Corporation, whether water is used. Failure to pay this monthly charge to the Corporation shall jeopardize the Member’s Membership standing and give rise to liquidation of the Membership Fee and forfeiture of the Membership. A Member may be relieved of this obligation to pay by surrendering the Membership, properly documented, to the Corporation. The Member shall also complete a Membership Cancellation 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 termination of service. Rights to future service at this tap shall be extended on an as-available basis and subject to the terms of the Activation of Service [Section E 1.](#) of this Tariff. ([Texas Water Code Section 67.016](#))
 - b. **Liquidation Due to Delinquency** –When the amount of the delinquent charges owed by the Member equals the Membership Fee, the Membership Fee shall be liquidated and the Membership canceled and transferred back to the Corporation. In the event the Member leaves a balance due on an account guaranteed under the terms of a Service Application and Agreement, and the delinquent Member owns more than one Membership, the Corporation may liquidate as many of the Member Guarantor’s Membership Fees as necessary to satisfy the balance due the Corporation, provided proper notice has been given (See Tariff [Section E, Subsection 11. a.](#)). The Corporation shall collect any remaining account balances by initiation of legal action. Re-instatement of service shall be subject to the terms of the Activation of Service [Subsection E. 1. b.](#) of this Tariff.

- c. **Cancellation Due to Policy Noncompliance** – The Corporation may cancel a Membership anytime a Member fails to comply with policies of the Corporation, including but not limited to Member’s failure to provide proof of ownership of the property from which the Membership arose. ([Texas Water Code Section 67.016](#))
- d. **Reassignment of Canceled Membership.**
1. The Corporation, upon cancellation of Membership under the provisions of this Tariff, may reassign the canceled Membership to a person or entity that has legal title to the real estate from which the canceled membership arose and for which water service is requested ([Texas Water Code Section 67.016](#)). Membership will not be re-assigned unless the person or entity that has legal fee simple title to the real estate has complied with the corporation’s current rates, charges, and conditions of service, including current membership fee, set forth in the tariff and service application package.
 2. The Corporation shall reassign a canceled Membership to a person or entity that acquires the real estate from which the Membership arose through judicial or nonjudicial foreclosure. The Corporation will require proof of ownership resulting from the foreclosure and compliance with the corporation’s current rates, charges, and conditions of service, including current membership fee, set forth in the tariff and service application package. In the event of foreclosure by a mortgage institution, the Corporation may allow a property management company to acquire the Membership if the management company provides written documentation showing that the management company is legally responsible for the management of the property and it is not feasible for the mortgage institution to be the Member.
- e. **Mortgaging of Memberships.** Nothing herein shall preclude a Member from mortgaging his/her Membership. However, notification to the holder of any security interest (mortgage/lienholder) of account status of Member/mortgagor will be provided only upon satisfactory completion of requirements for such conditions under the Membership Mortgage Agreement ([See Miscellaneous Transaction Forms](#)). Prior to the cancellation of any Membership as provided under [Subsection E. 19. d.](#) (Cancellation of Membership), the Corporation will notify the holder of any security interest in the Membership. The holder of the security interest also must hold a security interest in the real property at which water service is provided under the Membership. The Corporation may transfer the Membership to the holder of such security interest in lieu of cancellation, provided the holder of the security interest pays in full all delinquent and unpaid obligations and provided further that the holder of the security interest has secured fee simple title to the real property from which the Membership arose. The Corporation may withhold cancellation of a Membership pending the resolution of any foreclosure proceedings or similar legal proceedings by the holder of the security interest.
- f. **Cancellation and Re-Assignment of Membership as a Result of Bankruptcy Proceedings.** Upon notice of the filing of a petition in bankruptcy, the Corporation may require the posting of a deposit or other form of security, acceptable to the Corporation, as a condition for continuing utility service. Unless special circumstances require otherwise, the amount of security shall equal the number of charges for the month of greatest use during the preceding 12 months. The Corporation shall not require payment of any security prior to the expiration of 20 days following the date on which the petition is filed. Failure to provide this security by the date specified by the Corporation may result in termination of service according to the Disconnection with Notice Provisions of [Section E. 11.](#) of this Tariff, with a copy of the notice to the bankruptcy Trustee.
- g. **Cancellation and Re-Assignment of Membership as a Result of Divorce or Death (or Dissolution of Joint Tenancy)** – The Corporation shall transfer the membership to a spouse (or joint tenant) or heir who has been awarded the property designated to receive service. The Corporation must be provided with adequate documentation of the ownership rights of the spouse (or joint tenant) or heir requesting transfer, such as final divorce decree, temporary court order, probate decree, affidavit of heirship, or

agreement. In no event shall any membership(s) be transferred if the transferee does not otherwise meet the qualifications for membership and for service.

24. Member's Responsibility.

- a. The Member shall provide access to the meter location as per the easement and service agreement and keep the area in and around the meter box neat, clean and mowed. 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. Conditions that may hinder access include, but are not limited to, fences with locked gates, vehicles or objects placed on top of meters or meter boxes, and unrestrained animals.
- b. The Member shall be responsible for compliance with all utility, local, and state codes, requirements, and regulations concerning on-site sewer service and plumbing facilities.
- c. All water connections shall be designed to ensure against on-site sewage contamination, backflow or siphonage into the Corporation's water supply. Per the system distribution design, any connection below 541' sea level requires an approve backflow prevention device. Specific requirements:
 1. Sprinkler systems are required to have a backflow prevention assembly device installed by a licensed Backflow Prevention Assembly Technician at the Member's expense and the device must be tested annually at the Member's expense with the report sent to the WSC's office. Any device that fails the annual inspection must be replaced at the Member's expense and a passing report submitted.
 2. Livestock water troughs shall be plumbed above the top of the trough with air space between the discharge and the water level in the trough. ([30 TAC 290.46](#), [Texas Health Safety Code Chapter 366](#))
- d. The use of pipe and pipe fittings that contain more than 0.25% lead or solder and flux that contain more than 0.2% lead is prohibited for any plumbing installation or repair of any residential or non-residential facility providing water for human consumption and connected to the Corporation's facilities. Member service pipelines shall be installed by the applicant. The service pipeline must be installed from the meter or additional fittings to the place of consumption and the Member is required to keep the service pipeline in good repair. The Member's responsibility shall begin at the discharge side of the meter as specified in the Service Application and Agreement.
- e. A Member owning more than one (1) Membership shall keep all payments current on all accounts. Failure to maintain status on all accounts shall be enforceable as per the Service Application and Agreement executed by the Member.
- f. The Corporation's ownership and maintenance responsibility of water supply and metering equipment shall end at the meter. Therefore, all water usage registered upon and/or damage 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.
- g. The Corporation shall require each Member to have a cutoff valve located outside of the meter box and within two feet of the meter on the Member's side of the meter for purposes of isolating the Member's service pipeline and plumbing facilities from the Corporation's water supply. The valve shall meet AWWA standards (a ball valve is preferred). The Member's use of the Corporation's curb stops or other similar valve for such purposes is prohibited. Any damage to the Corporation's equipment shall be

subject to service charges. (This cut-off valve may be installed as a part of the original meter installation by the Corporation, whether it is maintained after installation by the Corporation.)

- h. The member is required to notify the system prior to digging or excavating activities along or near areas that may contain water lines and appurtenances (typically the front property line).

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

- a. The relocation is limited to the existing property designated to receive service.
- b. A current easement for the proposed location has been granted to the Corporation; and
- c. The Member pays the actual cost of removing and relocation of the meter tap plus administrative fees.

26. *Meter Tampering and Damage to Property.*

For purposes of this Section, the term “Tampering” shall mean meter-tampering, by-passing, or diversion of the Corporation’s service equipment, or other instances of diversion, including, but not limited to:

- 1. Removing a locking or shut-off device used by the Corporation to discontinue service.
 - 2. Physically disorienting the meter.
 - 3. Attaching objects to the meter to divert service or to bypass.
 - 4. Inserting objects into the meter.
 - 5. Other electrical and mechanical means of tampering with bypassing or diverting service.
 - 6. Connection or reconnection of service without Corporation authorization.
 - 7. Connection into the service line of adjacent customers of the Corporation; and
 - 8. Preventing the supply from being correctly registered by a metering device due.
- a. The burden of proof of Tampering is on the Corporation. Law enforcement reports, photographic evidence or any other reliable and credible evidence may be used; however, any evidence shall be accompanied by an affidavit by the Corporation’s staff when any action regarding Tampering is initiated. A court finding of Tampering may be used instead of photographic or other evidence, if applicable. Unauthorized users of services of the Corporation shall be prosecuted to the extent allowed by law under the [Texas Penal Code Sections 28.03, 12.21 and 12.22](#).
 - b. If the Corporation determines under subsection (a) that Tampering has occurred, the Corporation shall disconnect service without notice as set forth in [Subsection E.11.b.](#) and charge the person who committed the Tampering the total actual loss to the Corporation, including the cost of repairs, replacement of damaged facilities, and lost water revenues. The Corporation also will prosecute the offending party to the extent allowed under law pursuant to [Texas Water Code Section 49.228](#) and other applicable laws.
 - c. A person who otherwise destroys, defaces, damages or interferes with Corporation property will be charged the total actual loss to the Corporation including but not limited to the cost of repairs, replacement of damaged facilities, and lost water revenues. The Corporation also will prosecute the offending party to the extent allowed under law pursuant to [Texas Water Code Section 49.228](#) and other applicable laws.

- d. In addition to actual damages charged under subsections (b) and (c), the Corporation may assess a penalty against the offending party. The penalty shall not exceed six (6) times the Base Rate.

Note: For purposes of this section, “offending party” means the person who committed the Tampering or damaged the property, not necessarily the owner of the property.

27. Ownership of equipment. All water meters, equipment and materials required to provide water service to the point of customer connection, to the water meter or to the service tap, is the property of the Corporation upon installation, and should be maintained by the water system only. This does not include equipment or materials installed by the Corporation as a one-time courtesy for new members.

28. Prohibition of Multiple Connections to A Single Tap.

- a. No more than one (1) residential, commercial, or industrial service connection is allowed per meter. If the Corporation has sufficient reason to believe a Multiple Connection exists, the Corporation shall discontinue service under the Disconnection with Notice provisions of this Tariff for a first violation and for subsequent violations, service will be disconnected without notice in accordance with Paragraph [E. 11. b.](#) (30 TAC 290.44; See Service Application and Agreement.) This does not apply to services where the Member applied for and was approved for a “Mastered Meter Account” to service multiple dwellings with one meter ([see E. 2.](#) of this section).
- b. For purposes of this section, the following definitions shall apply:
 - 1. A “multiple connection” is the connection to any portion of a member’s water service that is connected to a primary delivery point already servicing one residence, one commercial or one industrial facility by a water line serving another residence or commercial or industrial facility. Water lines to outbuildings, barns or other 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. “Residential” or “residence” shall mean any structure which is being used for human habitation, which may include kitchen and bathroom facilities, or other evidence of habitation as defined by the Corporation.
 - 4. “Commercial” facility shall mean any structure or combination of structures at which any business, trade, occupation, profession, or other commercial activity is conducted. A business conducted within a member’s residence or property that does not require water in addition to that provided to the member’s residence shall not be considered a separate commercial facility.
 - 5. “Industrial” facility shall mean any structure or combination of structures at which the manufacture or processing of any product, commodity or article is performed. An industrial activity conducted within a member’s residence or property that does not require water in addition to that provided to the member’s residence shall not be considered a separate industrial 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 three months (90 days) total in a calendar year. If the recreation vehicle/travel trailer is being used for permanent residence, this Tariff requires that additional membership be secured, and a separate meter installed. If the member routinely has more than one visitor at a time with recreation vehicles or travel trailers or has multiple visitors throughout the year, the corporation may require that a second or additional meter(s) be

purchased. The member must submit a written request to the corporation's business office at least five (5) business days prior to sharing corporation water with a visitor. The corporation has the right to refuse or deny the shared usage for any reason. The corporation also has the right to inspect the premises for any potential cross-contamination issues as outlined in the Customer Service Inspection requirements and to ensure that the meter is properly sized for additional usage at the time of total peak water demand. These requirements pertain to visitors ONLY. No commercial usage where fees for water are charged is allowed. If a member is found to violate these conditions, the member will be sent a letter of notice stating that water service will be cut off in ten (10) days if the additional connections are not removed and application for additional meter(s) is made.

29. Service Entitlement. The Applicant(s) shall be considered qualified and entitled to water utility service when proper application has been made, terms and conditions of Service and Membership have been met and continue to be met, and all fees have been paid as prescribed. ([16 TAC 24.161\(a\)](#))

30. Service Location and Classification. For the purposes of this Tariff, service requested by the Applicant(s) shall be for real estate designated to receive the service at each service connection provided by the Corporation. Service shall be through a meter located on that designated real estate unless otherwise approved by the board. Service shall be divided into the following two classes:

- a. **Standard Service** is defined as service on a specific property designated to receive service on an existing pipeline where pipeline or service facility extensions are not required, and special design and/or engineering considerations are not necessary. Typically, this would include 5/8" X 3/4" sized water meter services set on existing pipelines.
- b. **Non-Standard Service** is defined as any service request which requires a larger meter service, service to a Master Metered Account ([see E. 2.](#) of this section), or an addition to the supply, storage and/or distribution/collection system. The service requirements as prescribed by [Section F.](#) of this Tariff shall be required of the Non-Standard Service Applicant prior to providing service.

31. Service Requirements. The Corporation's Service Application and Agreement Form shall be completed in full and signed by the Applicant(s). Where applicable, in addition to the applicant, any other person sharing an ownership interest in and receiving service at that property shall sign the Service Application and Agreement Form; however, even if the spouse or other person sharing an ownership interest does not sign the Service Application and Agreement Form, they are still responsible for all terms set forth therein, and for any debt obligation related to this or any other account the applicant(s) may have used in the past or currently. ([See Service Application and Agreement](#))

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

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

- d. Notice of application approval and costs of service determined by the Corporation shall be presented to the Applicant in writing and shall remain in effect for a period not to exceed thirty (30) days. After that time the Applicant must re-apply for service. ([16 TAC 24.153 \(a\)\(1\)](#)).
- e. If the water main has been located in the public right-of-way and is adjacent to Applicant's property due to the current or previous landowner's refusal to grant easement to the Corporation for the purpose of installing the water main and appurtenances, and the Corporation has documentation of such refusal, the Applicant, prior to receiving the requested service, shall grant the easement(s) required under this Tariff and in addition to the normally required fees for new customer service, shall pay such sums as are reasonably necessary to cap the existing line in the ROW and construct the appropriate line or lines within that easement or easements for the Corporation's system-wide service. ([See Miscellaneous Transaction Forms](#).)
- f. The Corporation shall post on its website or provide to each service applicant or transferee a copy of the Disclosure of Personal Information Request Form. [See Section J, Miscellaneous Transaction Forms](#). *See also, [Texas Utilities Code Section 182.052\(c\)](#).*

Note to utilities: if the form is posted on the website, the utility must provide customers with a way to return the form either by mail or electronically.

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

General Requirements. This section details the requirements for types of non-standard service requests, as determined by the Board of Directors or Manager.

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 with covenants of current indebtedness. The Corporation is not required to extend retail water service to an Applicant in a subdivision where the responsible party (Applicant/Developer) of the subdivision has failed to comply with the terms of this policy. [Section 13.2502 of the Texas Water Code](#) requires that notice be given herein or by publication or by alternative means to the Developers/Applicants. ([Also see Tariff Section F. 11](#))
2. ***Purpose.*** It is the purpose of this Section to define the process by which the specific terms and conditions for service to subdivisions and other kinds of Non-Standard Service are determined, including the Non-Standard Service Applicant's and the Corporation's respective costs.

For purposes of the Section, the term "Applicant" shall refer to the individual or entity that desires to secure Non-Standard Service from the Corporation. The Applicant must be the same person or entity that is authorized to enter a contract with the Corporation setting forth the terms and conditions pursuant to which non-standard service will be furnished to the property. In most cases, the Applicant shall be the owner of real property for which non-standard service is sought. If the Applicant is other than the owner of real property, the Applicant must furnish evidence to the Corporation that it is authorized to request non-standard service on behalf of such owner, or that it otherwise has authority to request non-standard service for the real property.

3. ***Application of Rules.*** This Section is applicable to subdivisions, additions to subdivisions, developments, or whenever additional service facilities are required for a single tract of property. Dividing any lot, tract, or parcel of land 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 connections on a single contiguous tract of land or requires a connection larger than the standard size may qualify as non-standard services. Examples of non-standard services for a single tract of land can include, but are not limited to, road bores, extensions to the distribution system, service lines exceeding 3/4" diameter and service lines exceeding 100 feet.

For the purposes of this Tariff, Applications subject to this Section shall be defined as Non-Standard. This Section may be altered or suspended for planned facility expansions when the Corporation extends its indebtedness. The Board of Directors of the Corporation or their designee shall interpret on an individual basis whether the Applicant's service request shall be subject to all or part of the conditions of this Section.

This Section sets forth the general terms and conditions pursuant to which the Corporation will process Non-Standard Service Requests. The specific terms and conditions pursuant to which the Corporation will provide non-standard service in response to any request will depend upon the nature of such request and may be set forth in a legally enforceable contractual agreement to be entered into by the Corporation and the Service Applicant. The agreement may not contain any terms or conditions that conflict with this Section.

4. ***Service within Subdivisions.*** The Corporation's obligation to provide service to any customer governed by this Section is strictly limited to the level and manner of the non-standard service specified by the Applicant. The Applicant is responsible for paying for all costs necessary for non-standard service as determined by the Corporation under the provisions of this Tariff and specifically the provisions of this Section. If the Applicant fails to pay these costs relating to the subdivision of land, the Corporation has the right to require payment of these costs by any one or more of the persons purchasing lots or homes or

otherwise acquiring title to a lot or tract within such subdivision before the Corporation is obligated to provide water service ([Texas Water Code Section 13.2502](#)). In addition, Corporation may elect to pursue any remedies provided by the Non-Standard Service Agreement if one has been executed. Applicants are advised that purchasers of lots also may have legal recourse against the Applicant under Texas law, including but not limited to [Texas Water Code Section 13.257](#) and the [Texas Business and Commerce Code Chapter 17, Subchapter E Deceptive Trade Practices & Consumer Protection Act](#).

5. **Non-Standard Service Request.** The Applicant shall meet the following requirements prior to the initiation of a Non-Standard Service Agreement by the Corporation:
- a. The Applicant shall provide the Corporation with a complete Non-Standard Service Request, specifying any Special Service Needs, such as larger meter size, line extensions, size of subdivision or multi-use facility ([See Section I.](#) this Tariff), fire flow needs and a right of access to the property during evaluation of application and details concerning access to the property. Applicants shall provide the Corporation with sufficient information describing the level and manner of service requested and the timeline for initiation of this service. The following is the minimum information needed for an engineering evaluation of the requested service to the property described in the application:
 1. Map and legal description of the area to be served using map criteria in [16 TAC 24.233\(a\) \(2\) \(A-G\)](#).
 2. Time frame for:
 - (a) Initiation of service
 - (b) Service to each additional or projected phase following the initial service
 3. Detailed description of the nature and scope of the project/development for:
 - (a) Initial needs
 - (b) Phased and final needs, including a map showing each phase, and the projected land uses that support the requested level of service for each phase
 4. Flow and pressure for anticipated level of fire protection requested, including line size and capacity. Note: it is up to the Applicant to determine these needs based on the prevailing fire codes for the property.
 5. Specific infrastructure needs for anticipated level of fire protection requested, including line size and capacity
 6. Any additional information requested by the Corporation necessary to determine the capacity and the costs for providing the requested service.
 7. Copies of all required approvals, reports and studies done by or for the Applicant to support the viability of the proposed development.
 - b. Applicant must provide reasonably sufficient information, in writing, to allow the Corporation to determine whether the level and manner of service specified by the Applicant can be provided within the time frame specified by the Applicant and to generally determine what capital improvements, including expansion of capacity of the Corporation's production, treatment and/or storage facilities and/or general transmission facilities properly allocable directly to the service request are needed. If the Applicant proposes development in phases, the Applicant should specify the level and manner of service and the estimated time frame within which that service must be provided for each phase, and the Applicant must depict the currently estimated location of each phase on the maps required under [16 TAC Section 24.233\(a\)\(2\) \(A-G\)](#). It is important that the Applicant's written request be complete. A complete service request by the Applicant may also include:
 1. The proposed improvements to be constructed by the Applicant.
 2. A map or plat signed and sealed by a licensed surveyor or registered professional engineer showing lot sizes, sewage control, draining, right-of-way, and other service facilities.

3. The intended land use of the development includes detailed information concerning the types of land uses proposed.
 4. The projected water demand of the development when fully built out and occupied, the anticipated water demands for each type of land use, and a projected schedule of build-out.
 5. A schedule of events leading up to the anticipated date upon which service from the CCN holder will first be needed; and
 6. A proposed calendar of events, including design, plat approval, construction phasing and initial occupancy.
- c. Applicants must establish that current and projected service demands justify the level and manner of service being requested. In making his/her written request for service, the Applicant must advise the Corporation that he/she may request expedited decertification from the PUCT
 - d. The applicant shall pay Corporation a Non-Standard Service Investigation Fee in accordance with the requirements of [Section G](#) for purposes of paying for their consulting engineer for services to determine the feasibility of the project. In the event such a fee is not sufficient to pay all expenses incurred by the Corporation, the Applicant shall pay to the Corporation upon the Corporation's request all additional expenses that have been or will be incurred by the Corporation. Corporation shall have no obligation to complete processing of the Application until all remaining expenses have been paid.
 - e. Upon payment of the required fees, the Corporation's consulting engineer shall review Applicant's service request. If no additional information is required from Applicant, the Corporation's consulting engineer will prepare a written report on Applicant's service request, subject to any final approval by the Corporation's governing body (if applicable) which must be completed within 90 days from the date of application and payment of the required fees. The Corporation's consulting engineer's written report will state whether the requested service can be provided, whether the requested service can be provided within the time frame specified by the Applicant, and the costs for which the Applicant will be responsible (including capital improvements, system upgrade reimbursements, easements or land acquisition costs, service reservation fees and professional fees).

In the event the Corporation's consulting engineer's initial review of the Applicant's service shows that additional information is needed, the Corporation will notify Applicant of the need for such additional information. Notice of the need for additional information will be made in writing within 30 days of the date the Corporation receives the Applicant payment of the required fees. Applicant shall respond to the Corporation's request for additional information within 15 days of receipt of the Corporation's written request. The Corporation's consulting engineer will provide the written report, including any final approval by the Corporation's Board (if applicable) within 90 days from the date of the initial written application and payment of all required fees.

By mutual written agreement, the Corporation and the Applicant may extend the time for review beyond the 90 days provided for expedited petitions to the PUC.

- f. Approval. Upon approval of the consulting engineer's report by the Corporation and acceptance of proposal for service by the Applicant, a Non-Standard Service Agreement will be executed, and the Corporation shall provide service according to the conditions contained in this Section and in the Non-Standard Service Agreement. Applicant will have 60 days to execute and return Non-standard Service Agreement along with any fees due.

- g. If after the service investigation has been completed, the Corporation determines that the Applicant's service request is for property located, in whole or in part, outside the area described in the Corporation's Certificate of Convenience and Necessity (CCN), service may be extended provided that:
 - 1. The service location is not in an area receiving similar service from another retail public utility;
 - 2. The service location is not within another retail public utility's CCN; and
 - 3. The Corporation's CCN shall be amended to include the entirety of Applicant's property for which service is requested. Applicant shall pay all costs incurred by Corporation in amending its CCN, including but not limited to engineering and professional fees. If the service location is contiguous to or within one-fourth (1/4) mile of Corporation's CCN, Corporation may extend service prior to completing the amendment to its CCN, but will do so only upon Applicant's legally enforceable agreement to fully support such amendment (including but not limited to payment of all professional fees, including administrative, legal, surveying and engineering fees incurred by Corporation in securing the amendment).
- 6. **Non-Standard Service Agreement.** After Applicant has accepted the consulting engineers report, applicant may be required to execute a written agreement. Said agreement shall define the terms of service prior to construction of required service facilities. The service agreement may include, but is 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. Fees required by the Corporation in addition to the other costs required under this Section.
 - c. A reserve fee equal to the Monthly Base Fee will be charged monthly for each unsold lot.
 - d. Terms by which service capacity shall be reserved for the Applicant and duration of reserved service with respect to the demand which the level and manner of the service will have upon the Corporation's system facilities.
 - e. Terms by which the Applicant shall be reimbursed or compensated for fees duplicated in assessments for Monthly Base Fees and Impact Fees.
 - f. Terms by which the Corporation shall administer the Applicant's project with respect to:
 - (1) Execution of the Service Agreement.
 - (2) Design of the Applicant's service facilities.
 - (3) Securing and qualifying bids.
 - (4) Selection of a qualified bidder for construction.
 - (5) Dispensing advanced funds for construction of facilities required for the Applicant's service.
 - (6) Inspecting construction of facilities; and
 - (7) Testing facilities and closing the project.
 - g. Procedures by which the Applicant shall accept or deny a contractor's bid, thereby committing to continue or discontinue the project.

- h. Terms by which the Applicant shall indemnify the Corporation from all third-party claims or lawsuits in connection with the project.
 - i. Terms by which the Applicant shall dedicate, assign and convey to the Corporation all constructed facilities and related rights (including contracts, easements, rights-of-way, deeds, warranties, and so forth) by which the Corporation shall assume operation and maintenance responsibility for the Applicant's project. The Applicant shall also provide reproducible as-built drawings of all constructed facilities. The as-built drawings must verify that all facilities have been properly located within the easements conveyed to the Corporation.
 - j. Terms by which the Developer conveys title to permanent water rights at the rate of two acre-feet per acre ([See Subsection F. 15](#)).
 - k. Terms by which the Board of Directors shall review and approve the Service Agreement pursuant to current rules, regulations, and bylaws.
7. **Plats.** For divisions of property into lots or blocks which require review and approval of a plat by a city or county, the applicant shall provide the Corporation a copy, reproduced in the manner specified by the Corporation, of the (i) preliminary plat submitted for review to the city or county contemporaneously with the submission; and (ii) the approved preliminary plat. Plans, specifications, and special requirements of such governmental authorities shall be submitted with the plat. Applicants for single taps involving extension or upsizing of facilities shall be required to submit maps or plans detailing the location of the requested extension and details of demand requirements.

NOTE: It is the responsibility of the Applicant to secure all necessary approvals of the subdivision once an Agreement is in place between the Corporation and the Applicant.

8. **Design.** The Corporation shall approve the design requirements of the Applicant's required facilities in accordance with the Non-Standard Service Agreement and the following schedule:
- a. The Corporation's consulting engineer shall review and approve plans for all on-site and off-site service facilities for the Applicant's requested service within the Corporation's specifications, incorporating any applicable municipal or other governmental codes and specifications.
 - b. The Corporation's consulting engineer shall ensure that all facilities for any Applicant meet the demand for service as platted and/or requested in the plans or plat submitted in the application for service. The Corporation reserves the right to upgrade the design of service facilities to meet future demands provided however, that the Corporation shall pay the expense of such upgrading in excess of that which is reasonably allocable to the level and manner of service requested by the Applicant.
 - c. The Corporation's consulting engineer will determine the fire flow design for any non-standard service request, including new subdivisions, based on density, type of structure, and other factors based on Applicant's requested services and the prevailing fire code for the property's location.
 - d. If Applicant does not submit plans as required, the Corporation's consulting engineer shall submit to the Corporation a set of detailed plans, specifications, and cost estimates for the project, incorporating any applicable municipal or other governmental codes and specifications, at the cost of the Applicant.
 - e. The Corporation's engineer's fees for design or the review and approval of plans shall be at the sole cost of the applicant and shall be deducted from the administrative fee or paid by the applicant prior to the signing and sealing of the plans, or the approval of the plans by the Corporation's engineer.

9. **Construction of Facilities by Applicant Prior to Execution of Service Agreement.** The Corporation and the Applicant must execute a Non-Standard Service Agreement prior to the purchase of supplies and materials or initiation of construction of facilities by the Applicant. In the event that the Applicant commences construction of any such facilities prior to execution of an Agreement with the Corporation, then the Corporation may refuse to provide service to the Applicant or, in a subdivision, to any person purchasing a lot or home from the Applicant. Alternatively, the Corporation may require full costs of replacing/repairing any facilities constructed without prior execution of an agreement from any person buying a lot or home from the Applicant. At a minimum, the Corporation will require that all facilities be uncovered by the Applicant for inspection by the Corporation, require that any facilities not approved by the Corporation be replaced, and take any other lawful action determined appropriate by the Board of Directors of the Corporation.
10. **Property and Right-of-Way Acquisition.** Regarding the construction of facilities, the Corporation shall require private right-of-way easements or purchase of private property as per the following conditions:
- a. If the Corporation determines that right-of-way easements or facility sites outside the Applicant's property are required, the Applicant shall secure easements or title to facility sites on behalf of the Corporation. All right-of-way easements and property titles shall be researched, validated, and filed by the Corporation at the expense of the Applicant.
 - b. All additional costs associated with facilities that must be installed in public rights-of-way on behalf of the Applicant, due to the inability of the Applicant to secure private right-of-way easements, such as road bores and TxDOT approvals, shall be paid by the Applicant. Alternatively, Applicant shall pay all costs, including administrative, legal and other professional fees and the condemnation award in the event corporation secures such private easements or facility sites through eminent domain proceedings.
 - c. The Corporation requires an exclusive dedicated right-of-way easement on the Applicant's property (as required by the size of the planned facilities and as determined by the Corporation) and title to property required for other on-site and off-site facilities.
 - d. 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 at the expense of the Applicant.
11. **Bids for Construction.** If the Non-standard Service Agreement provides for the Corporation to construct facilities or improvements required to provide service, then for those facilities and improvements the Corporation's consulting engineer or Corporation's manager 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 (as per Engineer's determination), 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 qualified bidder in accordance with the following criteria:
- a. The Applicant shall execute the Service Agreement evidencing the 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 (including but not limited to current water license, OSHA competent person training, and other licenses/certificates as required to complete the project).
- f. The Contractor shall provide adequate certificates of insurance as required by the Corporation; and
- g. The bonds, insurance, and warranties shall be assignable to the Corporation and shall be assigned to the Corporation should the Corporation accept the construction of the facilities and improvements.

12. Pre-Payment for Construction and Service. After the Applicant has executed the Non-Standard Service Agreement, the Applicant shall pay to the Corporation all the costs necessary for completion of the project prior to construction and in accordance with the terms of the Non-Standard Service Agreement.

13. Construction.

- a. All roadwork pursuant to state, county and/or municipal standards (as 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, approved road sleeves/casings 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 compliance with Corporation standards.
- c. Construction plans and specifications shall be strictly adhered to, but the Corporation reserves the right to issue change orders of any specifications, due to unforeseen circumstances, to better facilitate construction or operation of the Applicant's facility. All change order amounts shall be charged to the Applicant.

14. Dedication of Water System Extension/Improvements to Corporation.

- a. Upon proper completion of construction of all on-site and off-site service facilities (the "Facilities") to meet the level and manner of service requested by the Applicant, the Applicant will issue a Dedication, Bill of Sale and Assignment to the Corporation indicating the Facilities shall become the property of the WSC. The Facilities shall thereafter be owned and maintained by WSC subject to the warranties required of Applicant under Subsection b. Any connection between individual customers to the Facilities shall be made by the WSC.
- b. Upon transfer of ownership of the Facilities, the Applicant shall warrant materials and performance of the Facilities constructed by Applicant for a period of 12 months or another period as set by the Board of Directors following the date of the transfer.

15. Dedication of Water Rights.

- a. In exchange for the Corporation's commitment to serve the applicant's property or tract located within the boundaries of the Evergreen Underground Water Conservation District, the applicant must convey and transfer to Picos Water Supply Corporation the exclusive right to use, or grant use of, any and all property rights to and for any ground water which relates to the property or tract, including but not limited to the right to withdraw and/or beneficially use, sever, or otherwise transfer water permitted by the Evergreen Underground Water Conservation District; and any and all real and personal property

rights, appurtenances, permits, authorizations, licenses, consents and contracts, if any, pertaining to all such groundwater and/or related property rights. Prior to any agreement to convey lots within the property, or the conveyance of title to any lot within the property, the applicant must execute all deeds or other documentation necessary to evidence this conveyance and transfer. The applicant must also designate and appoint the Corporation as its nominee, representative and/or attorney-in-fact in all matters related to the groundwater rights appurtenant to the property. This power of attorney shall be irrevocable and shall be coupled with an interest. The applicant, on behalf of itself and its assigns, including but not limited to the end users within the property shall support applications by the Corporation for authorization from the Evergreen Underground Water Conservation District to produce up to two acre-feet of groundwater for each acre of land located within the Property and to use the produced groundwater anywhere within the Corporation's CCN.

- b. In exchange for the Corporation's commitment to serve the applicant's property or tract located outside the boundaries of the Evergreen Underground Water Conservation District but supplied with water produced from wells within the Evergreen Underground Water Conservation District, the applicant must dedicate and convey to the Corporation title to use, or grant use of, any and all property rights to and for any ground water which relates to the property or tract, including but not limited to the right to withdraw and/or beneficially use, sever, or otherwise transfer water permitted by the Evergreen Underground Water Conservation District; and any and all real and personal property rights, appurtenances, permits, authorizations, licenses, consents and contracts, if any, pertaining to all such groundwater and/or related property rights. Prior to any agreement to convey lots within the property, or the conveyance of title to any lot within the property, the applicant must execute any and all deeds or other documentation necessary to evidence this conveyance and transfer. The applicant must also designate and appoint the Corporation as its nominee, representative and/or attorney-in-fact in all matters related to the groundwater rights appurtenant to the property. This power of attorney shall be irrevocable and shall be coupled with an interest. The applicant, on behalf of itself and its assigns, including but not limited to the end users within the property shall support applications by the Corporation for authorization from the Evergreen Underground Water Conservation District to produce up to two acre-feet of groundwater for each acre of land located within the Property and to use the produced groundwater anywhere within the Corporation's CCN.

SECTION G. RATES AND SERVICE FEES

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

- 1. *Additional Assessments.*** In the event any federal, state or local government imposes on the Corporation a “per meter” fee or an assessment based on a percent of water charges, this fee or assessment will be billed and collected as a “pass through” charge to the customer.
- 2. *Assessments.*** If at the end of the fiscal year, or in the event of emergency repairs, the Board of Directors determines the total amount derived from the collection of water charges to be insufficient for the payment of all costs incident to the operation of the Corporation’s system during the year in which such charges are collected, the Board shall make and levy an assessment against each Member of the Corporation as the Board may determine or as may be required by Rural Development, so that the sum of such assessments and the amount collected from water and other charges is sufficient to fully pay all costs of the operation, maintenance, replacement and repayment of indebtedness for the year’s operations. (See Corporations bylaws or other governing documents)
- 3. *Customer History Report Fee.*** A fee of \$2.00 may be charged to provide a copy of the Member’s record of past account information in response to a Member’s request for such a record.
- 4. *Customer Service Inspection Fee.*** A fee of \$75.00 will be assessed by each Applicant before permanent continuous service is provided to new construction, or when a prior connection exists but requires a new meter installation. This fee will also be charged if an inspection is required based on the Corporation’s determination of possible factors related to the property’s service that do not comply with the policies for service found in this tariff.
- 5. *Disconnection Fee*** – A fee of \$40.00 will be added to any past due balance not paid prior to the disconnection day. This fee will be applied whether the service has been locked or not.
- 6. *Document Compliance Fee.*** The Corporation requires a recorded copy of the warranty deed or other approved documentation of ownership. If the document is not provided by the member and must be obtained by the Corporation, the fee charged by the Wilson County Clerk’s office for obtaining the document will be added to the member’s bill and due with the next billing cycle. A receipt showing applied charges will be provided to the member.
- 7. *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 a right of way and/or facilities sites on behalf of the Applicant, as well as Recording fees paid to the Wilson County Clerk. (See [Section E. 28.](#); [Section F. 8. b.](#))
- 8. *Equipment Damage Fee.***
 - a.** If the Corporation’s facilities or equipment have been damaged by tampering, bypassing, 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 reestablished. If the Corporation’s equipment has not been damaged, a fee equal to the actual costs for all labor, material, equipment, and other actions necessary to correct service diversions, unauthorized taps, or reconnection of service without

authority shall be charged. All components of this fee will be itemized, and a statement shall be provided to the Member and renter/tenant if an Alternate Billing Agreement is in place. If the Corporation's facilities or equipment have been damaged due to negligence or unauthorized use of the Corporation's equipment, right of way, or meter shutoff valve, or due to other acts for which the Corporation incurs losses or damages, the Member shall be liable for all labor and material charges incurred as a result of said acts or negligence.

- b.* If the Corporation's facilities or equipment have been damaged in any respect due to excavation, digging, or any other activity that damages Corporation water lines and facilities, a fee shall be charged equal to the actual costs for all labor, water loss, materials and equipment necessary for repair or replacement of the Corporation's water lines and facilities.
 - c.* In addition to the fee for the costs of all labor, materials, and equipment, an automatic penalty of six (6) times the then-applicable base rate shall also be assessed and shall apply upon each occurrence of a violation of this section. A penalty under this section is in addition to any other penalty or remedy provided by the laws of the State of Texas or this Tariff. A penalty under this section is concurrent with and in addition to a penalty or fee incurred under any other provision in this Tariff.
9. ***Groundwater District Production Fee.*** A fee may be assessed per thousand gallons of water used by each Member. This fee would be collected to pay the annual fee charged to the Corporation by Evergreen Underground Water Conservation District based on the amount of water pumped from the Corporation's wells located within the boundaries of the district.
10. ***Impact/Equity Buy-In Fee.*** In addition to the Membership Fee, each Applicant for a new service that requires a new service tap shall be required to achieve parity with the contributions to the construction or acquisition of the Corporation's assets related to capacity that have been made previously by existing Members. This fee shall be assessed immediately prior to providing service on a per-service unit basis for each service requested and shall be assigned and restricted to that property for which the service was originally requested. This fee shall be set aside for future capacity improvements such as line upgrades, new tanks, treatment, or production. The formula applied to such fee calculated annually after receipt of the system audit is as follows:

Sample Calculation:

Total Contributions and Assets of the Corporation minus (-)
Accumulated Depreciation minus (-)
Outstanding Corporation Debt Principal Minus (-)
Developer Contributions minus (-)
Grants received divided by
Total Number of Members / Customers equals = Average Net Equity Buy-In Fee

Impact/Water Equity Buy-In Fee is \$3,100.00

Note: The Water Fee for oversized or Master Metered Accounts shall be based on the multiples of meter size equivalences. (See Chart in Subsection 18 below.)

11. ***Indication of Interest Fee.*** The indication on interest fee shall be the current Membership Fee.
12. ***Information Copy Fee.*** A fee for the copying of any public information will be charged to the person requesting that information in compliance with the cost rules of the [Texas Government Code Section 552.261](#) et. seq.

13. **Installation Fee.** The Corporation shall charge an installation fee for the new service as follows:

- a. **Standard Service** shall include any of the following:
- Tap fee – all labor and materials necessary to provide individual metered water service
 - Engineering fee (Hydraulic Mapping Fee)
 - Easement recording fee, if applicable
 - Legal fee, if applicable
 - Customer service inspection fee
 - Administrative costs
 - Any additional site-specific equipment or appurtenances necessary to provide water service

Standard service fees shall be charged on a per tap basis as computed when metered service is requested

- b. **Non-Standard Service** shall include:
- Facility improvement or system upgrade reimbursement costs including, but not limited to, pumps, tanks, piping, main lines, hydrants, and other labor and materials necessary to provide service at the level required by Water Code and as requested by the applicant.
 - line and facility inspection fees.
 - administrative costs including, but not limited to, contract administration costs, processing invoices, disbursement of checks to contractors.
 - legal fees, including but not limited to contract development, easements, water rights, permits, and CCN amendments for the area.
 - engineering fees; and
 - any additional site-specific equipment or appurtenances necessary to provide water service as determined by the Corporation under the terms of [Section F.](#) of this Tariff (includes tap fees).
- c. **Standard and Non-Standard Service Installations** shall include all costs of any pipeline relocations as per [Section E. 28. e.](#) of this Tariff.

14. **Late Payment Fee.** Once per billing period, a penalty of \$10.00 shall be applied to delinquent bills. This late payment penalty shall not be applied to any balance to which the penalty was applied in a previous billing period but shall be applied to any unpaid balance during the current billing period.

NOTE: The Corporation cannot charge political subdivisions and state agencies the late payment fee. ([Texas Government Code Chapter 2251.021](#) and [Section E. 13.](#))

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

16. **Line Location Services.** The Corporation will provide line location services for its distribution system when requested. There is no charge for standard requests. If the request requires extended time (over one hour) or uncovering lines, Service Trip Fees will be charged, as well as equipment charges if applicable.

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

- a. The Membership Fee for water service is \$100.00 for each service unit.
- b. Membership fee for oversized or Master Metered Accounts shall be based on multiples of meter size equivalence. ([See Chart in Subsection 18 below.](#))

18. **Meter Tampering and Damage to Property Penalty.** In addition to the Equipment Damage Fee, the Corporation may charge a penalty for “Tampering” as defined in [Section E. 22](#). The penalty may only be assessed against the person who committed the Tampering. The penalty cannot be assessed against the Member for the Tampering committed by their renter/tenant. The penalty shall not exceed six (6) times the Base Rate and is assessed in addition to the actual cost of the damages and repairs. A penalty under this section is concurrent and in addition to a penalty or fee incurred under any other provision in this Tariff.

19. **Monthly Charges.**

a. **Base Rate**

Water Service - The monthly charge for standard metered water service is for a 5/8" X 3/4" meter. The 5/8" X 3/4" meter charge is used as a base multiplier for larger non-standard meters in accordance with the following chart based on American Water Works Association maximum continuous flow specifications:

Meter Size	5/8" x 3/4" Meter Equivalents	Monthly Rate
5/8" x 3/4"	1.0	\$12.75
1"	2.5	\$29.43
1 1/2"	5.0	\$56.85
2"	8.0	\$90.96
3"	16.0	\$181.92
4"	25.0	\$294.25

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

Water:

0-500 gallons is included in monthly base rate
\$ 8.26 per 1,000 gallons for 501 to 2,000 gallons
\$ 9.61 per 1,000 gallons for 2,001 gallons to 10,000 gallons
\$10.96 per 1,000 gallons for 10,001 gallons and over

c. **Regulatory Assessment** - A fee of 0.5% of the amount billed for water service will be assessed each member and applied to their monthly bill; this assessment is required under Texas law and TCEQ regulations as required by [Texas Water Code Section 5.701](#). **NOTE: The regulatory assessment is not to be collected from state agencies, wholesale customers, or buyers of non-potable (not drinkable) water.** (Ref. [TCEQ RG-199](#) revised Sept. 2017)

d. **Voluntary Contributions** - The Corporation, upon approval from the Board of Directors as a part of its billing process, may approve collecting voluntary contributions on behalf of the Wilson County Volunteer Fire Department and Emergency Medical Services. The Corporation shall retain from the proceeds the lesser amount of five percent or the total administrative costs for billing, collecting, and disbursing the voluntary contributions.

20. **Mortgage/Guarantor Notification Fee.** The Corporation shall assess a fee of \$5.00 for each notification to a Membership lienholder under agreement prior to Membership cancellation. ([See Miscellaneous Transaction Forms.](#))

21. **Meter Test Fee.** The Corporation shall test a Member’s meter upon written request of the Member. (See Meter Test Authorization and Test Report Form in [Section J](#)) Under the terms of [Section E](#). of this Tariff, a charge of \$125.00 shall be imposed on the affected account if the meter passes within the acceptable range of the test. If

the fee is assessed, it will be added to the Member's next regular bill. Non-payment of this fee by the Member could result in late fees, disconnect fees as well as disconnecting services until payment is made.

22. **Other Fees.** All services outside the normal scope of utility operations that the Corporation may be compelled to provide at the request of a Member, or the general public shall be charged to the recipient based on the cost of providing such service.
23. **Owner Notification Fee.** The Corporation shall assess a fee of \$5.00 per notification to a Member of a renter/lessee delinquent account status prior to disconnection of service. ([See Miscellaneous Transaction Forms.](#))
24. **Reconnect Fees.**
- a. The Corporation may charge a fee of \$30.00 for reconnecting service after the Corporation has previously disconnected the service for any reason provided for in this Tariff except for activation of service under [Section E. 1. b.](#)
 - b. A fee of \$40.00 will be charged for Reconnect/Re-Service as described in [Section E. 1. b.](#)
25. **Returned Check Fee.** In the event a check, draft, or any other similar instrument is given by a person, firm, corporation, or partnership to the Corporation for payment of services provided for in this Tariff, and the instrument is returned by the bank or other similar institution as insufficient or nonnegotiable 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](#))
26. **Seasonal Reconnect Fee.** The Corporation shall charge a fee calculated based on the Base Rate multiplied by the number of months during which service is suspended/locked, not to exceed nine (9) months during any twelve (12) consecutive months.
27. **Service Investigation Fee.** The Corporation shall conduct a service investigation for each service request or application submitted to the Corporation. An initial determination shall be made by the Corporation, as to whether the service request is Standard or Non-Standard without charge. An investigation shall then be conducted, and the results reported under the following terms:
- a. All Standard Service requests shall be investigated at a charge of \$75.00 and all applicable costs for providing service shall be quoted in writing to the Applicant within ten (10) working days of request.

If an Engineered Hydraulic Study is required to determine service availability, the Applicant will be required to pay the engineer's fee. These costs will be quoted to the Applicant prior to work being performed.
 - 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 including cost estimates of the project, if required; and to provide other services as required by the Corporation for such investigation
28. **Service Trip Fee.** The Corporation can charge a trip fee of \$30.00 for any service call or trip to the Member's tap at the request by the Member or tenant; for customer service-inspections due to suspicion of meter tampering, bypass or diversion of service; or for the purpose of disconnecting services other than for non-payment. For service trips that extend beyond one hour, such as when an extended line location is required, the Corporation shall charge \$25.00 per employee per hour for each additional hour required.
29. **Transfer Fee.** A Fee of \$25.00 shall be assessed for the transfer of any membership.

Section H. Water Conservation Plan and Drought Contingency

Section I: Declaration of Policy, Purpose, and Intent

In order to conserve the available water supply and protect the integrity of water supply facilities, with particular regard for domestic water use, sanitation, and fire protection, and to protect and preserve public health, welfare, and safety and minimize the adverse impacts of water supply shortage or other water supply emergency conditions, the Picos Water Supply Corporation hereby adopts the following regulations and restrictions on the delivery and consumption of water.

The Corporation's goals are to maintain water loss percentages at an acceptable rate and promote water conservation in each member's household. A comprehensive water conservation plan is essential for both practical and regulatory purposes. This plan is required by the Texas Commission on Environmental Quality (TCEQ) and Texas Water Development Board (TWDB). TCEQ current rules for water conservation plans are implemented pursuant to provisions of SB 1 and earlier statutory provisions (30 TAC, Chapter 288).

Water uses regulated or prohibited under this Water Conservation Plan and Drought Contingency Plan are nonessential and continuation of such uses during times of water shortage or other emergency water supply conditions are deemed a waste of water which subjects the offender(s) to penalties as defined in Section XI.

Section II: Public Involvement

Picos Water Supply Corporation members input, and involvement is scheduled to take place at the Picos Water Supply Board of Directors Annual Meeting:

Date: March 18, 2025 Time: 7:00 p.m. Location: 3274 FM 2579, Floresville, TX 78114

Section III: Public Education

The Picos Water Supply will periodically provide the public with information about the Plan, including information about the conditions under which each stage of the Plan is to be initiated or terminated and the drought response measures to be implemented in each stage. This information will be provided by means of the Picos Water Supply Corporation's website, billing statements and/or inserts and system alerts.

Section IV: Coordination with Regional Water Planning Groups

The service area of Picos Water Supply is located within the Regional L Water Planning Group (RWPG) South Central Texas Regional L Water Planning Group. Picos Water Supply Corporation has provided a copy of this Plan to the RWPG.

Section V: Authorization

The Board President, or his/her designee is hereby authorized and directed to implement the applicable provisions of this Plan upon determination that such implementation is necessary to protect public health, safety, and welfare. The Board President, or his/her designee shall have the authority to initiate or terminate drought or other water supply emergency response measures as described in this Plan.

Section VI: Application

The provisions of this Plan shall apply to all persons, members, and property utilizing water provided by the Picos Water Supply. The terms "person" and "member" as used in the Plan include individuals, corporations, partnerships, associations, and all other legal entities.

Section VII: Definitions

For the purposes of this Plan, the following definitions shall apply:

Aesthetic water use: water use for ornamental or decorative purposes such as fountains, reflecting pools, and water gardens.

Commercial and institutional water use: water use which is integral to the operations of commercial and non-profit establishments and governmental entities.

Conservation: those practices, techniques, and technologies that reduce the consumption of water, reduce the loss or waste of water, improve the efficiency in the use of water or increase the recycling and reuse of water so that a supply is conserved and made available for future or alternative uses.

Member: any person, company, or organization using water supplied by Picos Water Supply.

Domestic water use: water use for personal needs or for household or sanitary purposes such as drinking, bathing, heating, cooking, sanitation, or for cleaning a residence, business, industry, or institution.

Even number address: street addresses, box numbers, or rural postal route numbers ending in 0, 2, 4, 6, or 8 and locations without addresses.

Foundation watering: an application of water to the soils directly abutting (within 2 feet) the foundation of a building, structure.

Industrial water use: the use of water in processes designed to convert materials of lower value into forms having greater usability and value.

Landscape irrigation use: water used for the irrigation and maintenance of landscaped areas, whether publicly or privately owned, including residential and commercial lawns, gardens, golf courses, parks, and rights-of-way and medians.

Non-essential water use: water uses that are not essential nor required for the protection of public, health, safety, and welfare, including:

- (a) irrigation of landscape areas, including parks, athletic fields, and golf courses, except otherwise provided under this Plan.
- (b) use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle.
- (c) use of water to wash down any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas.
- (d) use of water to wash down buildings or structures for purposes other than immediate fire protection.
- (e) flushing gutters or permitting water to run or accumulate in any gutter or street.
- (f) use of water to fill, refill, or add to any indoor or outdoor swimming pools or Jacuzzi-type pools.
- (g) use of water in a fountain or pond for aesthetic or scenic purposes except where necessary to support aquatic life;
- (h) failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s); and
- (i) use of water from hydrants for construction purposes or any other purposes other than firefighting.

Odd numbered address: street addresses, box numbers, or rural postal route numbers ending in 1, 3, 5, 7, or 9.

Water Conservation Plan

Section VIII: Water Conservation Objectives

The Corporation's water conservation objectives are to:

- Derive the highest beneficial use from water diverted or produced.
- Achieve efficient water-use in its production, storage and distribution systems.
- Promote efficient water-use among its members.
- Provide adequate water of consistent and good quality at affordable costs.
- Reduce peak demands for water among its members.
- Prevent water losses through an aggressive, system-wide program of inspection and maintenance.

Section IX: Water Conservation Measures

Conservation measures are basic to the operation of an efficient and cost-effective water utility. The Corporation is developing various methods to ensure a successful water conservation program.

Loss Control

The Corporation had construction completed on the entire system in 1999. To aid in loss control, employees regularly monitor the system through visual field inspection, monitor SCADA system data daily, review monthly reads for unusually high usage, calculate water loss reports monthly and utilize member reports of potential leaks. The Corporation does check and replace lines as needed, to continue to keep the water loss rate as low as possible.

The Corporation is considering utilizing pressure monitoring stations throughout the system to use as an early warning of leaks. These stations will report to the Corporation office to report all information for monitoring.

Water Accounting

The Corporation will install flow meters and/or master meters throughout the system to gauge the flow of water to different areas.

Universal Metering

The Corporation has a current system of universal metering. All users of water in the system are metered with AMR radio-read meters. The Corporation removes from service any illegal hookups and charges the offender with the estimated cost of water used. The Corporation takes into consideration other methods of dealing with this potential problem.

Source Water Metering

The Corporation's current water sources are water wells in the Carrizo-Wilcox Aquifer. Water production from each well is presently metered by propeller meters. Propeller Meters on the booster pumps discharge also provides back-up monitoring. A meter verification and calibration program assures water production is measured with the required 5%(+/-) accuracy. The Corporation has all production and storage units monitored and controlled from a central SCADA (System Control and Data Acquisition) Center at the Corporation Office.

Costing and Pricing

The Corporation bases its monthly service charges on the cost of service for its members. Over 80% of the Corporation's members use more than 100 gallons per capita per day making escalating block rates effective as a method of pricing.

Information and Education

The Corporation implements conservation education programs by direct communication with members and literature distribution. The Corporation will provide bulletins and brochures to make all members aware of all options available for water conservation.

These items are available in the Corporation's primary office, on the website and available to be mailed upon request. The Corporation will include verbiage on monthly billing statements during periods of drought, or normal elevated usage, encouraging members to conserve water where possible. The Corporation will also utilize its system-wide alerts to keep members informed.

Projections and Modeling

The following data is from Groundwater Management Area (GMA 13) 2021 Joint Planning for Wilson County:

	Modeled Available Groundwater (acre-feet per year)					
River Basin	2030	2040	2050	2060	2070	2080
Guadalupe	443	653	762	3,870	3,982	3,982
Nueces	10,774	11,171	11,578	12,027	12,546	12,456
San Antonio	27,067	31,780	56,269	90,050	109,142	109,142

Projected Water Supply Needs for Wilson County

	Projected Water Supply Needs (acre-feet per year)				
River Basin	2030	2040	2050	2060	2070
Guadalupe	87	78	73	66	57
Nueces	124	109	104	44	102
San Antonio	8513	6579	4725	2954	947

Projected Water Demands for Wilson County

	Projected Water Demands (acre-feet per year)				
River Basin	2030	2040	2050	2060	2070
Guadalupe	304	279	252	226	215
Nueces	4700	4206	3768	3387	3112
San Antonio	19228	19871	20430	20974	21953

Drought Contingency Plan

Section X Criteria for Initiation and Termination of Drought Response Stages

The Board President, or his/her designee shall monitor water supply and/or demand conditions monthly and shall determine when conditions warrant initiation or termination of each stage of the Plan, that is, when the specified "triggers" are reached.

The triggering criteria described below are based on:

- The vulnerability of the water source under drought of record conditions and based on known system capacity limits.

Stage 1 Triggers – MILD Water Shortage Conditions

Requirements for initiation

Members shall be requested to voluntarily conserve water and adhere to the prescribed restrictions on certain water uses, defined in Section VII. Definitions annually, April 1st through October 15th. Or if one or more of the following conditions exists:

1. Any regularly used well is out of service for more than 45 consecutive days.
2. Any 2 storage facilities are not filled for 72 consecutive hours.
3. The well flow from any regularly used well is less than 90% of full capacity.
4. Any 2 storage facilities are out of service due to repainting or other required maintenance.

Requirements for termination

Stage 1 of the Plan may be rescinded and terminated annually on October 15th, or, when all of the conditions listed as triggering events have ceased to exist for a period of seven consecutive days.

Stage 2 Triggers - MODERATE Water Shortage Conditions

Requirements for initiation

Members shall be required to comply with the requirements and restrictions on certain non-essential water uses provided in Section VII: Definitions of this Plan when:

1. Any 2 storage facilities are not filled for 120 consecutive hours
2. The well flow from any regularly used well is less than 80% of full capacity.

Requirements for termination

Stage 2 of the Plan may be rescinded when all the conditions listed as triggering events have ceased to exist for a period of seven consecutive days. Upon termination of Stage 2, Stage 1, or the applicable drought response stage based on the triggering criteria, becomes operative.

Stage 3 Triggers – SEVERE Water Shortage Conditions

Requirements for initiation

Members shall be required to comply with the requirements and restrictions on certain non-essential water uses for Stage 3 of this Plan when:

1. Any 2 storage facilities are not filled for 144 consecutive hours.
2. The well flow from any regularly used well is less than 70% of full capacity.

Requirements for termination

Stage 3 of the Plan may be rescinded when all the conditions listed as triggering events have ceased to exist for a period of seven consecutive days. Upon termination of Stage 3, Stage 2, or the applicable drought response stage based on the triggering criteria, becomes operative.

Stage 4 Triggers – CRITICAL Water Shortage Conditions

Requirements for initiation

Members shall be required to comply with the requirements and restrictions on certain non-essential water uses for Stage 4 of this Plan when:

1. Any 2 storage facilities are not filled for 168 consecutive hours.
2. The well flow from any regularly used well is less than 60% of full capacity.

Requirements for termination

Stage 4 of the Plan may be rescinded when all the conditions listed as triggering events have ceased to exist for a period of 3 consecutive days. Upon termination of Stage 4, Stage 3, or the applicable drought response stage based on the triggering criteria, becomes operative.

Stage 5 Triggers – EMERGENCY Water Shortage Conditions

Requirements for initiation

Members shall be required to comply with the requirements and restrictions for Stage 5 of this Plan when the Board President or his/her designee, determines that a water supply emergency exists based on:

1. Major water line breaks, or pump or system failures occur, which cause unprecedented loss of capability to provide water service; or
2. Natural or man-made contamination of the water supply source(s).
3. The well flow from any regularly used well is less than 50% of full capacity.

Requirements for termination

Stage 5 of the Plan may be rescinded when all the conditions listed as triggering events have ceased to exist for a period of seven consecutive days.

Section IX: Drought Response Stages

The Board President or his/her designee, shall monitor water supply and/or demand conditions on a daily basis and, in accordance with the triggering criteria set forth in Section of this Plan, shall determine that a mild, moderate, severe, critical, emergency or water shortage condition exists and shall implement the following notification procedures:

Notifications

Notification of the Public:

The Board President or his/ her designee shall notify the public by means of:

- Monthly Billing Statement
- Publication in a newspaper
- Website: www.picosawsc.com
- Alert System: Text/Email Message
- Public Flyer/Sign Postings

Additional Notification:

The Board President or his/ her designee shall notify directly, or cause to be notified directly, the following individuals and entities:

- Board of Directors
- TCEQ
- County Fire Marshalls
- Local Fire Chiefs
- County Judge and Commissioners
- Critical water users (hospitals, day cares, retirement/nursing homes, etc.)

Stage restrictions follow these Designated Watering Days & Time (Unless otherwise specified)

- Address ending in an even number (0, 2, 4, 6 or 8): Sundays and Thursdays
- Address ending in an odd number (1, 3, 5, 7 or 9): Saturdays and Wednesdays
- Hours of 8:00 PM to 8:00 AM on designated watering days.

Stage 1 Response - MILD Water Shortage Conditions

Target: Achieve a voluntary 20% reduction in total water use.

Best Management Practices for Supply Management:

1. Check for leaks daily within the water distribution.

Water Use Restrictions for Reducing Demand:

1. Water Members are requested to voluntarily limit the irrigation of landscaped areas to designated watering days.
2. Water members are requested to practice water conservation and to minimize or discontinue water use for non-essential purposes.

Stage 2 Response – MODERATE Water Shortage Conditions

Target: Achieve a 30% reduction in total water use.

Best Management Practices for Supply Management:

1. Limit flushing to member dirty water complaints and dead-end mains.
2. Visually check for leaks daily within the water distribution.
3. Bulk water sales prohibited.

Water Use Restrictions for Reducing Demand:

Under threat of penalty for violation, the following water use restrictions shall apply to all persons:

1. Irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems shall be limited to designated watering days and time. Irrigation of landscaped areas is permitted at any time if it is by means of a hand-held hose, a faucet filled bucket or watering can of five (5) gallons or less, or drip irrigation system.
2. Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is prohibited except on designated watering days. Such washing, when allowed, shall be done with a hand-held bucket or a hand-held hose equipped with a positive shutoff nozzle for quick rises.
3. Use of water to fill, refill, or add to any indoor or outdoor swimming pools, wading pools, or Jacuzzi-type pools is prohibited except on designated watering days.
4. Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.
5. Use of water from hydrants shall be limited to firefighting, related activities, or other activities necessary to maintain public health, safety, and welfare, except that use of water from designated fire hydrants for construction purposes may be allowed under special permit from the Picoosa Water Supply.
6. Use of water for the irrigation of golf course greens, tees, and fairways is prohibited except on designated watering days. However, if the golf course utilizes a water source other than that provided by the Picoosa Water Supply, the facility shall not be subject to these regulations.
7. All restaurants are prohibited from serving water to patrons except upon request of the patron.
8. The following uses of water are defined as non-essential and are prohibited:
 - (a) wash down of any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
 - (b) use of water to wash down buildings or structures for purposes other than immediate fire protection;

- (c) use of water for dust control;
- (d) flushing gutters or permitting water to run or accumulate in any gutter or street;
- (e) failure to repair a controllable leak(s) within a reasonable period after having discovered the leak or been given notice directing the repair of such leak(s).

Stage 3 Response - SEVERE Water Shortage Conditions

Target: Achieve a 40% reduction in total water use.

Best Management Practices for Supply Management:

1. Limit flushing to customer dirty water complaints.
2. Visually Check for leaks daily within the water distribution.
3. Bulk water sales prohibited.
4. Notify Major Water Users of Restrictions

Water Use Restrictions for Demand Reduction:

All requirements of Stage 2 shall remain in effect during Stage 3 except:

1. Irrigation of landscaped areas shall be limited to designated watering days and times and shall be by means of hand-held hoses, hand-held buckets, drip irrigation, or permanently installed automatic sprinkler system only. The use of hose-end sprinklers is prohibited.
2. The watering of golf course tees is prohibited unless the golf course utilizes a water source other than that provided by the Picoso Water Supply.
3. The use of water for construction purposes from designated fire hydrants under special permit is to be discontinued. No bulk water sales will be permitted.
4. Foundation Watering (within 2 feet) and watering of trees may occur for two hours one day per week with a hand-held hose or with a dedicated zone using a Drip Irrigation system and/or Soaker Hose, provided no runoff occurs.

Stage 4 Response - CRITICAL Water Shortage Conditions

Target: Achieve a 50% reduction in total water use.

Best Management Practices for Supply Management:

1. Limit flushing to customer dirty water complaints.
2. Visually check for leaks daily within the water distribution.
3. Bulk water sales prohibited.
4. Notify Major Water Users of Restrictions

Water Use Restrictions for Reducing Demand:

All requirements of Stage 2 and 3 shall remain in effect during Stage 4 except:

1. Irrigation of landscaped areas shall be limited to designated watering days between the hours of 6:00 am to 10:00 am and 8:00 p.m. to midnight and shall be by means of hand-held hoses, handheld buckets, or drip irrigation only. The use of hose-end sprinklers or permanently installed automatic sprinkler systems are prohibited at all times.
2. Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is prohibited.
3. The filling, refilling, or adding of water to swimming pools, wading pools, and Jacuzzi-type pools is prohibited.
4. Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.
5. No application for new, additional, expanded, or increased-in size water service connections, meters, service lines, pipeline extensions, mains, or water service facilities of any kind shall be approved, and

time limits for approval of such applications are hereby suspended for such time as this drought response stage or a higher-numbered stage shall be in effect.

Stage 5 Response – EMERGENCY Water Shortage Conditions

Target: Achieve a 60% reduction in total water use,

Best Management Practices for Supply Management:

1. Limit flushing to conditions that could adversely affect the health of members
2. Visually check for leaks daily within the water distribution.
3. Bulk water sales prohibited.
4. Notify Major Water Users of Restrictions

Water Use Restrictions for Reducing Demand:

All requirements of Stage 2, 3, and 4 shall remain in effect during Stage 5 except:

1. Irrigation of landscaped areas is prohibited.

Section XI: Enforcement

1. No person shall knowingly or intentionally allow the use of water from the Picos Water Supply for residential, commercial, industrial, agricultural, governmental, or any other purpose in a manner contrary to any provision of this Plan, or in an amount in excess of that permitted by the drought response stage in effect at the time pursuant to action taken by Board President, or his/her designee, in accordance with provisions of this Plan.
2. Any person who violates this Plan is guilty of a misdemeanor and, upon conviction shall be punished by a fine of not less than \$250 dollars and not more than \$500 dollars. Each day that one or more of the provisions in this Plan is violated shall constitute a separate offense. If a person is convicted of three or more distinct violations of this Plan, the Board President shall, upon due notice to the customer, be authorized to discontinue the water service to the premises where such violations occur. Services discontinued under such circumstances shall be restored only upon payment of a re-connection charge at the current rate, and any other costs incurred by Picos Water Supply in discontinuing service. In addition, suitable assurance must be given to the Board President that the same action shall not be repeated while the Plan is in effect. Compliance with this plan may also be sought through injunctive relief in the district court.
3. Any person, including a person classified as a water member of the Picos Water Supply, in apparent control of the property where a violation occurs or originates shall be presumed to be the violator, and proof that the violation occurred on the person's property shall constitute a rebuttable presumption that the person in apparent control of the property committed the violation, but any such person shall have the right to show that he/she did not commit the violation. Parents shall be presumed to be responsible for violations of their minor children and proof that a violation, committed by a child, occurred on property within the parents' control shall constitute a rebuttable presumption that the parent committed the violation, but any such parent may be excused if he/she proves that he/she had previously directed the child not to use the water as it was used in violation of this Plan and that the parent could not have reasonably known of the violation.
4. Any law enforcement officer or employee of the Picos Water Supply designated by the Board President, may issue a citation to a person he/she reasonably believes to be in violation of this Ordinance. The citation shall be prepared in duplicate and shall contain the name and address of the alleged violator, if known, the offense charged, and shall direct him/her to appear in County Court on the date shown on the citation for which the date shall not be less than 3 days nor more than 5 days from the date the citation was issued. The alleged violator shall be served a copy of the citation. Service of the citation shall be complete upon delivery of the citation to the alleged violator, to an agent or employee of a violator, or to a person over 14 years of age who is a member of the violator's immediate family or is a resident of the violator's residence. The alleged violator shall appear in County Court to enter a plea of guilty or not guilty for the violation of

this Plan. If the alleged violator fails to appear in County Court, a warrant for his/her arrest may be issued. A summons to appear may be issued in lieu of an arrest warrant. These cases shall be expedited and given preferential setting in County Court before all other cases.

Section XII: Variances

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

1. Compliance with this Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is in effect.
2. Alternative methods can be implemented which will achieve the same level of reduction in water use.

Persons requesting an exemption from the provisions of this Ordinance shall file a petition for variance with Picoso Water Supply within 5 days after the Plan or a particular drought response stage has been invoked. All petitions for variances shall be reviewed by the Board President, or his/her designee, and shall include the following:

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

Variances granted by the Corporation shall be subject to the following conditions, unless waived or modified by the Board President, or his/her designee:

1. Variances granted shall include a timetable for compliance.
2. Variances granted shall expire when the Plan is no longer in effect unless the petitioner has failed to meet specified requirements.

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

Section XIII: Implementation

The Board of Directors will be responsible for approving Drought Contingency Water Plan actions. The Board President or his/her designee will review the procedures in this plan at least every five years unless the conditions necessitate amendments that are more frequent. Modifications may be required to accommodate system growth, changes in water use demand, available water, and/or other circumstances.

SECTION I:
STANDARD SERVICE FORM SAMPLES

- Service Application and Agreement Form
- Confidentiality Form
- Notice Of Insufficient Information
- Right-Of-Way Easement (General – Permanent Only)
- Right-Of-Way Easement (Location Required – Temporary Construction & Permanent)
- Alternate Billing Agreement for Rental Account
- Deferred Payment Agreement
- Leak Adjustment Request/Statement by Member
- Notice Of Returned Check
- Notice To Owner of Rental Property Past Due
- Notice Of Disconnection
- Membership Termination and Liquidation Notice
- Member Cancellation
- Installment Agreement
- Prohibition Of Multiple Connections
- TCEQ Customer Service Inspection Certificate
- Meter Test Authorization and Test Report
- Easement Denial Letter and Affidavit
- Release Of Easement
- Line Extension Reimbursement Agreement
- Membership Mortgage Agreement
- Volunteer Contributions on Behalf of Emergency Services
- Notice Of Water Use Restrictions to Members
- Notice Of 1st Violation of Water Use Restrictions
- Notice Of 2nd Violation of Water Use Restrictions
- Subsequent Notices of Violation of Water Use Restrictions
- Disconnection For Violation of Water Use Restrictions
- Notice of Rate Increase
- Calculation of Net Equity Buy-In Fee
- Meter Equivalencies

CORPORATION USE ONLY

Date Approved: _____
Service Classification: _____
Cost: _____
Work Order Number: _____
Eng. Update: _____
Account Number: _____
Service Inspection Date: _____

WATER SUPPLY CORPORATION**SERVICE APPLICATION AND AGREEMENT**

Please Print: DATE _____

APPLICANT'S NAME _____

CO APPLICANT'S NAME _____

CURRENT BILLING ADDRESS: _____ FUTURE BILLING ADDRESS: _____

PHONE NUMBER Home (_____) _____ - _____ Cell (_____) _____ - _____

PROOF OF OWNERSHIP PROVIDED BY _____

DRIVER'S LICENSE NUMBER OF APPLICANT _____

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

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

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

NUMBER IN FAMILY _____ LIVESTOCK & NUMBER _____

SPECIAL SERVICE NEEDS OF APPLICANT _____

DO YOU AGREE TO RECEIVE ALERTS BY EMAIL AND/OR TEXT (Check only one): ☐ YES ☐ NO

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.

Ethnicity: ☐ Hispanic or Latino

☐ Not of Hispanic or Latino

Race:

☐ White

☐ Black or African American

☐ American Indian/Alaska Native

☐ Asian

☐ Native Hawaiian or Other Pacific Islander

Gender: ☐ Male ☐ Female

AGREEMENT made this _____ day of _____, _____,
between _____ 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),

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

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

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

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

- a. The number of taps to be considered in the design and
 - 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 Applicant may re-apply for service at a later date under the terms and conditions of the Corporation's policies. For the purposes of this agreement, an Indication of Interest Fee shall be of an amount equal to the Corporation's Membership Fees.

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

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

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

- a. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by an airgap or an appropriate backflow prevention assembly in accordance with state regulations.

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

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

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

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

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

The Applicant shall grant to the Corporation permanent recorded easement(s) dedicated to the Corporation for the purpose of providing reasonable rights of access and use to allow the Corporation to construct, maintain, replace, upgrade, parallel, inspect, test and operate any facilities necessary to serve that Applicant as well as the Corporation's purposes in providing system-wide service for existing or future members.

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

By execution hereof, the Applicant agrees that noncompliance 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

Applicant Member

Approved and Accepted

Date Approved

CONFIDENTIALITY FORM
DISCLOSURE OF PERSONAL INFORMATION CONTAINED IN UTILITY RECORDS

[Chapter 182, Subchapter B of the Texas Utilities Code](#) makes confidential a customer's address, telephone number, account records, social security number, and information relating to the volume or units of utility usage, or the amounts billed to or collected from the individual for utility usage.

You may exercise your right by checking the box below and returning this form with your signature to the office of Picos Water Supply Corporation at 3274 FM 2579, Floresville, Texas 78114.

☐ I request that my personal information be kept confidential

Name of Account Holder

Account Number

Address

Area Code/Telephone Number

City, State, Zip Code

Signature

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

Regardless of the confidentiality provision in Utilities Code Sec. 182.052, we must still provide this information to:

- an official or employee of the state or a political subdivision of the state, or the federal government acting in an official capacity;
- an employee of a utility acting in connection with the employee's duties;
- a consumer reporting agency;
- 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;
- a person for whom the customer has contractually waived confidentiality for personal information; or
- another entity that provides water, wastewater, sewer, gas, garbage, electricity, or drainage service for compensation.

See Texas Public Information Act, Government Code Sec. 552.147, for limitations on disclosure of Social Security numbers.

**APPLICANT'S NOTICE OF INSUFFICIENT INFORMATION OF A TEMPORARY OR
IMPROPERLY TRANSFERRED SERVICE**

TO: _____

ACCOUNT NUMBER: _____

DATE: _____

DATE OF SCHEDULED DISCONNECTION: _____

You are hereby advised that the INCOMPLETE status of your FORMS as indicated below is jeopardizing your Membership with the Corporation. If our office does not receive COMPLETED DOCUMENTS OR PROPER INFORMATION within ten days of the date of this notice, your utility service will be terminated. To regain service after termination, you must re-apply for Membership and pay all costs applicable to a new Member under the terms of the Corporation's Tariff. Your meter will also be locked or removed on the Disconnection Date indicated above.

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

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

Corporation Official

Title

UNITED STATES DEPARTMENT OF AGRICULTURE
Rural Utilities Service
RIGHT-OF-WAY EASEMENT (General Type Easement)

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

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

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

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

Grantor does hereby bind itself, its successors and assigns, to WARRANT AND FOREVER DEFEND, all and singular, the easement herein granted to Grantee, or Grantee's successors and assigns, against every person whomsoever claiming, or to claim, the same or any part thereof. The easement conveyed herein was obtained or improved through Federal financial assistance. This easement is subject to the provisions of Title VI of the Civil Rights Act of 1964 and the regulations issued pursuant thereto for so long as the easement continues to be used for the same or similar purpose for which financial assistance was extended or for so long as the Grantee owns it, whichever is longer.

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

STATE OF TEXAS §
COUNTY OF WILSON §

This instrument was acknowledged before me on _____ by _____.

Notary Public, State of Texas

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVERS LICENSE NUMBER.

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

KNOW ALL MEN BY THESE PRESENTS, that _____ (“Grantor”), in consideration of ten dollars (\$10.00) and other good and valuable consideration paid by Picoso Water Supply Corporation, (“Grantee”), the receipt and sufficiency of which is hereby acknowledged, does hereby grant, bargain, sell, transfer, and convey to said Grantee, its successors, and assigns, a perpetual exclusive easement (the “Perpetual Easement”) and a temporary construction easement (the “Temporary Easement”), over and across the property more particularly described in instrument recorded in Vol._____, Page _____, Deed Records, Wilson County, Texas. The Perpetual Easement and Temporary Construction Easement shall be collectively referred to as the “Easements”. It is expressly understood and agreed between the parties that the Easements shall be subject to and governed by the following provisions:

- The Perpetual Easement hereby granted shall not exceed fifteen feet (15’) in width and shall be used only for the purposes of constructing, installing, and laying and thereafter accessing and using, operating, inspecting, repairing, maintaining, replacing, upgrading and removing water distribution lines [and/or sewer collection lines] and appurtenances and facilities (the “Facilities”) in that certain area of the tract of land owned by Grantor described on Exhibit “A” attached hereto and incorporated herein for all purposes (the “Easement Tract”). Grantee, its agents, employees, contractors, and representatives, shall have the right and privilege of ingress and egress across the Easement Tract as may be necessary for the purposes described herein. Grantee shall have the right to place new or additional Facilities within the Easement Tract.
- In addition to the Perpetual Easement granted above, Grantor hereby grants the Temporary Construction Easement to Grantee over and across the Easement Tract and that certain area of the tract of land owned by Grantor that is fifteen feet (15’) in width and parallel to the boundary of the Easement Tract, as further described or depicted in Exhibit “A”, for purposes of ingress and egress and constructing and installing the Facilities. The Temporary Construction Easement shall automatically terminate one hundred eighty (180) days from the date such construction and installation of the Facilities is completed. Grantee agrees to use its reasonable best efforts to remove from the Temporary Construction Easement only such trees, brush, and shrubs as are reasonably necessary for Grantee to construct the Facilities.
- Grantee shall have such other rights and benefits necessary and/or convenient for the full enjoyment and use of the rights herein granted, including without limitation, (a) the reasonable right of ingress and egress over and across lands owned by Grantor which are contiguous to the Easement Tract; (b) the reasonable right from time to time to remove any and all paving, undergrowth and other obstructions that may injure Grantee's Facilities or interfere with the construction, maintenance, inspection, operation, protection, repair, alteration, testing, replacement, upgrading, relocation, substitution or removal thereof; and (c) the right to abandon-in-place any and all Facilities, such that Grantee shall have no obligation or liability to Grantor, or its successors or assigns, to move or remove any such Facilities.
- In the event the city, county or state hereafter widens or relocates any public road so as to require the relocation of the Facilities as installed, Grantor further grants to Grantee an additional easement over and across the land described above for the purpose of laterally relocating the Facilities as may be

necessary to clear the road improvements, which easement hereby granted shall be limited to a strip of land of fifteen feet (15') in width, the center line thereof being the Facilities as relocated.

- The consideration recited herein shall constitute payment in full for all rights of Grantee, and Grantee will maintain such easement in a state of good repair and efficiency and will take all reasonable measures to restore the grounds and surfacing materials of the Easement Tract as close to the condition which existed as set forth in Exhibit "A" prior to Grantee's use as reasonably possible. Grantee is not responsible for restoration of landscaping, structures, pavement, or other improvements made by Grantor in, on and over the Easement Tract after the date of the grant made herein.
- This agreement together with other provisions of this grant shall constitute a covenant running with the land for the benefit of the Grantee, its successors, and assigns. The Easements and the related rights and privileges herein granted shall be subject to all valid and subsisting encumbrances, conditions, covenants, restrictions, reservations, exceptions, rights-of-way and easements of record, including all laws, regulations and restrictions by municipal, county, state or other governmental authority applicable to and enforceable against the Easements.
- Grantor does hereby bind itself, its successors and assigns, to WARRANT AND FOREVER DEFEND, all and singular, the easement herein granted to Grantee, or Grantee's successors and assigns, against every person whomsoever claiming, or to claim, the same or any part thereof.

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

ACKNOWLEDGEMENT

STATE OF TEXAS §
COUNTY OF WILSON §

This instrument was acknowledged before me on the _____ day of _____, 202__ by _____.

(SEAL)

Notary Public – State of Texas

ALTERNATE BILLING AGREEMENT FOR RENTAL ACCOUNTS

OWNER NAME: _____

ACCT #: _____

ADDRESS: _____

METER #: _____

PHONE NUMBER: _____

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

RENTER'S INFORMATION

Renter's Name: _____

Address: _____

City, State, Zip: _____

Phone Number: _____

I understand that I am responsible for this account and all incurred charges. It is my responsibility to see that this account balance is kept current, as is any other account in the Corporation. I understand that the membership will continue to be in my name, as I am the property owner. This account shall not be reinstated until all debt on the account has been retired.

I also 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.

Signature _____

Date _____

DEFERRED PAYMENT AGREEMENT

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

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

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

Member Name

Account Number

Signature

Date

WSC Corporation Official

Title

LEAK ADJUSTMENT REQUEST

MEMBER NAME: _____ ACCOUNT#: _____

SERVICE ADDRESS: _____ PHONE#: _____

BILLING PERIOD FOR ADJUSTMENT: _____

Please provide photos, description of the leak, how it occurred, where, and how repaired.

Date of when leak was fixed. Email photos/receipts to: crouse@picosawsc.com

REQUIREMENTS FOR APPROVAL

- Only one (1) adjustment per 24 months
- Leak must be more than 3 times average bill
- Must be a Member for at least one (1) year.
- Proof by detailed description and photos will be **REQUIRED** for adjustment.
- Only a Member may apply for the adjustment, renters must request owners to apply.
- No reimbursement for plumbers or materials purchased by member.
- **Signed form must be returned to Picosaw WS Office for Approval**

MEMBER SIGNATURE _____ DATE _____

PICOSA WSC SIGNATURE _____ DATE _____

**PICOSA WSC
NOTICE OF RETURNED PAYMENT**

DATE: _____

Dear _____:

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

Address of Service

Account #

Original amount billed - _____

Late fees - _____

Return check fee - _____

Total Due - \$_____. _____

If you have any questions, please contact Picoso WSC at 830-393-4424.

Corporation Official

Title

NOTICE TO OWNER OF RENTAL PROPERTY PAST DUE ACCOUNT

You are hereby given notice as per the Alternate Billing Agreement on your Account #_____that your renter/lessee is past due on this account with the Corporation. The utility service is scheduled for disconnection unless the bill is paid by the final due date.

If disconnection occurs, the Corporation's policies under the terms and conditions of its Tariff shall govern reconnection of service. A fee of \$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 member. If you have any questions concerning the status of this account, please do not hesitate to call our office at 830-393-4424.

Corporation Official_____

Title_____

Alternate Billing Account Name_____

Address_____

Account #_____

Amount Due Including Service Charges _____

Final Due Date _____

NOTICE OF DISCONNECTON

TO:

ACCOUNT NUMBER:

DATE:

DATE OF SCHEDULED DISCONNECTION:

You are hereby notified that your account is delinquent, and your service is in jeopardy of being disconnected. If our office does not receive payment within ten days of the date of this notice, your service will be disconnected.

Once service has been disconnected, all fees including past due fees, late fees, trip fees, etc. must be paid to reestablish service. Please arrange payment on your account as soon as possible to avoid disconnection.

Payment locations are 3274 FM 2579, Floresville, TX 78114 Monday – Friday hour of 8 am to 4 pm. Payments are also accepted over the phone by calling 877-232-2848 24 hours or can be made online at www.PicosaWSC.com.

Corporation Official

Title

MEMBERSHIP TERMINATION AND LIQUIDATION NOTICE

TO:

ACCOUNT NUMBER:

DATE:

DATE OF SCHEDULED TERMINATION:

BALANCE OWED:

You are hereby advised that the delinquent status of your account is jeopardizing your Membership with the Corporation. If our office does not receive payment within ten days of the date of this notice, your Membership will be terminated and the membership fee applied to your balance owed.

To regain service after liquidation, you must re-apply for Membership and pay all any outstanding balance, costs applicable to re-establishing service under the current terms of the Corporation's Tariff.

We encourage you to take care of this at once to avoid loss of services and any further collection actions.

Corporation Official

Title

PICOSA WATER SUPPLY CORPORATION
REQUEST FOR SERVICE DISCONTINUANCE & MEMBERSHIP CANCELLATION

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

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

(Residential account)

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

(Commercial account)

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

Signature

Date of Signature

**PICOSA WATER SUPPLY CORPORATION
INSTALLMENT AGREEMENT**

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

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

The terms of repayment are:

Balance Owed:
Number of Payments:
Payment Amount:
Payment Start Date:
Payment End Date:

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

Member Name

Account #

Member Signature

Date

Accepted by:

Picoso WSC

Date

Title

**NOTICE OF PROHIBITION OF MULTIPLE CONNECTIONS
TO A SINGLE TAP**

DATE: _____

Member
Address
Floresville, Texas 78114

RE: Account #:
 Service Address:

Dear _____,

You are hereby notified that Picos Water Supply Corporation (“Corporation”) has sufficient reason to believe a Multiple Connection exists on your property at the Service Address shown and is in violation of the Corporation’s tariff, Section E. Prohibition of Multiple Connections. Pursuant to the tariff, no more than one (1) residential, commercial, or industrial service connection is allowed per meter. See 16 Texas Administrative Code ([TAC](#)) [Section 24.169 \(a\)\(4\)](#), and [TAC 290.38\(15\)](#) and [290.44\(d\)\(4\)](#).

Please contact our office within 5 days of the date on this letter to schedule an inspection by our operators to verify the conditions of your connection.

If they find that multiple connections exist on a single meter, you will be required to obtain meter(s) for the number of connection(s) needed. You can contact the office to determine the cost and what will be needed to provide services. You will have 30 days from the date of the inspection to contact the office.

If you fail to contact the office to schedule an inspection, do not allow access to the operator or do not obtain new meter(s) if required, the Corporation shall discontinue service under the Disconnection with Notice provisions of the Corporation’s tariff.

Sincerely,

Title _____

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

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

Reason for Inspection:	
New construction	<input type="checkbox"/>
Existing service where contaminant hazards are suspected	<input type="checkbox"/>
Material improvement, correction or expansion of distribution facilities	<input type="checkbox"/>

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

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

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

Service lines:	Lead <input type="checkbox"/>	Copper <input type="checkbox"/>	PVC <input type="checkbox"/>	Other <input type="checkbox"/>
Solder:	Lead <input type="checkbox"/>	Lead Free <input type="checkbox"/>	Solvent Weld <input type="checkbox"/>	Other <input type="checkbox"/>

Remarks:	

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

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

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

**PICOSA 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: _____

The test shall be conducted in accordance with the American Water Works Association standards and methods on a certified test bench or on-site with an acceptable certified test meter. Member agrees to pay \$125.00 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; reduction due on water charges by ____%

☐ Meter tests low; addition due on water charges by ____%

Test conducted by _____

Approved on _____ by _____

EASEMENT DENIAL LETTER AND AFFIDAVIT

Date _____

(Name of Property Owner
Property Owner's Address)

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

Dear _____:

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

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

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

If you need any clarification on this matter or wish to discuss any aspects of the enclosed easement, please contact our office: 3274 FM 2579, Floresville, TX 78114 or (830) 393-4424.

We appreciate your attention to this matter.

Sincerely,

ACKNOWLEDGEMENT OF REFUSAL

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

AFFIDAVIT

Being duly sworn upon my oath, I hereby certify that this is a true copy of the Easement Denial Letter and attached easement sent by certified mail to _____ on _____, and a signed receipt verifying delivery and acceptance is attached to this Affidavit **[ALTERNATIVE: and the return noting refusal to accept or verify delivery is attached to this Affidavit]**. This Affidavit will be maintained as a part of the records of Picos Water Supply Corporation. I further certify that a signed easement or signed Acknowledgement of Refusal was not received within thirty days following receipt by _____.

[Name]

[Position with Corporation]

Date: _____

THE STATE OF TEXAS
COUNTY OF WILSON

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

(SEAL)

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

RELEASE OF EASEMENT

STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS THAT:
COUNTY OF WILSON §

PICOSA WATER SUPPLY CORPORATION, operating under the authority of Chapter 67 of the Texas Water Code ("PICOSA WSC"), is the legal and equitable owner and holder of the easement described and recorded in Volume_____, Page _____ of the Wilson_ County Deed Records (the "Easement"), covering the real property described in **Exhibit "A"** attached hereto and incorporated herein by reference (the "Property").

NOW, THEREFORE, for and in consideration of ONE DOLLAR (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confessed, PICOSA WSC hereby RELEASES and DISCHARGES the Property from the rights, titles and interests covering such Property held by PICOSA WSC by virtue of the Easement and hereby RELEASES and TERMINATES the Easement to the extent it covers the Property. This Release of Easement shall in no way obligate nor require PICOSA WSC to physically remove the waterlines or pipelines currently located in the Property pursuant to the Easement.

EXECUTED as of the _____ day of _____, 20__.

PICOSA WATER SUPPLY CORPORATION
(A Texas water supply corporation)

By: _____
Printed Name: _____
Title: _____

STATE OF TEXAS §
 §
COUNTY OF WILSON §

This instrument was acknowledged before me on the _____ day of _____, 20__, by _____, the _____ of PICOSA WATER SUPPLY CORPORATION, operating under the authority of Chapter 67 of the Texas Water Code, on behalf of said water supply corporation.

[SEAL]

Notary Public, State of Texas

After recording, return to:
(owner's name and address)

**PICOSA WATER SUPPLY CORPORATION
LINE EXTENSION REIMBURSEMENT AGREEMENT**

The Picoso Water Supply Corporation Board affirms that _____ will be compensated as provided in this Reimbursement agreement approved at the regular board meeting on the _____ day of _____, 20____, on a prorated basis for construction costs for the _____ feet of _____ inch line extension which have been paid by _____. This will be collected from all approved applicants requesting service from said line extension, to a maximum of _____ connections for a period not to exceed 5 years from the date the line extension is completed and/or approved for service after which time the Reimbursement Agreement will expire and the Corporation shall be under no further obligation to _____. The Corporation shall transfer compensation within 30 days of receipt.

It is to understand that the Corporation will secure this compensation through new customer service fees from applicants for service from said line extension, and from no other sources. Accordingly, the compensation provided by this Reimbursement Agreement will be modified automatically in the event any applicant requesting service from said line extension obtains a final administrative or Judicial Determination limiting the amount the Corporation may charge applicants for service from said line extension.

This agreement entered into on the _____ day of _____ in the year of _____ by:

Picoso Water Supply Corporation

Signed by President

Signed by Applicant

IN WITNESS WHEREOF the said Member/Applicant and President of PICOSA WSC has executed this instrument this _____ day of _____, 20____.

THE STATE OF TEXAS
COUNTY OF WILSON

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

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

Notary Public Signature

Commission Expires

**PICOSA WATER SUPPLY CORPORATION
MEMBERSHIP MORTGAGE AGREEMENT**

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

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

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

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

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

Legal Description of Property:

Mortgagee (Lien-Holder)

Guarantor (If Applicable)

PICOSA WSC Representative

Date

Note: * Please attach Deed of Trust for permanent record.

VOLUNTARY CONTRIBUTIONS ON BEHALF OF EMERGENCY SERVICES

The corporation shall, as part of its billing process, collect from its customers a voluntary contribution, including a voluntary membership or subscription fee on behalf of a volunteer fire department or an emergency medical service.

The corporation shall provide each customer at the time that the customer first subscribes to the water service, and at least annually thereafter, a written statement:

- Describing the procedure by which the customer may make a contribution with the customer's bill payment;
- designating the volunteer fire department(s) or emergency medical service(s) to which the corporation will deliver the contribution;
- informing the customer that a contribution is voluntary; and
- describing the deductibility status of the contribution under federal income tax law.

All billing by the corporation shall clearly state that the contribution is voluntary and that it may be deducted from the billed amount.

The corporation shall promptly deliver contributions that it collects under this section to the designated volunteer fire department(s) or emergency medical service(s), except that the corporation may keep from the contributions an amount equal to the lesser of:

- The corporation's expenses in administering the contribution program; or
- five percent of the amount collected as contributions.

NOTICE TO CUSTOMERS

The PICOSA WSC is offering each customer the opportunity to make a voluntary contribution to the local volunteer fire department(s) and/or emergency medical service(s). The contribution amount should be added to each remittance of the monthly base rate.

These voluntary contributions will be sent to the following volunteer fire department(s) and/or emergency service(s): **(List all applicable recipients)**

- Alert Volunteer Fire Department
- South Side Volunteer Fire Department

This voluntary contribution may be deductible under the Federal Income Tax Law.

For a complete copy of the Corporation's Voluntary Contribution Policy, please make a request in writing to the Corporation's office at 3274 FM 2579 Floresville TX, 78114 or by email at:

SAMPLE LANGUAGE FOR BILLS

Each Member has the right to contribute any dollar amount as a voluntary contribution for local emergency services.

**NOTICE OF WATER USE RESTRICTIONS DROUGHT CONTINGENCY
& EMERGENCY WATER DEMAND MANAGEMENT PLAN**

DATE: _____

TO: Members of Picoso Water Supply Corporation

FROM: _____, Manager, Picoso WSC

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

Stage ____ allocation restricts your water use as follows:

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

Thank you for your cooperation.

Corporation Official _____

Title: _____

**MEMBER NOTICE OF FIRST VIOLATION AND PENALTY OF DROUGHT CONTINGENCY &
EMERGENCY WATER DEMAND MANAGEMENT PLAN**

DATE: _____

FROM: _____, Corporation Official, Picoso WSC

TO: _____,

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

This is the FIRST NOTICE of violation. You are hereby notified of a violation of the Corporation's Notice of Water Use Restrictions sent to all members on _____ (see attached [ATTACH COPY OF MEMBER NOTICE OF WATER USE RESTRICTIONS]). Accordingly, and as provided in the Corporation's Tariff, you are hereby directed to pay a penalty of \$_____, to be received in the Corporation's business office no later than _____ a.m./p.m., _____ 20_____. **Failure to pay this penalty by this date and time will result in disconnection of your water service WITHOUT FURTHER NOTICE. Any further reconnection will require payment of the penalty and a charge for the service call to restore service.**

You will be assessed an additional, and more severe, penalty for any future violation(s) of the Corporation's Water Use Restrictions following this Notice. Continued violations may result in disconnection of your water service regardless of whether you pay the penalties assessed for these violations.

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

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

Corporation Official _____

Title: _____

MEMBER NOTICE OF SECOND VIOLATION AND PENALTY OF DROUGHT CONTINGENCY & EMERGENCY WATER DEMAND MANAGEMENT PLAN

DATE: _____

FROM: _____, Corporation Official, PICOSA WSC

TO: _____,

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

This is the SECOND violation. You were notified of a previous violation on _____ (see attached [ATTACH COPY OF MEMBER NOTICE OF VIOLATION]). Accordingly, and as provided in the Corporation's Tariff, you are hereby directed to pay a penalty of _____, to be received in the Corporation's business office no later than _____ a.m./p.m., _____ 20_____. **Failure to pay this penalty by this date and time will result in disconnection of your water service WITHOUT FURTHER NOTICE. Any further reconnection will require payment of the penalty and a charge for the service call to restore service.**

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

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

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

Corporation Official _____

Title _____

**MEMBER NOTICE OF SUBSEQUENT VIOLATION AND PENALTY OF DROUGHT
CONTINGENCY & EMERGENCY WATER DEMAND MANAGEMENT PLAN**

DATE: _____

FROM: _____, Corporation Official, Picoso WSC

TO: _____,

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

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

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

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

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

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

Corporation Official _____

Title _____

**NOTICE OF DISCONNECTION FOR VIOLATION OF DROUGHT CONTINGENCY &
EMERGENCY WATER DEMAND MANAGEMENT PLAN**

DATE: _____

FROM: _____, Corporation Official, Picoso_WSC

TO: _____,

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

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

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

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

Corporation Official _____

Title _____

**PICOSA WATER SUPPLY CORPORATION
NOTICE OF RATE INCREASE**

The Picos Water Supply Corporation ("Corporation") Board of Directors held a public meeting on _____ (date) and voted to increase the monthly rates for water service for all members. (Insert reason for rate increase including measures the Corporation took to justify the increase such as rate analysis, etc.)

The new rates will take effect 30 days after this board decision, on _____ (date) and the new monthly rates will begin starting with the _____ (month) billing. The rate changes are as follows:

METER SIZE	5/8" X 3/4" METER EQUIVALENTS	NEW MONTHLY BASE RATE	CURRENT MONTHLY BASE RATE
5/8" X 3/4"	1.0	\$____.00	\$____.00
1"	2.5	\$____.00	\$____.00
1 1/2"	5.0	\$____.00	\$____.00
2"	8.0	\$____.00	\$____.00

Water Gallonage charge	NEW MONTHLY	CURRENT MONTHLY
\$____ per 1,000 gallons for 500 to 2,000 gallons	\$____.00	\$____.00
\$____ per 1,000 gallons for 2,001 to 10,000 gallons	\$____.00	\$____.00
\$____ per 1,000 gallons for 10,001 gallons and up	\$____.00	\$____.00

For more information about the rate increase, please contact the Corporation at 830-393-4424 or in person at our main office 3274 FM 2579 Floresville, TX 78114

SECTION J.
NON-STANDARD FORM SAMPLES

- Non-Standard Service Request
- Non-Standard Service Agreement
- Subdivision Service Extension Policy
- Equipment and Line Dedication Agreement
- Dedication, Bill of Sale and Assignment (Developer)
- Dedication, Bill of Sale and Assignment (Individual)
- Groundwater Rights Deed
- Agreement to Provide Fill for Fire Apparatus
- Agreement to Provide Fireflow
- Sanitary Control Easement

Non-Standard Service Request

This service request is only for the determination of the existing system's capability to provide adequate pressure to the requested service(s). If applicant decides to change the intended land use, this request becomes null and void and a new request shall be applied for by the application. ***Include a copy of the signed and notarized Warranty Deed and a preliminary plat of the proposed project with this application, as well as any other items indicated below.***

Applicant Information

Contact: _____

Phone: _____

Email: _____

Company: _____

Address: _____

City: _____ St: _____ Zip: _____

Property Information

Project Name: _____

Legal/Address: _____

City: _____ St: _____ Zip: _____

Planned Use: ☐ Subdivision ☐ Trailer/RV Park

☐ Other: _____

Total Acres: _____ Acres in Development: _____

Development Information

Type: ☐ Residential ☐ Commercial

☐ Industrial ☐ Institutional

Connections: _____ Date needed: _____

Meters by Size: _____ 5/8" _____ 1" _____ 1.5" _____ 2"

Other Meter Size: _____ #: _____ Size: _____ #: _____

Estimated Usage: _____ Gallons/per month/per meter

Required PSI: _____ low _____ avg _____ high

Phases: ☐ No ☐ Yes (see Addendum)

Description of project/work to be completed:

Special Requirements: _____

Fire flow requested: ☐ No ☐ Yes: _____ # Hydrants
(if Fire flow is requested see Addendum)

By signing this application, the applicant acknowledges receipt of Picos WSC's Development Service Extension Policy which is incorporated into this application by reference. Applicant agrees that this development will be subject to these requirements and that they will comply with the rules, valid laws, regulatory requirements, and PWSC's policies. Applicant acknowledges that PWSC is not required to extend retail water to a service applicant in a subdivision where the developer of the subdivision has failed to comply with the corporation's policies and rules.

The Non-Standard Service Request Investigation fee of \$_____ is for engineering and administrative costs (see attached fee schedule). Any additional costs will be at Applicant's expense. This is not a service agreement, only an application for a feasibility study. The location of the connection(s) is subject to approval by the Corporation.

I, the undersigned, attest that the information contained is correct and that I am authorized to request this study.

Signature: _____

Date: _____

Received by: _____

Date: _____ Paid: _____

Non-Standard Service Request – Addendum

Phases

If this project will be completed in phases, please complete the following:

of Phases: _____ Please detail phases below:

Phase #	# of Connections	Meter Size	Work Start Date	Work End Date

Notes regarding phases: _____

Notes Regarding Meter Sizes:

The final determination of the meter size is at Picosá WSC's discretion after review of the proposed plan, uses and system facilities. Please choose the appropriate size for your project.

Meter details:

Meter Size	Service Equivalency	GPM (AWWA Specifications)
5/8" – Standard	1 connection	10
1"	2 connections	25
1.5	5 connections	50
2"	8 connections	80

Fire-flow

The Corporation's tariff expressly provides that Corporation does not provide fire flow and does not provide or imply that fire protection is available on any of Corporation's distribution system; however, if fire flow is requested, the Corporation's consulting engineer will determine the fire flow design for any Non-Standard service request, including new subdivisions, based on density, type of structure, and other factors.

Please detail requested fire-flow needs: _____

NON-STANDARD WATER UTILITY SERVICE AGREEMENT

This **Non-Standard Water Utility Service Agreement** (this “Agreement”) made and entered into by and between **Picosa Water Supply Corporation**, a non-profit water supply corporation incorporated pursuant to Texas Water Code Chapter 67 (“Picosa WSC”), and _____ (“Developer”), is made effective as of the date of the last signature by the Parties to this Agreement (the “Effective Date”). Picosa WSC and Developer are referred to herein individually as a “Party” and collectively as the “Parties.”

RECITALS

A. WHEREAS, Picosa WSC holds retail water Certificate of Convenience and Necessity (“CCN”) No. 12751 issued by the Public Utility Commission of Texas and owns and operates a water system that supplies potable water for human consumption and other domestic uses to customers within its certified service area (the “Service Area”);

B. WHEREAS, Developer owns and plans to develop approximately _____ acres of land (the “Property”), as set forth the deed recorded as Document No. _____, Official Public Records, Wilson County, Texas, a copy of which is attached hereto as **Exhibit “A”**.

C. WHEREAS, the Property is within the Service Area;

D. WHEREAS, the Developer is planning to develop a real estate subdivision on the Property which has _____ lots for single family residential use (the “Development”), as more particularly shown and described in **Exhibit “B”** attached hereto;

E. WHEREAS, in order to properly develop the Property for the intended use, the Developer has requested that Picosa WSC provide _____ LUE’s of retail potable non-fire flow water service to future members within the Development;

F. WHEREAS, the Parties desire to enter into this Agreement setting forth the terms and conditions pursuant to which Picosa WSC will provide retail water service to the Property and under which Developer will participate in the funding of those costs.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereafter set forth, the Parties hereby agree as follows:

I. DEFINITIONS

When used in this Agreement, the following terms will have the meanings set forth below:

- 1.1 “**Cost of Service Commitment**” means collectively the Equity Buy-In Fee multiplied by the number of LUE’s required to provide Service to the Development that will be provided Service.
- 1.2 “**Equity Buy-In Fee (a/k/a Impact Fee)**” means Picosa WSC’s estimation of the pro-rata cost of water supply development, storage, transmission, and water treatment needed to serve the Property as provided for in the Tariff.
- 1.3 “**LUE**” or “**living unit equivalent**” for potable water means the equivalent of one (1) single-family residential connection to the Picosa WSC System and the amount of potable water to be used by that single-family residence for design purposes. Under this Agreement, the requisite daily potable water

supply per normal, single-family residential connection with a 5/8" meter will be considered as one (1) water LUE. One (1) water LUE is estimated to require, on average, 313 gallons/day.

- 1.4 **"Non-Developer Facilities"** shall mean any off-site and on-site water facilities to be designed and constructed by or for Picoso WSC for the benefit, directly or indirectly, of the Property. For purposes of this Agreement, all water facilities required for Service to the Property shall be considered "Non-Developer Facilities."
- 1.5 **"Picoso WSC System"** means the water system owned by Picoso WSC to serve the real property located within its Service Area and any expansions, improvements, enlargements, additions and replacements thereto with sufficient pressure and capacity to meet the water quality and pressure standards of the TCEQ, as defined below. The Picoso WSC System does not provide the potable water capacity and pressure to support firefighting service requirements.
- 1.6 **"PUCT"** means the Public Utility Commission of Texas or its successor.
- 1.7 **"Service Commitment"** means the retail water service to be made available by Picoso WSC to the Property under the terms of this Agreement.
- 1.8 **"Service"** means retail non-fire flow water service to be provided by Picoso WSC to the Property in accordance with its Tariff.
- 1.9 **"Tariff"** means the tariff approved by the PUCT for Picoso WSC for the specific area to be served that sets forth its fees, rates and charges, rules and policies relating to water service by Picoso WSC, as it may be amended from time to time.
- 1.10 **"TCEQ"** means the Texas Commission on Environmental Quality or its successor.

II. WATER SERVICE

2.1 Service Commitment. Subject to the terms and conditions set forth in this Agreement, Picoso WSC will provide retail Service to the Development, in a quantity up to the Service Commitment, for residential uses. Picoso WSC will provide retail Service in accordance with the laws and regulations of the State of Texas, their Tariff, and the terms and conditions of this Agreement.

2.2 Conditions of Service. Picoso WSC's obligation to provide Service within the Development or any portion thereof, as appropriate, shall be subject to the completion of all of the following conditions precedent:

- a) If applicable, the final platting of any unit or phase of the Development that will be provided Service and the approval of same by Picoso WSC and all governmental entities with jurisdiction;
- b) Dedication and conveyance from the Developer, and acceptance by Picoso WSC, of all right, title and interest to full, unencumbered title to all easements and other real and personal property required under this Agreement in relation to the Non-Developer Facilities;
- d) Payment by Developer for:
 - i) the Cost of Service Commitment, as provided in Section 3.2 attributable to the unit or phase of the Development of the Property that will be provided Service; and
 - ii) other payments, fees and deposits required by this Agreement, including all costs and expenses of materials, design, permitting and construction of the Non-Developer Facilities; including, without limitation, all attorney's fees, accounting fees,

administrative costs, other costs incurred by Picoso WSC attributable to Developer's request for Service before and after the Effective Date of this Agreement.

- e) Completion by Picoso WSC of the Non-Developer Facilities needed to serve the Development in accordance with the terms of this Agreement.

2.3 Source of Water Supply. Picoso WSC shall have sole discretion in determining the source of water supply to meet the Service Commitment so as to best optimize its operations and supplies.

2.4 Construction of Non-Developer Facilities. Design and construction of the Non-Developer Facilities will be performed under contracts directly between Picoso WSC and the engineers or contractors and under direct Picoso WSC supervision. All work will be performed to meet TCEQ and Picoso WSC standards.

III. RATES, FEES, AND CHARGES

3.1 Rates. Once Service is initiated to the Development or a part thereof, Picoso WSC will charge its standard fees, charges and rates for Service to retail customers within the Development in accordance with and as set forth in the Tariff, which Picoso WSC specifically reserves the right to amend from time to time in accordance with the laws and regulations of the State of Texas.

3.2 Cost of Service Commitment.

- a) Payment of Equity Buy-In Fees (aka Impact Fees) and other Costs:
 - i) Developer agrees to pay to Picoso WSC the Cost of Service Commitment, and other costs described in Section 2.2 of this Agreement, in order for Picoso WSC to provide water Service to the Development. In no event will Picoso WSC issue a plat approval or other type of service commitment for more than the part of the paid portion of the Cost of Service Commitment attributable to the unit or phase of the Development to be platted.
 - ii) Concurrently with Developer's execution of this Agreement, Developer shall pay to Picoso WSC the Cost of Service Commitment attributable to _____ LUEs of water service to be provided to the Property, that amount being \$_____ (\$3,100.00 x _____ LUEs). In the event Developer does not execute this Agreement and pay to Picoso WSC the total Cost of Service Commitment on or before _____, this Agreement shall terminate and be non-binding on the Parties save and except for Developer's obligation to pay Picoso WSC any costs and expenses incurred by Picoso WSC in relation to this service request prior to termination.

3.3 Costs Related to Non-Developer Facilities.

- a) Administrative Deposit. In order to assure Picoso WSC of its recovery of its initial costs attributable to the Non-Developer Facilities, Developer will remit to Picoso WSC an additional Administrative Deposit of \$10,000.00 concurrently with its execution of this Agreement. Any portion of the deposit that is unused by Picoso WSC will be returned to Developer after the completion of the Non-Developer Facilities. If Picoso WSC's expenses to perform its tasks attributable to the Non-Developer Facilities or under the terms of this Agreement exceed the Administrative Deposit, Developer shall remit to Picoso WSC an additional Administrative Deposit of \$10,000.00 within thirty (30) days of its receipt for payment of the same from Picoso WSC.

IV. NOTICES

Subject to any Party's right to change its address upon five (5) business days' written notice to the other Party, all notices hereunder by either Party to the other will be deemed to have been given upon receipt by the receiving Party if sent in writing by certified mail or e-mail, addressed and delivered to the following:

to Picoso WSC: Picoso Water Supply Corporation
 ATTN:
 3274 FM 2579
 Floresville, Texas 78114
 Email:
 Phone: (830) 393-4424

to Developer:

V. REAL PROPERTY ACQUISITION

5.1 Easements and Other Property Interests.

- a) Easements. Unless as otherwise specified herein, all waterlines shall be constructed within dedicated easements, officially granted and recorded public rights-of-way or public utility easements or fee tracts conveyed to Picoso WSC, all with full and adequate access rights acceptable to Picoso WSC and free of any liens or encumbrances that could affect Picoso WSC's title to, or use of, such easement, at no cost to Picoso WSC, or in other areas approved in writing by Picoso WSC. Developer shall convey easements to Picoso WSC at no cost to Picoso WSC, in a form acceptable to Picoso WSC. Developer must receive Picoso WSC's written approval of all terms and conditions of all such easements prior to their execution.
- b) Fee Tracts. If applicable, Developer shall convey all fee tracts to Picoso WSC by a general warranty deed conveying fee simple title (without liens or encumbrances, including CCRs), at no cost to Picoso WSC, in a form acceptable to Picoso WSC. Any water well facility, water storage tank, pump station, or other above-surface equipment or installation constructed as part of the facilities required for service, and as specified in the Development Plan, shall be constructed on real property owned by the Developer and of a size and layout that conforms with all Picoso WSC and TCEQ requirements, for example, but not limited to, sanitary control easements. Prior to any construction of such facilities, Developer shall provide to Picoso WSC a survey and title commitment for the proposed site (with the improvements) and Developer will not proceed with construction of said facilities without Picoso WSC's review and written approval of the location, size and related details of the proposed site and the title to the property and the terms and conditions of the title commitment. The real property comprising each site shall be covered by a title policy issued by a title company licensed in the State of Texas for an insured amount to be determined by Picoso WSC. Picoso WSC shall be the insured party in those title policies, and Developer shall be responsible for all costs of those policies.

5.2 Phase I Environmental Site Assessments. The acceptance of fee title by Picoso WSC of any property addressed in this Agreement shall be conditioned upon the written approval by Picoso WSC of the Phase I Environmental Site Assessment ("Phase I ESA") for property to be conveyed and any remedial actions required by Picoso WSC in response to that Phase I ESA. The Phase I ESA and the remedial actions shall be at the sole cost of Developer. Developer shall obtain Picoso WSC's written approval of the Phase I ESA before initiating any construction related to the Developer Facilities on the Property subject to that Phase I ESA.

5.3 Other Off-Property Real Property. Except as specifically set forth herein, Picoso WSC shall be responsible for acquisition of any other real property interest located outside of the Property required for construction of improvements to the Picoso WSC System necessary to make Service available to the Property in

an amount up to the Service Commitment. Developer will be responsible for Picoso WSC's costs to obtain all off-property (off-site) real estate.

VI. REPRESENTATIONS AND WARRANTIES

6.1 Representations of Developer. With respect to the Property, the Developer acknowledges, represents and warrants to Picoso WSC that:

- a) It is qualified in all respects to conduct business within the State of Texas;
- b) The contemplated transfer of any easements and fee tracts to Picoso WSC will not violate any term, condition or covenant of any agreement to which Developer is a party;
- c) Execution of this Agreement and the consummation of the transactions contemplated hereunder will not constitute an event of default under any contract, covenant or agreement binding upon Developer;
- d) It has not previously entered into any agreement or caused or otherwise authorized any action that would diminish, eliminate or adversely affect Picoso WSC's contemplated ownership or use of the easements and fee tracts or the value of same;
- e) All facilities proposed or required by Picoso WSC pursuant to this Agreement are reasonable and necessary to provide for the expected local demand requirements and to comply with TCEQ minimum design criteria for facilities used in the production, transmission, storage, pumping or treatment of water and other TCEQ minimum requirements;
- f) All costs to, and obligations of, Developer under this Agreement are reasonable and necessary under the expected circumstances in regard to the provision of service contemplated by this Agreement;
- g) The Services to the Property expressly conditioned upon the terms set forth in Section 2.2 are reasonable and necessary; and
- h) There are no environmental concerns, problems, hazards or other issues that will materially and adversely affect Picoso WSC's ability to conduct its obligations under this Agreement.

6.2 Representations of Picoso WSC. Picoso WSC represents and warrants to the Developer that:

- a) Picoso WSC is a water supply corporation created and operating pursuant to Chapter 67 of the Texas Water Code and has the requisite power and authority to enter into this Agreement.
- b) Picoso WSC has sufficient water supply to provide water to Developer in accordance with this Agreement.
- c) The execution, delivery and performance of this Agreement have been duly authorized by all necessary action on the part of Picoso WSC and the person(s) executing this Agreement on behalf of Picoso WSC has been fully authorized and empowered to bind Picoso WSC to the terms and provisions of this Agreement.

6.3 Survival of Representations. Both Picoso WSC and Developer are executing this Agreement in reliance on each of the warranties and representations of the other set forth above. The representations contained in this Article will survive the conveyance, transfer and assignment of the easements and fee tracts at all closings and will continue to bind Picoso WSC and the Developer as provided herein.

VII. REMEDIES AND RELATED MATTERS

7.1 Picoso WSC's Remedies. If the Developer fails or refuses to timely comply with any of its obligations hereunder, or if the Developer's representations, warranties or covenants contained herein are not true upon execution of the Agreement, Picoso WSC will have the right, along with any other remedy at law or in equity, to (i) enforce this Agreement by specific performance, injunction or any other remedy available at law or in equity in a court of competent jurisdiction, including but not limited to an action for damages; (ii) enforce its rights under any payment, performance and maintenance bonds, (iii) waive the applicable objection or condition and to proceed to co-operate in the transaction in accordance with the remaining terms; or (iv) invoke the remedies provided herein, which include delaying the extension of retail water service to the Property until such time as the Developer complies with this Agreement and the provisions set forth in the service extension policy of Picoso WSC's Tariffs.

7.2 Default in Payments.

- a) All amounts due and owing by one party to the other shall, if not paid when due, bear interest at the Texas post-judgment interest rate as set out in V.T.C.A., Finance Code §304.002, or any successor statute, from the date when due until paid, provided that such rate shall never be usurious or exceed the maximum rate as permitted by law. If any amount due and owing by one party to the other is placed with an attorney for collection, the prevailing party in any litigation, mediation or arbitration involving the collection shall be paid its costs and attorneys' fees by the non-prevailing party, and such payments shall be in addition to all other payments provided for by this Agreement, including interest.
- b) For so long as there is any failure to provide a required payment hereunder and that failure remains uncured, the Parties agree that the non-defaulting Party shall not be obligated to do anything under this Agreement, including, without limitation, to sign or to approve any additional final plats of the units or phases of the subdivision within the Property until payment in full is made. In such an event, Developer shall not take any actions to proceed with construction or to have any such plat approved by the county with jurisdiction, and Picoso WSC shall not be obligated to provide water service to any such units or phases of the subdivisions within the Property until the monetary default is cured. Additionally, any failure by Developer to provide timely payment that remains uncured by the Developer for thirty (30) days after receipt of notice of default from Picoso WSC shall entitle Picoso WSC to terminate its commitment to serve new units or phases of the subdivision within the Property, and Picoso WSC may thereafter transfer the amount of all unused or unappropriated reserved water rights and facility capacities otherwise committed hereunder, to other properties, lots or customers without any liability to Developer.

7.3 Disputed Payment. If the Developer at any time disputes the amount to be paid by it to Picoso WSC, the Developer shall nevertheless promptly make the disputed payment or payments, but the Developer shall thereafter have the right to seek a determination of whether the amount charged by Picoso WSC is in accordance with the terms of this Agreement and to seek a refund.

7.4 Payments Non-refundable. Except for a charge or fee that is expressly stated to be refundable in this Agreement, all payments made pursuant to this Agreement are non-refundable.

7.5 Developer's Remedies. If Picoso WSC fails or refuses to timely comply with Picoso WSC's material obligations to the Developer under this Agreement and is unable to do so solely as a result of Picoso WSC's own acts or failure to act, the Developer will have the following remedies: (i) to enforce this Agreement by specific performance, injunction or any other remedy available at law or in equity in a court of competent jurisdiction, including but not limited to an action for damages, or (ii) to waive the applicable objection or condition and to proceed to carry out the transaction in accordance with the remaining terms.

7.6 Notice and Opportunity to Cure. Except as otherwise specifically provided herein, if either Party (referred to herein as the "Defaulting Party") fails to comply with its obligations under this Agreement or is otherwise in breach or default under this Agreement (collectively, a "Default") then the other Party (referred to

herein as the “Non-Defaulting Party”) shall not have any right to invoke any rights or remedies with respect to any Default until and unless: (i) the Non-Defaulting Party delivers to the Defaulting Party a written notice (the “Default Notice”) that specifies the particulars of the Default and specifies the actions necessary to cure the Default; and (ii) the Defaulting Party fails to cure, within ten (10) days after the Defaulting Party's receipt of the Default Notice, any matters specified in the Default Notice that may be cured solely by the payment of money or the Defaulting Party fails to commence the cure of any matters specified in the Default Notice that cannot be cured solely by the payment of money within ten (10) days or such longer period of time approved in writing by the Non-Defaulting Party after the Defaulting Party's receipt of the Default Notice and fails to thereafter pursue curative action with reasonable diligence to completion.

VIII. ASSIGNABILITY

8.1 Assignment by the Developer. Developer may assign its interest in this Agreement in whole or in part to a purchaser of some or all the Property provided that such assignee assumes all rights, duties and obligations of Developer under this Agreement in whole or in part, and provided further that any outstanding payment due to Picoso WSC is paid in full at, or prior to, the transfer, and provided further that the assignee has established to Picoso WSC's reasonable satisfaction that the assignee has and will have the financial capacity to fulfill the Developer's unfulfilled duties and obligations under this Agreement. Any such assignment will be effective only after notice to, and acceptance by, Picoso WSC of the assignment and provided that the assignee agrees in writing in a form satisfactory to Picoso WSC to assume and perform any duties of Developer under this Agreement. The agreement of Picoso WSC to provide water service to the Property is specific to the Property, and Developer may not assign, transfer or convey LUE's, rights created hereunder, or any other burden on Picoso WSC, for use in another location other than the portion of the Property that has been platted in accordance with the regulations of Wilson County, Texas, without the express written agreement of Picoso WSC, which agreement may be withheld by Picoso WSC for any or no reason. The Service Commitment and the right to use LUE's will inure to the benefit of any future owners of any of the Property and will run with the Property. Developer may apportion the Service Commitment within portions of the Property as Developer sees fit, but only in accordance with, and subject to, the terms of this Agreement. Developer may record a memorandum regarding the Service Commitment available to any portion of the Property in the real property records of the county in which the Property is located.

8.2 Assignment by Picoso WSC. Picoso WSC may assign this Agreement if it sells or transfers the part of the Picoso WSC System that is subject to the Tariff, if such assignee is approved by the PUCT and assumes all rights, duties and obligations of Picoso WSC under this Agreement and provided further that any outstanding payment due to Developer is paid in full at, or prior to, the transfer. Any such assignment will be effective only after notice to the Developer of the assignment and provided that the assignee agrees to assume and perform any duties of Picoso WSC under this Agreement, and provided further that any outstanding reimbursement or payment due to the Developer is paid in full at or prior to the transfer.

IX. MISCELLANEOUS

9.1 Counterparts and Electronic Signatures. This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute but one and the same Agreement. The Parties shall be entitled to sign and transmit an electronic signature of this Agreement (whether by facsimile, PDF or other email transmission), which signature shall be binding on the party whose name is contained therein. Any Party providing an electronic signature agrees to promptly execute and deliver to the other Party an original signed Agreement upon request.

9.2 Costs and Expenses. Except as otherwise expressly provided herein, Developer will be responsible for all costs and expenses incurred in connection with this Agreement, including, without limitation, Picoso WSC's ancillary costs, which include the costs for the preparation of this Agreement, engineering review and inspection of the facilities, Picoso WSC overhead costs, and legal and accounting costs directly related to the administration of this Agreement, and costs incurred due to any revisions to, or enactments of, statutes, laws or regulations affecting Picoso WSC and its costs of doing business, including, without any limitation, any federal

and state tax laws effective after December 1, 2017, which are allowed to be considered and included as extension charges to developers pursuant to 16 TAC §24.163.

9.3 **Governing Law.** This Agreement will be governed by the Constitution and laws of the State of Texas, except as to matters exclusively controlled by the Constitution and Statutes of the United States of America.

9.4 **Headings.** The captions and headings appearing in this Agreement are inserted merely to facilitate reference and will have no bearing upon its interpretation.

9.5 **Partial Invalidity.** If any of the terms, covenants or conditions of this Agreement, or the application of any term, covenant, or condition, is held invalid as to any person or circumstance by any court with jurisdiction, the remainder of this Agreement, and the application of its terms, covenants, or conditions to other persons or circumstances, will not be affected.

9.6 **Waiver.** Any waiver by Picoso WSC of its rights with respect to a default or requirement under this Agreement will not be deemed a waiver of any subsequent default or other matter.

9.7 **Amendments.** This Agreement may be amended or modified only by written agreement executed by the duly authorized representatives of both Parties.

9.8 **Cooperation.** Each Party agrees to execute and deliver all such other and further instruments and to undertake such actions as are or may become necessary or convenient to effectuate the purposes and intent of this Agreement.

9.9 **Venue.** Except as specifically precluded by Texas statute, all obligations of the Parties are performable in Wilson County, Texas, and the Parties agree that the exclusive venue for any action arising hereunder will be in Wilson County, Texas.

9.10 **Third Party Beneficiaries.** Except as otherwise expressly provided herein, nothing in this Agreement, express or implied, is intended to confer upon any person, other than the Parties, any rights, benefits or remedies under or by reason of this Agreement.

9.11 **Representations.** Unless otherwise expressly provided, the representations, warranties, covenants, indemnities, and other agreements will be deemed to be material and continuing, will not be merged, and will survive the completion of construction and the assignments and conveyances to Picoso WSC.

9.12 **Exhibits.** All Exhibits referenced in this Agreement are hereby incorporated in this Agreement for all purposes as if the same were set forth in full in the body of this Agreement.

9.13 **Entire Agreement.** This Agreement, including the attached Exhibits, contains the entire agreement between the Parties with respect to water service to the Property and supersedes all previous communications, representations, or agreements, either verbal or written, between the Parties with respect to such matters.

9.14 **Mediation.** All claims, disputes and other matters in question between the Parties to this Agreement, arising out of or relating to this agreement or the breach thereof, shall be submitted to **non-binding Mediation** under the auspices of a mutually agreed upon mediation service prior to initiation of any lawsuit or other litigation unless the Parties mutually agree otherwise. The cost of said mediation shall be split equally between the Parties. This Agreement to mediate shall be specifically enforceable under the prevailing law of the jurisdiction in which this Agreement was signed. The Parties agree that for any dispute arising out of, relating to or in connection with this Agreement, venue shall be proper only in the state or federal court for Wilson County, Texas that has subject matter jurisdiction.

9.15 **Force Majeure.** If an event of Force Majeure causes a temporary delay or interruption in Developer's ability to perform its obligations hereunder, such obligation shall be excused without liability during the continuation of such event of Force Majeure, and the relevant term to perform such obligations shall be extended accordingly for the duration of the event of Force Majeure, not to exceed three (3) months. For purposes hereof, "*Force Majeure*" means events that are not reasonably within the control or anticipation of Developer and which by the exercise of reasonable diligence and precaution under the circumstances Developer is unable to prevent or overcome and, subject to those limitations, shall include (a) labor shortages and/or disputes, fire, unusual delay in deliveries, unavoidable casualties; (b) disruptions in labor or materials resulting from a health crisis regardless of whether an infectious disease, epidemic, pandemic

or isolated to areas from which such labor and materials are supplied; (c) extreme weather conditions; (d) adverse government actions, including but not limited to tariffs and embargoes; and/or (e) any Act of God rendering performance of the Agreement impossible or impractical. Notwithstanding the foregoing, in the event that the Force Majeure is caused by government action; e.g. the declaration of a state of emergency, a court order, or an order issued by a city, county, or state governing body, the date of the beginning of the Force Majeure shall be on the date of the government action, and the Force Majeure shall persist until the state of emergency is lifted or an order is issued ending the circumstance causing the Force Majeure.

9.16 Time of the Essence. Time is of the essence in all matters related to this Agreement.

9.17 Interpretation. The singular form of any word used herein shall include the plural, and vice-versa, unless the context requires otherwise. The use of a word of any gender herein shall include all other genders, unless the context requires otherwise. This Agreement and all of the terms and provisions hereof shall be construed so as to effectuate the purposes contemplated hereby and to sustain the validity hereof.

9.18 Claim to Water Rights. Developer releases and assigns to Picoso WSC any claim of or to historical use of water rights or permit rights based on the volume of water supplied by Picoso WSC to or for Developer or its assigns or based on the acreage attributable to the Property or to Developer's or its assigns' use of the water supplied by Picoso WSC, including without limitation any water produced from wells on the Property. Developer agrees that Picoso WSC has the sole right and authority to use the past pumping history of water supplied to or for Developer or its assigns by Picoso WSC and to use the area attributable to Property or that use as a basis for any underground or surface water right, permit, property interest or claim. Without limiting the foregoing and in exchange for the commitment to serve the Property, Developer conveys and transfers to Picoso WSC all property rights to and for all groundwater attributable to the Property, including but not limited to, the rule of capture, the right to withdraw and/or beneficially use, sever, lease, sell or otherwise transfer water permitted by any groundwater conservation or similar district or entity, now existing or hereafter lawfully created; any and all real and personal property rights, appurtenances, permits, authorizations, licenses, consents and contracts, if any, pertaining to all such groundwater and/or related property rights. Developer agrees to execute any and all reasonable documentation necessary to evidence this conveyance and transfer. Developer hereby designates and appoints Picoso WSC or its assigns as its nominee, representative and/or attorney-in-fact in all matters related to the groundwater rights attributable to the Property. This power of attorney shall be irrevocable and shall be coupled with an interest.

9.19 Confidentiality. The Parties agree to keep the terms of this Agreement confidential and to not disclose those terms to any third parties, save and except on a need-to-know basis to the Parties' respective accountants, attorneys, bankers, financial advisors, title insurance companies, directors, and principals, and as may be reasonably required to fulfill their obligations under this Agreement and statutory requirements of the State of Texas. Picoso WSC further agrees that Developer may disclose this Agreement to any bona fide and financially qualified prospective purchaser of all or any portion of the lands within the Property, subject to Developer giving written notice to Picoso WSC of the identity of the prospective purchaser and such disclosure contemporaneously with the disclosure.

9.20 Memorandum of Agreement. At the election of Picoso WSC, the Parties agree to execute a Memorandum of this Agreement to be recorded in the Official Public Records of Wilson County, Texas.

NON-STANDARD WATER UTILITY SERVICE AGREEMENT

Development: _____

PICOSA WSC

Signature

_____, _____
Printed Name Title

Date

Signature

_____, _____
Printed Name Title

Date

DEVELOPER

Signature

_____, _____
Printed Name Title

Date

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

Pursuant to [Chapter 13.2502 of the Texas Water Code](#), Picos 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 Picos Water Supply Corporation, Certificate of Convenience and Necessity No. 12751, in Wilson County, 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 or sewer service connections on a single contiguous tract of land must comply with Development and Subdivision Service Extension Policy (the "Subdivision Policy") contained in Picos Water Supply Corporation's tariff.

Picos 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.

Applicable elements of the Subdivision include:

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

- Payment of reasonable costs or fees by the developer for providing water supply capacity;
- Payment of fees for reserving water supply capacity;
- Forfeiture of reserved water supply capacity for failure to pay applicable fees;
- Payment of costs of any improvements to Picos Water Supply Corporation's system that are necessary to provide the water service;
- Construction according to design approved by Picos Water Supply Corporation and dedication by the developer of water facilities within the subdivision following inspection.

Picos Water Supply Corporation's tariff and a map showing Picos Water Supply Corporation's service area may be reviewed at Picos Water Supply Corporation's offices, at 3274 FM 2579, Floresville, TX 78114; the tariff/policy and service area map also are filed of record at the Public Utility Commission in Austin, Texas and may be reviewed by contacting the PUC, Central Records at 512-936-7180 for assistance.

**PICOSA WATER SUPPLY CORPORATION
EQUIPMENT AND LINE DEDICATION AGREEMENT**

I, _____ having complied with the Picos Water Supply Corporation's Developer, Subdivision, and Non-Standard Service Requirements, do hereby dedicate, transfer and assign to the Picos Water Supply Corporation all rights and privileges to and ownership of equipment and or line(s) installed as a condition of service; the equipment and or line(s) being described in the Non-Standard Service Agreement between the Corporation and Transferor and the Non-Standard Service Agreement dated _____, including any amendments thereto and being further described as follows: (or see Attachments)

The Picos Water Supply Corporation, through its designated representative, has agreed to accept the facilities, equipment and/or line(s) as described in the above reference documents and attachments. The Corporation shall hold harmless _____ from this day forward, for any costs for repairs or maintenance of said equipment and or line(s), notwithstanding any warranty or bond for said repairs as per the Non-Standard Service Agreement.

This agreement entered into on the ____ day of _____ in the year of _____ by:

Picos Water Supply Corporation

Corporation Official Signature

Transferor Signature

Title

Title

Address

Address

City Zip

City Zip

THE STATE OF TEXAS,
COUNTY OF WILSON

IN WITNESS WHEREOF the said Transferor and the Corporation Representative have executed this instrument this _____ day of _____, 20__.

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

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

Signature of Notary Public

**DEDICATION, BILL OF SALE, AND ASSIGNMENT
(Developer Form)**

THE STATE OF TEXAS
COUNTY OF WILSON

§
§
§

KNOW ALL BY THESE PRESENTS

§

This Dedication, Bill of Sale and Assignment is entered into and effective as of _____, 20__, by and between Picos Water Supply Corporation, a Texas nonprofit, member-owned water supply corporation organized and operating under Chapter 67, Texas Water Code ("Corporation") and _____ ("Developer").

RECITALS:

Corporation and Developer have previously entered into that certain Non-Standard Service Agreement dated _____ (the "Agreement"). Pursuant to Section ____ of the Agreement, Developer has agreed to dedicate and convey to Corporation the water lines, hydrants, valves, fittings and other appurtenances constructed to provide water service to the _____ Subdivision, a subdivision in Wilson County, Texas, together with all rights and interests therein or appurtenant thereto as more particularly described in Exhibit "A" hereto (the "Facilities"), and all other capacity, contracts, rights, interests, easements, rights-of-way, permits, licenses, approvals, documents, warranties and other matters, if any, related to the Facilities as more particularly described in Exhibit "B" hereto (the "Related Rights").

The Facilities and the Related Rights are collectively referred to as the "Transferred Properties."

DEDICATION, ASSIGNMENT AND AGREEMENT

For and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Developer does hereby DEDICATE, TRANSFER, CONVEY, SET OVER AND ASSIGN forever unto Corporation and Corporation's successors and assigns, the Transferred Properties TO HAVE AND TO HOLD the Transferred Properties, together with all and singular the rights and appurtenances thereto in anywise belonging, and Developer does hereby bind itself, its successors and assigns to WARRANT AND FOREVER DEFEND, all and singular, the Transferred Properties unto Corporation, its successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof.

Pursuant to Section ____ of the Agreement, Developer specifically assigns to Corporation the following maintenance contract(s): _____ (a copy of which is attached hereto as Exhibit "C").

EXECUTED AND EFFECTIVE as of the date first written above.

DEVELOPER:

By: _____

Name: _____

Title: _____

THE STATE OF TEXAS

§

THE COUNTY OF WILSON

§

This instrument was acknowledged before me on the ____ day of _____, 20____,
by _____ [DEVELOPER]

Notary Public - State of Texas

THE STATE OF TEXAS §
COUNTY OF _____ §
 §

This Dedication, Bill of Sale and Assignment is entered into and effective as of _____, 20____, by and between Picos Water Supply Corporation, a Texas nonprofit, member-owned water supply corporation organized and operating under Chapter 67, Texas Water Code (“Corporation”) and _____ (“Member”).

Corporation and Member have previously entered into that certain Non-Standard Service Agreement dated _____ (the "Agreement"). Pursuant to Section ____ of the Agreement, Member has agreed to dedicate and convey to Corporation the water lines, hydrants, valves, fittings and other appurtenances constructed to provide water service to the Member's property located at _____, in _____ County, Texas, together with all rights and interests therein or appurtenant thereto as more particularly described in Exhibit "A" hereto (the "Facilities"), and all easements, rights-of-way and permits, licenses or approvals, if any, related to the Facilities as more particularly described in Exhibit "B" hereto (the "Related Rights").

For and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Member does hereby DEDICATE, TRANSFER, CONVEY, SET OVER AND ASSIGN forever unto Corporation and Corporation's successors and assigns the Transferred Properties TO HAVE AND TO HOLD the Transferred Properties, together with all and singular the rights and appurtenances thereto in anywise belonging, and Member does hereby bind himself/herself, his/her successors and assigns to WARRANT AND FOREVER DEFEND, all and singular, the Transferred Properties unto Corporation, its successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof.

In addition, the Picosa Water Supply Corporation, through its authorized representative, having agreed to accept the Facilities described in Exhibit "A", shall hold harmless Member from this day forward, from any costs for repairs or maintenance of said Facilities or any part of said Facilities.

MEMBER: Member: _____
Printed Name: _____

THE STATE OF TEXAS §
THE COUNTY OF WILSON §

This instrument was acknowledged before me on the _____ day of _____, 20____, by _____ [MEMBER]

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GROUNDWATER RIGHTS DEED

STATE OF TEXAS

)

) **KNOW ALL MEN BY THESE PRESENTS:**

COUNTY OF WILSON

)

THIS GROUNDWATER RIGHTS DEED, made this ____ day of _____, 202_, between _____, as “Grantor” and Picos Water Supply Corporation, as “Grantee” with respect to the conveyance of groundwater rights underlying the real property hereinafter described (the “Groundwater Rights”):

Grantor:

Grantee:

Picos Water Supply Corporation
3274 FM 2579
Floresville, Texas 78114

Groundwater Authority:

Evergreen Underground Water Conservation District, or its predecessor or successor entity

Real Property Description:

____ [Acreage/Tracts of land], being more particularly described in and attached hereto as Exhibit “A” (the “Real Property”).

WITNESSETH, Grantor, in consideration for the sum of ten dollars (\$10.00) and other good and valuable consideration, the sufficiency of which is expressly acknowledged and agreed, sells, grants, quitclaims, severs, and conveys to Grantee the Groundwater Rights of said Real Property, together with all and singular the rights and appurtenances thereto or in any way belonging, to have and to hold, to Grantee. Grantor binds Grantor and Grantor’s heirs, successors and assigns to warrant and forever defend all and singular the Groundwater Rights conveyed herein to Grantee against every person whomsoever lawfully claiming by and through Grantor, and more particularly described as:

Groundwater: All of the groundwater beneath the surface of the Real Property that may be produced from all aquifers and aquifer subdivisions at any depth and horizon beneath the surface of the Real Property (the “Groundwater”).

Groundwater Rights: In exchange for the Grantee's commitment to serve the Grantor’s property or tract located within the boundaries of the Evergreen Underground Water Conservation District, the applicant must convey and transfer to Picos Water Supply Corporation the exclusive right to use, or grant use of, any and all property rights to and for any groundwater which relates to the property or tract, including but not limited to the right to withdraw and/or beneficially use, sever, or otherwise transfer water permitted by the Evergreen Underground Water Conservation District; and any and all real and personal property rights, appurtenances, permits, authorizations, licenses, consents and contracts, if any, pertaining to all such groundwater and/or related property rights. The Grantor also designates and appoints the Grantee as its nominee, representative and/or attorney-in-fact in all matters related to the groundwater rights appurtenant to the property. This power of attorney shall be irrevocable and shall be coupled with an interest. The Grantor, on behalf of itself and its assigns, including but not limited to the end users within the property shall support applications by the Grantee for authorization from the Evergreen Underground Water Conservation District to produce up to two acre-feet of groundwater for

each acre of land located within the Property and to use the produced groundwater anywhere within Picos Water Supply Corporation's CCN.

In exchange for the Grantee's commitment to serve the Grantor's property or tract located outside the boundaries of the Evergreen Underground Water Conservation District but supplied with water produced from wells within the Evergreen Underground Water Conservation District, the Grantor dedicates and conveys to the Grantee title to use, or grant use of, any and all property rights to and for any groundwater which relates to the property or tract, including but not limited to the right to withdraw and/or beneficially use, sever, or otherwise transfer water permitted by the Evergreen Underground Water Conservation District; and any and all real and personal property rights, appurtenances, permits, authorizations, licenses, consents and contracts, if any, pertaining to all such groundwater and/or related property rights. The Grantor must also designate and appoint the Grantee as its nominee, representative and/or attorney-in-fact in all matters related to the groundwater rights appurtenant to the property. This power of attorney shall be irrevocable and shall be coupled with an interest. The Grantor, on behalf of itself and its assigns, including but not limited to the end users within the property shall support applications by the Grantee for authorization from the Evergreen Underground Water Conservation District to produce up to two acre-feet of groundwater for each acre of land located within the Property and to use the produced groundwater anywhere within Picos Water Supply Corporation's CCN.

IN WITNESS WHEREOF [GRANTOR'S NAME HERE], has caused this Groundwater Rights Deed to be executed by its duly authorized representative in multiple copies, each of equal dignity and effect, on the date or dates indicated below.

EXECUTED on this the ____ day of _____, 202__.

[Grantor's Name Here]

By: _____

Name: _____

Title: _____

STATE OF TEXAS

§

§

COUNTY OF WILSON

§

This instrument was acknowledged before me on the ____ day of _____, 202__ by [signer name], as [Title] of [Grantor's Name] on behalf of said company/entity.

Notary Public – State of Texas

After Recording Return to:

Picos Water Supply Corporation
Attn. Development & Subdivisions Dept
3274 FM 2579
Floresville, Texas 78114

AGREEMENT TO PROVIDE FILL FOR CERTAIN FIRE APPARATUS IN DESIGNATED AREAS

STATE OF TEXAS
COUNTY OF WILSON

This Agreement (“Agreement”) is executed by and between _____ Volunteer Fire Department (“Department”), an emergency service organization, and Picos Water Supply Corporation (“Corporation”), a nonprofit water supply corporation organized and operating under the provisions of [Texas Water Code Chapter 67](#), and the Texas Business Organizations Code for the purposes and consideration set forth herein.

RECITALS

WHEREAS Department is a volunteer fire department organized and operating within the meaning of [Texas Civil Practice Remedies Code Section 78.101\(2\)](#); and

WHEREAS Corporation is a nonprofit water supply corporation, organized and operating under the provisions of [Chapter 67](#), Texas Water Code and the Nonprofit Corporation Act, and furnishes a water supply in Wilson County and specifically in the area described in Public Utility Commission (“PUC”) Certificate of Convenience and Necessity No. 12751; and

WHEREAS Corporation acknowledges the benefits of fire suppression services provided by Department and is willing to provide water supply for use in fire suppression by Department through facilities in the area and under conditions more particularly described herein; and

WHEREAS Corporation’s tariff expressly provides that Corporation does not provide fire flow and does not provide or imply that fire protection is available on any of Corporation’s distribution system; and

WHEREAS Corporation is willing to assist Department by making water available for the purpose of filling Department’s pump trucks (“pump and fill” purposes) without making any guarantee to Department or to any third party that water or pressure adequate for pump and fill purposes will be available at any time or under any circumstance; and

WHEREAS Department desires to utilize Corporation’s water supply for pump and fill purposes within the area described herein and under the conditions set forth herein;

NOW, THEREFORE, Department and Corporation enter into this Agreement for the purposes and consideration set forth herein, acknowledging that these purposes and consideration are sufficient for purposes of this Agreement and are mutually beneficial to one another as contemplated by Section [67.0105\(c\)](#), Texas Water Code.

PARTIES

1.1 This Agreement is entered into by and between _____ Volunteer Fire Department, domiciled and conducting business in Wilson County, Texas, and Picos Water Supply Corporation, domiciled and conducting business in Wilson County, Texas.

1.2 Corporation and Department are authorized to enter into this Agreement pursuant to Texas Water Code Section [67.0105](#).

PROVISION OF FILL WATER

2.1 Corporation will make available to Department the use of certain flush hydrant facilities located on water transmission lines operated by Corporation in [description of subdivision, portion of County, street boundaries, etc.] as more particularly set forth in the attached map of “Fire Pump and Fill Facilities” (“Map”) which is incorporated herein and made a part of this Agreement for all purposes.

2.2 Department will use only those facilities installed and maintained by Corporation which are clearly marked by [description of marking] and are located at those points indicated on the Map.

2.3 Corporation will install or maintain pump and fill facilities solely within Corporation’s discretion, and the Department has no responsibility for installation or maintenance of such facilities.

2.4 In accordance with the laws of the State of Texas, the Corporation will maintain a minimum static residual pressure of 35 pounds per square inch (“psi”) during normal flow, and will maintain a minimum static residual pressure of no less than 20 psi during fire flow conditions, in the water transmission facilities described in the Map.

2.5 Department will notify Corporation prior to use of any designated pump and fill facility to the extent Department reasonably is able to do so by calling the Corporation’s designated contact. The Corporation acknowledges that in the event of emergencies, it may not be feasible for the Department to provide prior notice, in which case notification shall be provided as soon as practicable.

2.6 No obligation other than the duties set forth in this Agreement are recognized nor are any obligations or duties to be implied under this Agreement. No duty or obligation on the part of Corporation to provide fire flow or a supply of water under any minimum pressure or for any length of time may be implied under the provisions of this agreement.

- The duties set forth under this Agreement are duties of the parties to this Agreement to one another only, solely for their mutual benefit, and it is the express intention of the parties that these duties are not enforceable by any third party or alleged third party beneficiary.

- The Department will supply a monthly water usage report to the Corporation for the sole purpose of assisting Corporation in accounting for Corporation’s Water Supply.

- The Department will not utilize water provided under this agreement for any purpose other than for suppressing fires. Prohibited uses of “free” water include, but are not limited to, filling swimming pools, car wash fundraisers, and potable use in a structure used to house fire trucks and personnel.

COMPENSATION

3.1 Department will not be charged for use of Corporation’s water supply for pump and fill for fire suppression purposes. Department will be charged for water used for any other purpose.

TERMINATION OF AGREEMENT

4.1 Either party to this Agreement may terminate this Agreement at any time, with or without cause.

4.2 Termination shall be by written notice a minimum of thirty (30) days in advance of the date of termination.

4.3 Termination is the sole remedy for breach of any and all obligations under this Agreement, whether any such obligation is express or implied.

MISCELLANEOUS

5.1 This Agreement is the sole agreement between the parties. No modifications of this Agreement will be of any force or effect whatsoever unless such modification shall be in writing signed by both parties.

5.2 Any notice required or permitted to be given under this Agreement by one party to the other shall be in writing and shall be deemed to have been served and delivered if (a) delivered in person to the address set forth below, or (b) placed in the United States mail, first class postage paid, addressed to the address set forth below.

The address for the Department for all purposes under this Agreement shall be:

The address for the Corporation for all purposes under this Agreement shall be:
3274 FM 2579
Floresville, TX 78114

5.3 This Agreement may not be assigned without the express written consent of the non-assigning party.

5.4 This Agreement shall be effective upon the later of the two dates of execution below and shall continue in full force and effect until amended or terminated by the parties.

5.5 The signatories hereto represent and affirm that each has full authority to execute this Agreement on behalf of the respective party.

EXECUTED AND AGREED TO in duplicate originals by the parties hereto.

Picosa Water Supply Corporation

_____ Volunteer Fire Department

By: _____

By: _____

Title: _____

Title: _____

Attest: _____

Attest: _____

Date: _____

Date: _____

AGREEMENT TO PROVIDE FIREFLOW IN DESIGNATED AREAS

STATE OF TEXAS
WILSON COUNTY

This Agreement (“Agreement”) is executed by and between _____ Volunteer Fire Department (“Department”), an emergency service organization, and Picos Water Supply Corporation (“Corporation”), a nonprofit water supply corporation organized and operating under the provisions of [Chapter 67, Texas Water Code](#), for the purposes and consideration set forth herein.

RECITALS

WHEREAS Department is a volunteer fire department organized and operating within the meaning of [Section 78.101\(2\), Civil Practice Remedies Code](#); and

WHEREAS Corporation is a nonprofit water supply corporation, organized and operating under the provisions of [Chapter 67, Texas Water Code](#), and furnishes a water supply in Wilson County and specifically in the area described in Public Utility Commission (“PUC”) Certificate of Convenience and Necessity No. 12751; and

WHEREAS Corporation acknowledges the benefits of fire suppression services provided by Department and is willing to provide water supply for use in fire suppression by Department through facilities in the area and under conditions more particularly described herein; and

WHEREAS Department desires to utilize Corporation’s water supply for fire suppression purposes within the area [through the facilities] and under the conditions set forth herein;

NOW, THEREFORE, Department and Corporation enter into this Agreement for the purposes and consideration set forth herein, acknowledging that these purposes and consideration are sufficient for purposes of this Agreement and are mutually beneficial to one another as contemplated by [Section 67.0105\(c\), Texas Water Code](#):

1. PARTIES

1.1 This Agreement is entered into by and between _____ Volunteer Fire Department, domiciled and conducting business in Wilson County, Texas, and Picos Water Supply Corporation, domiciled and conducting business in Wilson County, Texas.

1.2 Corporation and Department are authorized to enter into this Agreement pursuant to [Section 67.0105, Texas Water Code](#).

2. PROVISION OF FIREFLOW

2.1 Corporation will make available to Department the use of fire hydrants located on water transmission facilities operated by Corporation in [description of subdivision, portion of County, street boundaries, etc.] as more particularly set forth in the attached map of “Fire Flow Facilities” (“Map”) which is incorporated herein and made a part of this Agreement for all purposes.

2.2 Department will use only those fire hydrants installed and maintained by Corporation which are clearly marked by [description of marking] and are located at those points indicated on the Map.

2.3 Corporation will install fire hydrants that are compatible with Department's fire suppression vehicles and equipment, and Department will review and approve the selection of fire hydrants prior to Corporation's installation.

2.4 In accordance with the laws of the State of Texas, the Corporation will maintain a minimum static residual pressure of 35 pounds per square inch ("psi") during normal flow, and will maintain a minimum static residual pressure of no less than 20 psi during fire flow conditions, in the water transmission facilities described in the Map.

2.5 Corporation will notify Department prior to any interruption in water flow through the transmission facilities (or as soon as Corporation is aware of any interruption due to unforeseen circumstances).

2.6 Department will notify Corporation prior to use of any fire hydrant to the extent Department reasonably is able to do so. Corporation acknowledges that in the event of emergencies, it may not be feasible for Department to provide prior notice, in which case notification shall be provided as soon as practicable.

2.7 No obligation other than the duties set forth in this Section II of the Agreement are recognized nor are any obligations or duties to be implied under this Agreement.

2.8 The duties set forth under this Section II of the Agreement are duties of the parties to this Agreement to one another only, solely for their mutual benefit, and it is the express intention of the parties that these duties are not enforceable by any third party or alleged third party beneficiary.

2.9 The Department will supply a monthly water usage to the Corporation for the sole purpose of figuring the Corporation's water loss.

2.10 The Department will not utilize water provided under this agreement for any purpose other than for suppressing fires. Prohibited uses of "free" water include, but are not limited to, filling swimming pools, car wash fundraisers, and potable use in a structure used to house fire trucks and personnel.

3. COMPENSATION

3.1 Department will not be charged for use of Corporation's water supply for fire suppression purposes. Department will be charged for water used for any other purpose.

4. TERMINATION OF AGREEMENT

4.1 Either party to this Agreement may terminate this Agreement at any time, with or without cause.

4.2 Termination shall be by written notice a minimum of thirty (30) days in advance of the date of termination.

4.3 Termination is the sole remedy for breach of any and all obligations under this Agreement, whether such obligation(s) is express or implied.

5. MISCELLANEOUS

5.1 This Agreement is the sole agreement between the parties. No modifications of this Agreement will be of any force or effect whatsoever unless such modification shall be in writing signed by both parties.

5.2 Any notice required or permitted to be given under this Agreement by one party to the other shall be in writing and shall be deemed to have been served and delivered if (a) delivered in person to the address set forth below, or (b) placed in the United States mail, first class postage paid, addressed to the address set forth below.

The address for the Department for all purposes under this Agreement shall be:

The address for the Corporation for all purposes under this Agreement shall be:

5.3 This Agreement may not be assigned without the express written consent of the non-assigning party.

5.4 This Agreement shall be effective upon the later of the two dates of execution below and shall continue in full force and effect until amended or terminated by the parties.

5.5 The signatories hereto represent and affirm that each has full authority to execute this Agreement on behalf of the respective party.

EXECUTED AND AGREED TO in duplicate originals by the parties hereto.

Picosa Water Supply Corporation _____ Volunteer Fire Department

By: _____
Title: _____
Attest: _____
Date: _____

By: _____
Title: _____
Attest: _____
Date: _____

Texas Commission on Environmental Quality

SANITARY CONTROL EASEMENT

DATE: _____, 2_____

GRANTOR(S): _____

GRANTOR(S) _____

ADDRESS: _____

GRANTEE: Picoso Water Supply Corporation

ADDRESS: 3274 FM 2579
Floresville, Texas 78114

SANITARY CONTROL EASEMENT:

Purpose, Restrictions, and Uses of Easement:

- The purpose of this easement is to protect the water supply of the well described and located below by means of sanitary control.
- The construction, existence, and/or operation of the following within a 150-foot radius of the well described and located below are prohibited: septic tank or sewage treatment perforated drain fields; areas irrigated by low dosage, low angle spray on-site sewage facilities; absorption beds; evapotranspiration beds; abandoned, inoperative or improperly constructed water wells of any depth; underground petroleum and chemical storage tanks or liquid transmission pipelines; sewage treatment plants; sewage wet wells; sewage pumping stations; drainage ditches which contains industrial waste discharges or wastes from sewage treatment systems; animal feed lots; solid waste disposal sites, landfill and dump sites; lands on which sewage plant or septic tank sludge is applied; lands irrigated by sewage plant effluent; military facilities; industrial facilities; wood-treatment facilities; liquid petroleum and petrochemical production, storage, and transmission facilities; Class 1, 2, 3, 4, and 5 injection wells; pesticide storage and mixing facilities; and all other constructions or operations that could pollute the groundwater sources of the well that is the subject of this easement. For the purpose of this easement, improperly constructed water wells are those wells which do not meet the surface and subsurface construction standards for a public water supply well.
- The construction, existence and/or operation of tile or concrete sanitary sewers, sewer appurtenances, septic tanks, storm sewers, cemeteries, and/or the existence of livestock in pastures is specifically prohibited within a 50-foot radius of the water well described and located below.
- This easement permits the construction of homes or buildings upon the Grantor's property, and farming and ranching operations, as long as all items in Restrictions Nos. 2 and 3 are recognized and followed.

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, Wilson County, Texas.

TERM:

This easement shall run with the land and shall be binding on all parties and persons claiming under the Grantor(s) 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(s), 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.

By:_____

ACKNOWLEDGMENT

STATE OF TEXAS §
COUNTY OF WILSON §

BEFORE ME, the undersigned authority, on the day of _____, 20__, 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

SECTION K.
MISCELLANEOUS

- Tariff Filing Sample Letter & Instructions
- Sample Equity Buy-In Fee Calculations
- AWWA Meter Equivalencies Chart
- Certification Board of Directors - Amendments

SAMPLE LETTER

Date

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

Re: Tariff for PICOSA WSC, CCN No. 12751, in Wilson County

Dear Tariff Clerk:

Pursuant to [Texas Water Code Section 13.136\(c\)](#) and [16 TAC Section 24.25\(j\)](#), enclosed is one copy of the (*new tariff/revisions to our existing tariff*) for Picosa Water Supply Corporation provided for informational purposes.

(list in detail what tariff pages are being amended)

Sincerely,

Name

Picosa Water Supply Corporation

TARIFF FILING INSTRUCTIONS

INSTRUCTIONS

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

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

Mailing Address:

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

Shipping / Overnight Delivery Address:

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

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

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

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

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

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

EXAMPLE:

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

(Note: The water and/or sewer fee for an oversized or Master Metered Account shall be based on multiples of meter size equivalence.)

Average Net Equity per 2,000 Contributing Members	\$446.50
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**TRWA RECOMMENDED 5/8" X 3/4" METER EQUIVALENTS BASED ON AWWA
SPECIFICATIONS AND DESIGN CRITERIA**

METER SIZE	RECOMMENDED CONTINUOUS RATE OF FLOW	RESIDENTIAL METER EQUIVALENTS
5/8" X 3/4"	10.0 GPM	1.00
1"	25.0 GPM	2.50
1 1/2"	50.0 GPM	5.00
2"	80.0 GPM	8.00
3" DISP.	90.0 GPM	9.00
3" CMPD	160.0 GPM	16.00
3" TURB.	175.0 GPM	17.50
4" CMPD	250.0 GPM	25.00
4" TURB.	300.0 GPM	30.00
6" CMPD	500.0 GPM	50.00
6" TURB.	625.0 GPM	62.50

The water and/or sewer fee for an oversized or Master Metered Account shall be based on multiples of meter size equivalence.

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.

Certification by the Board of Directors

The Board of Directors of the Picos Water Supply Corporation have adopted this tariff as the governing rules of business as they pertain to the Texas Water Code and other federal, state, county and local rules. The board reserves the right to review, update, change and remove items to continue to conform with the state laws and best practices to service the Members of Picos WSC.

This Tariff has been filed with the Public Utilities Commission of Texas and is maintained in the Corporation's office located at 3274 FM 2579, Floresville, Texas 78114. It is subject to inspection through the Public Information Act at the office, or by requesting a copy from the Public Utilities Commission of Texas.

Amendments to the Tariff

The following amendments have been made:

Section	Amendment(s)	Date Approved