

2.	Application Procedures and Requirements.....	19
	a. Standard Service.....	19
	b. Non-Standard.....	19
	c. Requirements for Standard and Non-Standard Service.....	19
3.	Activation of Standard Service.....	19
	a. New Tap.....	19
	b. Performance of Work.....	19
	c. Inspection of Customer Service Facilities.....	19
4.	Changes in Service Classification.....	20
5.	Membership.....	20
	a. Eligibility.....	20
	b. Membership Certificates.....	20
	c. Cancellation of Membership.....	20
	d. Cancellation Due To Policy Non Compliance.....	20
6.	Denial of Service.....	20
	a. Failure to Pay Fees and Complete Forms.....	20
	b. Failure to Comply with Rules and Policies.....	20
	c. Existence of Hazardous Condition.....	20
	d. Failure to Allow Access to Property.....	21
	e. Failure to Comply with Government Rules and Regulations.....	21
	f. Failure to Provide Proof of Ownership.....	21
	g. Applicant's Service Facilities.....	21
7.	Applicant's or Transferee's Recourse.....	21
8.	Insufficient Grounds for Refusal of Service.....	21
	a. Delinquency by Previous.....	21
	b. Failure to Pay for Underbilling of Longer than 6 Months.....	21
	c. Violation of Corporation's Rules Without Notice.....	21
	d. Failure to Pay Bill of another Customer as Guarantor.....	21
	e. Failure to Pay Bill of another Customer at Same Address.....	21
9.	Indigent Care Policy.....	21
10.	Charge Distribution and Payment Application.....	21
	a. Service Availability Charge.....	21
	b. Gallonage Charge.....	21
	c. Posting of Payments.....	21
11.	Due Dates, Delinquent Bills, and Service Disconnection Date.....	22
12.	Deposits.....	22
13.	Rules for Disconnection of Service.....	22
	a. Disconnection With Notice.....	22
	b. Disconnection Without Notice.....	22
	c. Disconnection Prohibited.....	23
	d. Disconnection on Holidays and Weekends.....	23
	e. Disconnection Due to Utility Abandonment.....	23
	f. Disconnection for Ill and Disabled.....	23
	g. Disconnection of Temporary Service.....	23
14.	Billing Cycle Changes.....	23
15.	Back billing.....	24
16.	Disputed Bills.....	24
17.	Inoperative Meters.....	24
18.	Bill Adjustment Due To Meter Error.....	24
19.	Other General Service Regulations Applicable to All Members/Customers.....	24
	a. Payments at Business Office.....	24
	b. Auto Pay.....	24
	c. Cut Off Valves.....	24
	d. Backflow Preventers.....	24
	e. Damage Liability.....	25
	f. Appeals.....	25
	g. Tap Fee Increases.....	25
	h. Access to Premises.....	25
	i. Cross Connections Prohibition.....	25

j.	Returned Water Prohibition	25
k.	No Assignment of Applications/Agreements/ Contracts	25
l.	Declaration of Corporation Property	25
m.	Right to Inspect Plumbing	26
20.	Meter Tampering and Diversion	26
21.	Prohibition of Multiple Connections to a Single Tap	26
22.	Pressure Reduction Valves	26
23.	Member's Responsibility	26
a.	Member to Provide Access to Meter	26
b.	Member is to Comply with All On-Site Plumbing Requirements	26
c.	Member Owning More than One Membership	27
d.	Extent of Corporation's Ownership and Maintenance	27
e.	Cut Off Valve Required	27
24.	Member's Responsibility for Meter Access	27
25.	Renter/Lessee	27
26.	Main Extension Policy	27
a.	Meter Location and Customer Responsibility	27
b.	Determination of Main Sizes	27
27.	Enforcement of Water Conservation Practices	27
28.	Appeal of Water Conservation Penalties	28

SECTION F. RATES AND SERVICE FEES 29

1.	Service Investigation Fee	30
a.	Standard Service Requests	30
b.	Non-Standard Service Requests	30
2.	Membership Fee	30
3.	Installation Fee	30
a.	Standard Service	30
b.	Non-Standard Service	30
4.	Rate Schedule:	31
a.	Monthly Base Charge	31
b.	Gallonage Charge	31
c.	Regulatory Assessments/Fee	31
d.	Miscellaneous Fees	31
5.	Assessments	32
6.	Impact Fee	32
7.	Equipment Damage Fee	32
8.	Customer History Report Fee	32
9.	Membership Certificate Copy Fee	32
10.	Information Disclosure Fee	32
11.	Customer Service Inspection	32
12.	Other Office Service Fees	33
a.	Meter/Tap Relocation Fee	33
b.	Locked Meter Charge	33
13.	Other Service Fees	33
14.	Penalties for Violation of Water Conservation Practices	33

SECTION G. DROUGHT CONTINGENCY PLAN AND EMERGENCY RATIONING PROGRAM..... 34

1.	Declaration of Policy, Purpose, and Intent	35
2.	Public Involvement	35
3.	Public Education	35
4.	Coordination with Regional Water Planning Groups	35
5.	Authorization	35
6.	Application	35
7.	Definitions	36
8.	Triggering Criteria for Initiation and Termination of Drought Response Stages	37
a.	Year Round Watering Restrictions	37
b.	Stage 1 - Mild Water Shortage Conditions	37
c.	Stage 2 - Moderate Water Shortage Conditions	37

d.	Stage 3 - Severe Water Shortage Conditions	37
e.	Stage 4 - Critical Water Shortage Conditions	38
f.	Stage 5 - Emergency Water Shortage Conditions.....	38
9.	Drought Response Stages.....	38
a.	Stage 1 - Mild Water Shortage Conditions	39
b.	Stage 2 - Moderate Water Shortage Conditions	40
c.	Stage 3 - Severe Water Shortage Conditions	41
d.	Stage 4 - Critical Water Shortage Conditions	42
e.	Stage 5 - Emergency Water Shortage Conditions.....	43
10.	Enforcement	43
11.	Variances.....	44
12.	Severability.....	44
APPENDIX A	45
	Standard Application and Agreement Form	45

TARIFF

OF

**THE OAKS WATER
SUPPLY CORPORATION**

20 March 2007 (Revised 18 August 2009)

SECTION A. RESOLUTION AND AUTHORITY

SECTION A.
RESOLUTIONS

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

1. **Contents:** This Tariff of The Oaks Water Supply Corporation, serving in Bexar County, Texas consisting of Sections A. through G. and appendices inclusive, is adopted and enacted as the current regulations and policies.
2. **Pre-existing Contracts:** Only those preexisting written contracts or agreements executed by the present or previous Board of Directors shall remain in effect, unless the contract or agreement requires compliance with changes of the tariff from time to time.
3. **Enforcement of Policies:** The adoption of this tariff does not prohibit or limit the Corporation from enforcing previous penalties or assessments from before the current effective date.
4. **Obtaining Official Copy of Tariff:** An official copy of this and all policies or records shall be available during regular office hours and all previous copies for exhibit.
5. **Federal, State, and Local Jurisdiction:** 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. **Tariff Effective Date:** The effective date of this tariff revision and all rate and fee changes herein shall be October 1, 2007.

PASSED and APPROVED by unanimous vote of the Board of Directors on August 21, 2007.



President, The Oaks Water Supply Corporation

SEAL

ATTEST:



Secretary-Treasurer, The Oaks Water Supply Corporation

TARIFF

OF

**THE OAKS WATER
SUPPLY CORPORATION**

20 March 2007 (Revised 15 November 2016)

SECTION B. STATEMENTS

SECTION B.

STATEMENTS

1. **Organization.** The Oaks Water Supply Corporation is a member-owned, non-profit corporation incorporated pursuant to the Water Supply/Sewer Service Corporation Act, Texas Water Code, Chapter 67 (formerly VATCS, Article 1434a) and as supplemented by the Texas Non-Profit Corporation Act, VATCS, Article 1396-1.01, et seq. (as amended) for the purpose of furnishing potable water service. Corporation operating policies, rates, and regulations are adopted by the Board of Directors elected by the Members of the Corporation.
2. **Non-Discrimination Policy.** Membership in the Corporation and service is provided to all Applicants who comply with the provisions of this Tariff regardless of race, creed, color, national origin, sex, disability, or marital status.
3. **Policy and Rule Application.** These policies, rules, and regulations, in conjunction with the Corporation's articles of incorporation and bylaws, apply to the water provided by The Oaks Water Supply Corporation, also referred to as Corporation, WSC, or TOWSC. Failure on the part of the Member, Consumer, or Applicant to observe these policies, rules and regulations gives the Corporation the authority to deny or discontinue service according to the terms of this Tariff as amended from time to time by the Board of Directors of the Corporation.
4. **Corporation Bylaws.** The Corporation Members have adopted bylaws that establish the make-up of the Board of Directors and other important regulations of the Corporation. The bylaws are on file at the Corporation's office.
5. **Fire Protection Responsibility. No Fire Protection Responsibility or Liability.** Fire hydrants installed within the Corporation's water distribution system are provided at the convenience of the Corporation and do not imply any responsibility on the part of the Corporation to meet fire flow requirements of local, county, state, or federal governmental agencies. Such fire hydrants are support facilities only meant to be used as flush and control valves in the public drinking water system. State public health and safety regulations require public drinking water systems to be flushed on a routine basis and metallic flush valves (commonly referred to as "fire hydrant") are a preferred manner of complying with these regulations. The Corporation makes no representation that it is offering fire protection or fire flows under any fire code or fire fighting standard. The Corporation has no obligation at law to provide water for fire related activities because this is not a public water Corporation or potable domestic water service as defined by the Texas Water Code and/or the Texas Health and Safety Code. The Corporation, at its sole option, may permit local area fire departments to use water from its public drinking water system on an "AS IS, AS AVAILABLE" basis and will in no manner be liable for damages caused by its inability to supply sufficient water for the prevention or suppression of fire. Any fire department or other person using the Corporation's water system to take water for fire fighting purposes shall be liable to the Corporation for damage caused to the Corporation's plant and equipment during such use. The Corporation reserves the right to remove any fire hydrant (metallic flush valve), due to improper use or detriment to the system as determined by the Corporation, at any time without notice, refund, or compensation to the contributors. Any water taken from the Corporation's water system for any purpose, including fire fighting, without prior knowledge and consent of the Board of Directors and/or the General Manager shall be deemed to be theft and shall be prosecuted. Fire Departments may obtain advanced consent for emergency usage on an "AS IS, AS AVAILABLE" basis.

The Corporation is not required by law and does not provide fire prevention or fire fighting services. The Corporation therefore does not accept liability for fire-related injuries or damages to persons or property caused or aggravated by the availability (or lack thereof) of water or water pressure (or lack thereof) during fire emergencies. The Corporation neither possesses nor claims to possess knowledge or expertise in fire fighting or the requirements of fire fighting. No statement or action of the Corporation shall ever be implied or meant to suggest that any facilities of the Corporation comply with any state or local fire code.

6. **Damage Liability.** The Oaks WSC is not liable for damages caused by service interruptions, events beyond its control, and for normal system failures. The utility makes no representations or warranties (expressed or implied) that customer's appliances will not be damaged by disruptions of or fluctuations in water service whatever the cause. The limit of liability of the WSC is the extent of the cost of service provided. See paragraph 3. above regarding fire protection liability. By acceptance of Membership, Member consents to waiver of such liability.
7. **Information Disclosure.** The records of the Corporation shall be kept in the Corporation office at 26058 Hazy Hollow Dr. San Antonio, Texas 78255. All information collected, assembled, or maintained by or for the Corporation shall be disclosed to the public in accordance with the Texas Open Records Act. An individual customer may request in writing that their name, address, telephone number, or social security number be kept confidential. Such confidentiality does not prohibit the utility from disclosing this information to an official or employee of the state or a political subdivision of the state acting in an official capacity or an employee of the Corporation acting in connection with the employee's duties. Further, such confidentiality does not prohibit the Corporation from disclosing the name and address of each member on a list to be made available to the Corporation's voting members, or their agents or attorneys, in connection with a meeting of the Corporation's members. The Corporation shall give its applicants and customers notice of rights to confidentiality under this policy and all prevailing associated fees for such request.
8. **Customer Notice Provisions.** The Corporation shall give written notice of monthly rate changes by mail or hand delivery to all consumers at least 30 days prior to the effective date of the new rate. The notice shall contain the old rates, new rates, effective date of the new rate, date of Board authorization, and the name and phone number of the Corporation's contact person designated to address inquiries about the rate change.
9. **Grievance Procedures.** Any Member of the Corporation or individual demonstrating an interest under the policies of this Tariff in becoming a Member of the Corporation shall have an opportunity to voice concerns or grievances to the Corporation by the following means and procedures:
 - a. By presentation of concerns to the Corporation's manager or authorized staff member. If not resolved to the satisfaction of the aggrieved party then,
 - b. By presenting a letter to the Board of Directors stating the individual's grievance or concern and the desired result.
 - c. The Board of Directors shall respond to the complaint by communicating the Board's decision in writing.
 - d. Any charges 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. **Plumbing Standards.** The Corporation adopts applicable sections of the Uniform Plumbing Code as guidance in the design, installation, and maintenance of plumbing systems and service facilities connecting or connected to the utility's water facilities, to the extent appropriate under the applicable statutes and regulations governing public water and sewer utility systems. Any Member may be required to retrofit plumbing systems and service facilities as determined to be necessary by the Corporation for the purposes of compliance with the Uniform Plumbing Code. (30 TAC 290.46(I)) The piping and other equipment on the premises furnished by the customer will be maintained by the customer at all times in conformity with the requirements of the TCEQ, the Uniform Plumbing Code, any applicable municipal plumbing codes, and with the service rules and regulations of the Utility. The customer will bring out his service line to his property line at the point on the customer's property mutually acceptable to the customer and the Utility subject to such requirements as may exist by TCEQ rule. No water service smaller than 3/4" will be connected.
11. **Submetering Responsibility.** Submetering and Non-Submetering by Master Metered Accounts are not allowed in the Corporation's water distribution system.
12. **Threats to Utility Personnel or Property.** Threats to utility personnel or other actions which prevent the lawful conduct of utility business on utility property, easements or rights of entry shall result in immediate discontinuance of utility service until the condition is corrected or the threat is permanently removed. Threats to or assaults upon utility personnel shall result in criminal prosecution.
13. **Wholesale Water Service.** The Corporation shall provide wholesale water service to another state-approved retail public water utility **only** when, and under such terms and conditions, as are approved by the Board of Directors on a case-by-case basis. Nothing in this tariff shall be deemed to indicate, warrant or express any ability or willingness of the Corporation to provide wholesale service to anyone at any time. Such

service shall be provided only in compliance with a lawful and final regulatory or court order or when providing such service will not diminish the Corporation's ability to provide continuous and adequate service to affected portions of its certificated service area within the sole discretion of the Corporation's Board of Directors.

14. **Standards for Construction.** Unless otherwise approved by the Board of Directors, all plant, facilities, equipment, lines, controls and other appurtenances to the water system shall be constructed according to the uniform standards of construction prepared by the Corporation's consulting engineer. In addition, the Corporation adopts all applicable sections of the TCEQ's Rules and Regulations for Public Drinking Water Systems (30 Texas Administrative Code 290.38 et seq.) as its minimum standards.

TARIFF

OF

**THE OAKS WATER
SUPPLY CORPORATION**

20 March 2007 (Revised 15 November 2016)

SECTION C. *DEFINITIONS*

SECTION C.

DEFINITIONS

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

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

Backflow Prevention Assembly -- An assembly used to prevent an undesirable or unwanted reversal of flow of water into the distribution pipes of a potable supply caused by a differential in pressure.

Board of Directors -- The governing body elected by the Members of The Oaks Water Supply Corporation.

Bylaws -- The rules pertaining to the governing of The Oaks Supply Corporation adopted by the Corporation Members.

Capital Recovery Fee -- A fee assessed of new Applicants for service for the purpose of acquiring capital to defray the costs of expanding the system facilities in order to meet the customer growth needs of the Corporation or to reimburse the Corporation for existing capacity being used by a new service applicant. The terms “equity buy-in fee” and “impact fee” whenever used in this tariff shall mean the capital recovery fee.

Certificate of Convenience and Necessity (CCN) -- The authorization granted under Chapter 13 Subchapter G of the Texas Water Code for The Oaks Water Supply Corporation to provide water utility service within a defined territory. The Oaks Water Supply Corporation has been issued Certificate Number 11581. Territory defined in the CCN shall be the Certificated Service Area. (See Section D. Certificated Service Area Map)

Corporation -- The Oaks Water Supply Corporation.

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

Easement -- A private perpetual dedicated right of way for the installation of water pipelines and necessary facilities, which allows access to property for future operation, maintenance, facility replacement, and/or installation of additional pipelines. Easements may also be granted to provide ingress and egress to property owned or controlled by the Corporation, i.e., driveway easements to water well sites. Easements may be granted to provide access to private property for the purpose of inspecting, testing, repairing and maintaining utility plant and/or private plumbing on the premises. All easements must be recorded in the real property records of the county in which the property in question is located.

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

Hazardous Condition -- A condition that jeopardizes the health and welfare of the Members/Consumers of the Corporation as determined by the Corporation or regulatory authority. Any condition that is in or creates a violation of any public drinking water system rule of the Texas Commission on Environmental Quality or the United States Environmental Protection Agency shall automatically be deemed to be a hazardous condition unless otherwise certified by the applicable regulatory agency.

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

Membership Certificate -- A non-interest bearing certificate provided by the Corporation evidencing a Member's interest in the Corporation. (See Tariff Section E. 6 b)

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 is non-refundable.

On-Site Sewage Facility (OSSF) -- An on-site sewage disposal system that:

- a. does not treat or dispose of more than 5000 gallons of sewage each day; and
- b. is used only for disposal of sewage produced on a site where any part of the system is located.
- c. Both in-ground septic systems and aerobic systems containing sprayers are classified as OSSF.

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

Rural Utilities Service (RUS) -- An Agency of the United States Department of Agriculture Rural Development Mission Area, previously called Farmers Home Administration Mission Area (FmHA), that provides loan and grant funds for development of rural water and sewer systems serving communities with a population of less than ten thousand (10,000) people, includes successor agencies.

Renter -- A consumer who rents or leases property from a Member or who may otherwise be termed a tenant. (Section E. 25.)

Service Availability Charge -- (Also known as "minimum monthly charge", "minimum", or the "base rate") The monthly charge assessed each Member/Customer for the opportunity of receiving service. The Service Availability Charge is a fixed rate.

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

Tariff -- The operating policies, service rules, service extension policy, service rates, rationing policies, sample application packet, and miscellaneous transaction forms adopted by the Board of Directors. A copy of this, Board approved, tariff is on file at the Corporation office and as required since October 1993 at the State office of the TCEQ.

Temporary Service -- The classification assigned an applicant that is in the process of construction. This could also apply to service for uses other than permanent (construction, drilling, etc.). This classification will change to permanent service after requirements in Section E. 1., E. 2., E. 3., and E. 5. are met.

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

Trinity Glen Rose Groundwater Control District (TGRGCD) -- A local District created by the Legislature in 2001, confirmed by the voters in 2002, and governed by a board of elected officials living in the area. The purpose of the District is to develop and implement regulatory, conservation and recharge programs that preserve and protect the underground water resources located within the District.

TARIFF

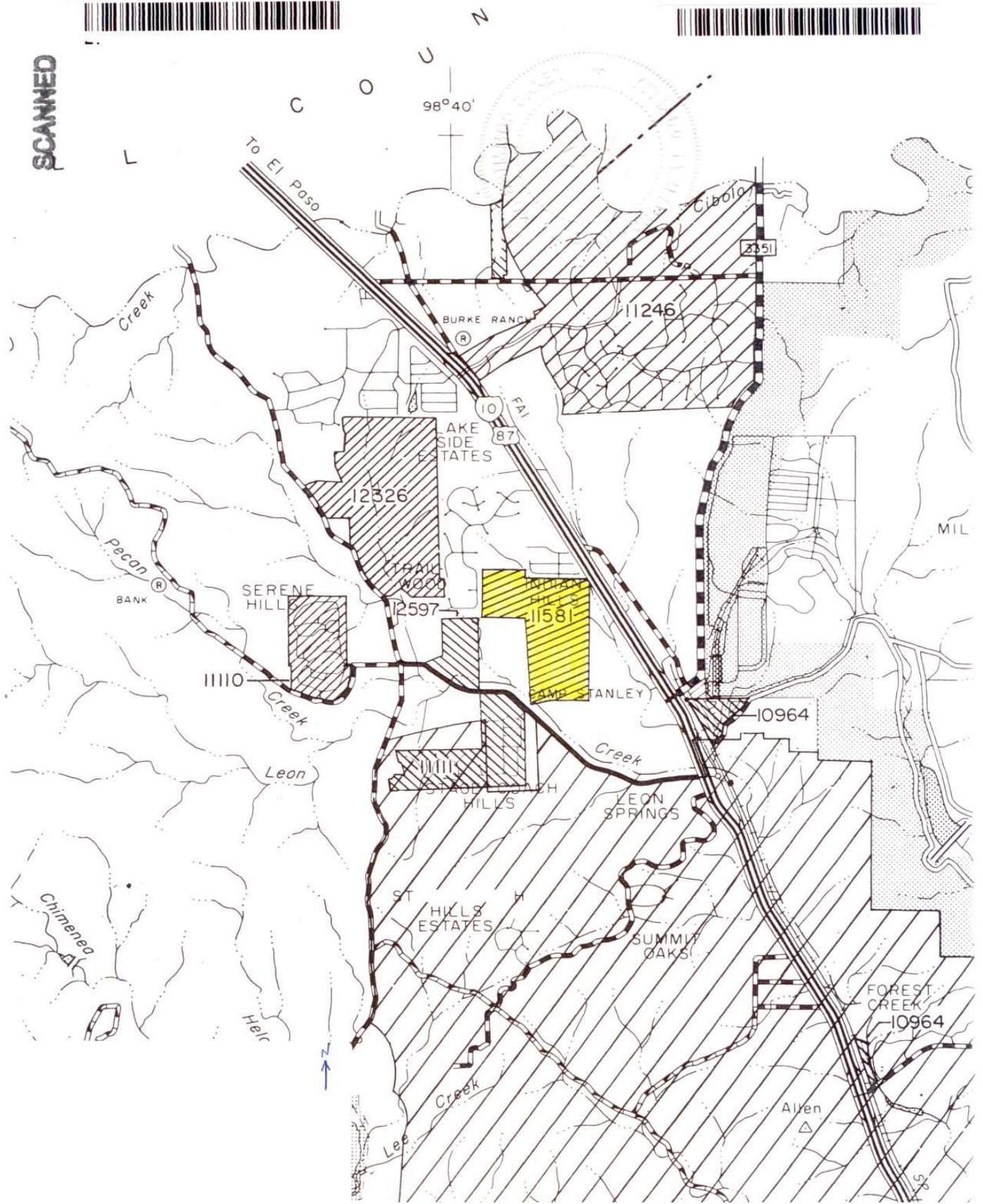
OF

**THE OAKS WATER
SUPPLY CORPORATION**

20 March 2007 (Revised 18 August 2009)

SECTION D. GEOGRAPHIC AREA SERVED

SCANNED





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.

11581 Certificate Holder:

Name: The Oaks Water Supply Corporation

Address: 27000 Hazy Hollow
San Antonio, Texas 78255

II. General Description and Location of Service Area:

The area covered by this certificate is generally located approximately 19 miles northwest of downtown San Antonio, Texas, on Interstate Highway 10. The service area is generally bounded on the southeast by Boerne Stage Road, on the west by Interstate Highway 10 and on the north by Indian Hills Subdivision in Bexar County, Texas,

III. Certificate Maps:

The certificate holder is authorized to provide water service in the area identified on the Commission's official service area map, WRS-15, maintained in the offices of the Texas Natural Resource Conservation Commission, 12015 Park Circle, Austin, Texas with all attendant privileges and obligations.

This certificate is issued under Application No. 30284-S and subject to the rules and orders of the Commission, the laws of the State of Texas, conditions contained herein and may be revoked for violations thereof. The certificate is valid until amended or revoked by the Commission.

A handwritten signature in black ink, appearing to read "John Hill".

Issued Date: JUL 22 1994

TARIFF

OF

**THE OAKS WATER
SUPPLY CORPORATION**

20 March 2007 (Revised 15 November 2016)

SECTION E. SERVICE RULES AND REGULATIONS

SECTION E.

SERVICE RULES AND REGULATIONS

1. **Service Entitlement.** An Applicant shall be considered qualified and entitled to water utility service when proper application has been made, all terms and conditions of Service and Membership have been met and continue to be met and all fees have been paid as prescribed.
2. **Application Procedures and Requirements.** For the purposes of this Tariff, service requested by an Applicant shall be for real estate designated to receive the service provided by the Corporation and shall be divided into the following two classes:
 - a. **Standard Service** is defined as residential service on an existing pipeline where pipeline or service facility extensions are not required and special design and/or engineering considerations are not necessary. A Service Applicant requesting a three quarter or one-inch meter for a single residential lot with or without a lawn sprinkler system shall be considered Standard Service.
 - b. Non-Standard Service is defined as all other service requests.
 - c. Requirements for Standard and Non-Standard Service.
 - 1) The Corporation's Service Application and Agreement form shall be completed in full and signed by the Applicant. The Applicant shall grant the Corporation an ingress-egress easement into and across the property as a whole to allow Corporation personnel to service any and all water utility facilities that may be constructed, operated and maintained on the property and to inspect private plumbing for hazards to the public water supply or other non-compliances with the Corporation's tariff and/or state regulations.
 - 2) Where required for a specific property being served, a right of way easement, sanitary control easement or other such easement form approved by the Corporation must be completed by the Applicant for the purpose of allowing service to the Applicant, future extensions or facility additions to improve or provide service to future applicants. Unless expressly waived by the Board of Directors for good cause due to the unique circumstances of the particular tract of land in question, all easements granted must be exclusive to the Corporation. If the Applicant, his heirs, successors or assigns are subsequently found to have granted any real property interest that conflicts with the Corporation's exclusive easement and/or the utility facilities located therein, the Applicant, his heirs, successors or assigns shall bear all costs of relocating the Corporation's facilities in a relocated easement, if necessary. This shall be a condition of continued service from the Corporation as an agreed remedy for breach of the Applicant's covenant of exclusivity of the easement that was granted as a condition of obtaining that service. This covenant runs with the land in perpetuity with the chain of title.
 - 3) The Applicant shall provide proof of ownership to property for which service has been requested in a manner acceptable to the Corporation. Proof of ownership shall consist of warranty deed, deed of trust or other recordable documentation of fee simple title to the real estate designated or final closing documents to receive service. (Texas Water Code 13.002 (11) and 67.016(d))
 - 4) It is the Corporation's policy that each consuming facility using Corporation-supplied water be connected to the Corporation's water system through a Corporation-installed meter.
3. **Activation of Standard Service.**
 - a. **New Tap** - The Corporation shall charge a non-refundable service installation fee as required under Section F of this tariff. All fees shall be paid in advance of installation. (30 TAC 291.86 (a)(1)(A))
 - b. **Performance of Work** - After approval is granted by proper authorities, all tap and equipment installations specified by the Corporation shall be completed by the Corporation staff or designated representative.
 - c. **Inspection of Customer Service Facilities** - The property of the Applicant/ Member shall be inspected to insure compliance with state required Minimum Acceptable Operating Practices For Public Drinking Water Systems as promulgated by the Texas Commission on Environmental Quality or successor agency. (30 TAC 290.46(j)) It is the applicant's responsibility to have the property inspected by a qualified

licensed inspector and to return the inspection certificate to the Corporation's business office. At its sole discretion, the Corporation may elect to allow its employees to perform inspections as independent contractors of the service applicant, but not as employees or agents of the Corporation. When potential sources of contamination are identified which, in the opinion of the inspector or the Corporation, require the installation of a state-approved backflow prevention device, such back flow prevention device shall be installed on the customer's service line or other necessary plumbing facilities by an appropriately licensed plumber/back flow prevention device specialist at the customer's expense. The backflow prevention device shall be maintained by the customer at his expense and inspected annually by a licensed inspector. Copies of the annual inspection report must be provided to the Corporation. Failure to comply with this requirement may constitute grounds for termination of water service with notice.

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

5. **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. Resident property ownership is required for membership. Commercial entities are not eligible for membership.
- b. **Membership Certificates** - Upon qualification for service, qualification for Membership, and payment of the required fees, the Corporation shall issue a Membership Certificate to the Applicant. The Membership Certificate provides proof of Membership in the Corporation and shall entitle the Member to one (1) connection to the Corporation's water utility service. The Membership Certificate also entitles the Member to one (1) vote in conducting the affairs of any Annual or Special Membership Meeting of the Corporation as prescribed by the Corporation Bylaws. Ownership of more than one (1) Membership Certificate or service connection rights shall not authorize the Member to cast more than one (1) vote at any annual or special meeting, except as provided by the Corporation's by-laws on proxy voting. Each Membership Certificate shall be assigned to the specified parcel of land originally designated to receive service at the time of application. If the member sells the property to which the Membership Certificate is assigned, then the certificate shall be cancelled and reassigned to the new owner. If the former member buys other property in the service area at any future date a new certificate shall be issued in the member's name at no additional cost as long as the membership fee remains non-refundable.
- c. **Cancellation of Membership** - To keep a Membership in good standing, a Service Availability Charge must be paid monthly to the Corporation, whether or not water is used. Failure to pay this monthly charge to the Corporation shall jeopardize the Member's Membership standing and give rise to forfeiture of the Membership and disconnection of service. A Member may be relieved of this obligation to pay by surrendering the Membership Certificate, properly endorsed, to the Corporation. The Member shall also complete a Service Discontinuance Request Form prior to termination of service. However, a Member is not relieved of any obligations incurred prior to termination of service and the date of surrender of a properly endorsed Membership Certificate.
- d. **Cancellation Due To Policy Non Compliance** - The Corporation may cancel a Membership anytime a Member fails to comply with policies or by-laws of the Corporation, including but not limited to Member's failure to provide proof of ownership of the property from which the Membership arose.

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

- a. **Failure to Pay Fees and Complete Forms** - Failure of the Applicant or Transferee to complete all required forms and pay all required fees and charges;
- b. **Failure to Comply with Rules and Policies** - Failure of the Applicant or Transferee to comply with rules, regulations, policies, and bylaws of the Corporation;
- c. **Existence of Hazardous Condition** - Existence of a hazardous condition at the Applicant's property that would jeopardize the welfare of the Members/Users of the Corporation upon connection;

- d. **Failure to Allow Access to Property** - Failure of Applicant or Transferee to provide representatives or employees of the Corporation reasonable access to property for which service has been requested;
 - e. **Failure to Comply with Government Rules and Regulations** - 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 to Provide Proof of Ownership** - Failure of Applicant or Transferee to provide proof of ownership, to the satisfaction of the Corporation, of property for which the tap has been requested, and/or
 - g. **Applicant's Service Facilities** - Applicant's service facilities are known to be inadequate or of such character that satisfactory service cannot be provided.
7. **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, of the basis of its refusal. The Applicant may file for an appeal, in writing, with the Board of Directors of the Corporation.
8. **Insufficient Grounds for Refusal of Service.** The following shall not constitute sufficient cause for the refusal of service to an Applicant:
- a. **Delinquency by Previous Occupant** - Delinquency in payment for service by a previous occupant of the premises to be served;
 - b. **Failure to Pay for Underbilling of Longer than 6 Months** - Failure to pay a bill to correct previous under billing due to misapplication of rates more than six (6) months prior to the date of application;
 - c. **Violation of Corporation's Rules Without Notice** - Violation of the Corporation's rules pertaining to operation of non standard equipment or an unauthorized attachment which interferes with the service of others, unless the customer has first been notified and been afforded reasonable opportunity to comply with said requirements;
 - d. **Failure to Pay Bill of another Customer as Guarantor** - Failure to pay a bill of another customer as guarantor thereof unless the guarantee was made in writing to the Corporation as a condition precedent to service;
 - e. **Failure to Pay Bill of another Customer at Same Address** - Failure to pay the bill of another customer at the same address except where the change of customer identity is made to avoid or evade payment of a utility bill or there is a written rental agreement covering such payment;
9. **Indigent Care Policy.** The Oaks Water Supply Corporation is a retail public water utility and not a credit or lending institution. All water service shall be provided on a non-preferential, non-discriminatory basis to all qualified applicants upon timely payment of all applicable fees and charges. No special exceptions or classes of customers shall be recognized.
10. **Charge Distribution and Payment Application.**
- a. **Service Availability Charge** - The Service Availability Charge (base rate) is for the monthly billing period from the first day of the month to the last day of the month. The Corporation reserves the right to change its billing cycles if the workload or holidays/weekends require such practice. The exact dates meters are read will vary slightly from month to month. However, regardless of the date meters are read the base rate applies from the first day to the last day of the month. Base rate charges shall be prorated for meter installations and service terminations falling during the billing period. Billings shall be mailed on or about the first of the month succeeding the month for which this charge is due. All services shall be subject to this charge whether or not the service is in use by the Member.
 - b. **Gallonage Charge** - Gallonage Charge shall be billed at the rate specified in Section F, and billing shall be calculated in one thousand (1000) gallon increments. Water charges are based on monthly meter readings and are calculated from reading date to reading date. Readings used in all billing calculations shall be taken by the Corporation's employees or designated representative.
 - c. **Posting of Payments** - All payments shall be posted against previous balances prior to posting against current billings. Further, payments are posted against late charges and TCEQ assessments prior to water charges.

- 11. Due Dates, Delinquent Bills, and Service Disconnection Date.** The Corporation shall mail all bills on or about the first of the month. All bills shall be due and payable upon the twentieth (20th) day of the month, after which time a late penalty shall be applied as described in Section F. Members/customers whose payments are not received will be notified and provided with a specific service disconnection date. A bill is delinquent if not paid or received during normal office hours on or before the due date. Normal office hours are 9:00 AM to 1:00 PM. Payments made by mail will be considered late if received after the due date as defined in prior statements. If the due date for the regular or final billing is on a weekend or holiday, the due date for payment purposes shall be the next day the Corporation office is open for business after said weekend or holiday. For all disputed payment deadlines, the mailing date recorded by the Corporation shall be the official mailing date and the payment receipt date recorded by the Corporation shall be the official payment receipt date.
- 12. Deposits.** The Corporation reserves the right to require a deposit under the terms of this tariff.
- 13. Rules for Disconnection of Service.** The following describes the rules and conditions for disconnection of service.
- a. **Disconnection With Notice** - Water utility service may be disconnected for any of the following reasons after proper notification has been given.
- 1) Returned Checks - The Corporation shall mail, via the U.S. Postal Service, a notice requiring redemption of the returned instrument within seven (7) days of the date the notice is received in the Corporation office. Redemption of the returned instrument shall be made by cash, money order, or certified check on or before the date specified in the notice. Failure to meet these terms shall initiate disconnection of service. The returned instrument notice will provide a disconnection date. The Corporation shall consider any such instruments returned as insufficient or non-negotiable for any reason for any two billing periods within a 12-month period evidence of bad credit risk. The Member/Customer in violation may be placed on a "cash-only" basis for a period of 12 months or be required to make a deposit at the Corporation's option. NOTE: "cash only" means certified check, money order, or cash.
 - 2) Failure to pay a delinquent account for utility service or failure to comply with the terms of a deferred payment agreement.
 - 3) Violation of the Corporation's rules pertaining to the use of service in a manner which interferes with the service of others or the operation of non-standard equipment if a reasonable attempt has been made to notify the Member and the Member is provided with a reasonable opportunity to remedy the situation.
 - 4) Failure of the Member to comply with the terms of the Corporation's Service Agreement, Tariff, Bylaws, or Special Contract provided that the Corporation has given notice of said failure to comply, and Member has failed to comply within a specified amount of time after notification.
 - 5) Failure to provide access to the meter under the terms of this Tariff or to property at which water service is received when there is reason to believe that a hazardous condition or policy violation exists for which access is necessary to verify.
 - 6) Misrepresentation by any Applicant or Transferee of any fact on any form, document, or other agreement required to be executed by the Corporation.
 - 7) Failure of Member to re-apply for service upon notification by the Corporation that Member no longer meets the terms of the service classification originally applied for under the original service application.
- b. **Disconnection Without Notice** - Water utility service may be disconnected without notice for any of the following conditions:
- 1) A known dangerous or hazardous condition exists for which service may remain disconnected for as long as the condition exists, including, but not limited to, a violation of the Texas Sanitation and Health Protection Law 4477 1, or there is reason to believe a dangerous or hazardous condition exists and the Member refuses to allow access for the purpose of confirming the existence of such condition and/or removing the dangerous or hazardous condition .

- 2) Service is connected without authority by a person who has not made application for service or who has reconnected service without authority following termination of service for nonpayment.
 - 3) In instances of tampering with the Corporation's meter or equipment, by passing the meter or equipment, or other diversion of service. NOTE: Where reasonable, given the nature of the reason for disconnection, a written statement providing notice of disconnection and the reason therefore shall be posted at the place of common entry or upon the front door of each affected residential unit as soon as possible after service has been disconnected.
 - 4) A threat to perform or actual performance of: (a) bodily injury to any Corporation employee, agent or representative or (b) damage to any Corporation property. The display of any firearm or other weapon in a confrontational, menacing or threatening manner shall be deemed to be a threat to perform bodily injury regardless of the condition of said firearm or weapon.
- c. **Disconnection Prohibited** - Utility service may not be disconnected for any of the following reasons:
- 1) Failure of the Member to pay for merchandise or charges for non-utility service provided by the Corporation, unless an agreement exists between the Applicant and the Corporation whereby the Member guarantees payment of non-utility service as a condition of service.
 - 2) Failure of the Member to pay for a different type or class of utility service unless a fee for such service is included in the same bill.
 - 3) Failure of the Member to pay charges arising from an underbilling occurring due to any misapplication of rates more than six (6) months prior to the current billing.
 - 4) Failure of the Member to pay the account of another Member as guarantor thereof, unless the Corporation has in writing the guarantee as a condition precedent to service.
 - 5) Failure of the Member to pay charges arising from an underbilling due to any faulty metering, unless the meter has been tampered with or unless such underbilling charges are due under the Inoperative Meters subsection E. 17 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.
- d. **Disconnection on Holidays and Weekends** - Unless a dangerous condition exists or the Member requests disconnection, service shall not be disconnected on a day, or on a day preceding a day, when personnel of the Corporation are not available to the public for the purpose of making collections and reconnecting service. A "dangerous condition" is one which creates an immediate threat to human health or safety or immediate damage to property of the Corporation, neighboring landowners or others.
- e. **Disconnection Due to Utility Abandonment** - The Corporation may not abandon a Member or a Certificated Service Area without written notice to its Members and all similar neighboring utilities and approval from the Texas Commission on Environmental Quality.
- f. **Disconnection for Ill and Disabled** - The Corporation may not discontinue service to a delinquent residential Member permanently residing in an individually metered dwelling unit when that Member establishes that discontinuance of service will result in some person at that residence becoming seriously ill or more seriously ill if service is discontinued. Each time a Member seeks to avoid termination of service under this Sub section, the Member must have the attending physician call or contact the Corporation within fifteen (15) days of issuance of the bill. A written statement must be received by the Corporation from the physician within twenty-five (25) days of the issuance of the utility bill. The prohibition against service termination shall last sixty (60) days from the issuance of the utility bill or such lesser period as may be agreed upon by the Corporation and Member's physician. The Member must also enter into a Deferred Payment Agreement.
- g. **Disconnection of Temporary Service** - When an applicant with a Temporary service fails to comply with the conditions stated in the Service Application and Agreement Form or other rules of this Tariff service may be terminated with notice.

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

- 15. Back billing.** The Corporation may back bill a Member for up to four (4) years (48 months) for meter error, misapplied meter multiplier, incorrect meter readings, or error in computing a Member's bill. Failure to pay the most recent six- (6) months billing will result in disconnection of service. Back billing shall not extend beyond current Membership except in cases involving the transfer of a Membership conditioned upon payment of delinquent obligations by the Transferee.
- 16. Disputed Bills.** In the event of a dispute between the Member and the Corporation regarding any bill, the Corporation shall forthwith make and conduct an investigation as shall be required by the particular case and report the results thereof 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 except in cases involving the transfer of a Membership conditioned on payment of delinquent obligations by the Transferee.
- 17. Inoperative Meters.** Water meters found inoperative will be repaired or replaced within a reasonable time. If a meter is found not to register for any period, unless bypassed or tampered with, the Corporation may make a charge for units used, but not metered, for a period not to exceed three (3) months, based on amounts used under similar conditions during the period preceding or subsequent thereto, or during corresponding periods in previous years.
- 18. Bill Adjustment Due To Meter Error.** The Corporation shall test any Member's meter upon written request of the Member. The accuracy standards of The American Water Works Association shall apply. A test fee as prescribed in Section F of this Tariff shall be imposed. In the event the test results indicate that the meter is faulty or inaccurate, the test fee shall be waived, the meter shall be calibrated or replaced, and a billing adjustment may be made as far back as six (6) months but not extending beyond current Membership except in cases involving the transfer of a Membership conditioned on payment of delinquent obligations by the Transferee. The billing adjustment shall be made to the degree of the meter's inaccuracy as determined by the test. The Member shall complete a Meter Test Request Form prior to the test.
- 19. Other General Service Regulations Applicable to All Members/Customers.**
- a. **Payments at Business Office** - All payments for utility service shall be delivered or mailed to the utility's business office. If the business office fails to receive payment prior to the time of noticed disconnection for non-payment of a delinquent account, service will be terminated as scheduled. Utility service crews shall not be allowed to collect payments on customer accounts in the field.
 - b. **Auto Pay** - Customers may elect to use Auto Pay for payment of utility service. Monthly billings will be mailed on or about the first of the month as they are for all accounts. If the customer elects to use Auto Pay, then the customer will have at least 14 days to notify the utility of any discrepancy in the billing. After at least 14 days the utility will advise the utility's bank of the amount to be withdrawn from the customer's bank account and transferred to the utility's bank account. If there is no discrepancy in the customer's billing, then the customer does not need to do anything. All transactions are processed electronically.
 - c. **Cut Off Valves** - Customers shall not be allowed to use the utility's cutoff valve on the utility's side of the meter. Customers must install customer-owned and maintained cutoff valves on their side of the meter.
 - d. **Backflow Prevention Assembly (BPA)** - All customers with irrigation systems must install a BPA on each customer service line serving an irrigation system. TCEQ rules require that all BPAs be tested upon installation, and annually thereafter, by a licensed BPA tester. A copy of the test report must be provided to the Corporation. Installation and maintenance of residential irrigation systems must be performed by licensed irrigators. Whenever a backflow assembly fails testing it must be repaired, or replaced, and re-tested.
 - e. **Backflow Prevention Assembly (BPA) Testing** – TOWSC will contract, on an annual basis, with a licensed contractor for testing of all BPAs that are installed within the TOWSC system. TOWSC will schedule required tests and pay the contractor upon receipt of the contractor test report. The contractor's fee will be included in the customer's billing for the month in which it is tested. The customer will not be responsible for scheduling the test nor for insuring annual accomplishment. In the case of rental properties, the property owner is responsible for payment of BPA testing, repair, and replacement costs.
 - f. **Backflow Prevention Assembly (BPA) Replacement** – When there is a BPA test failure and it cannot be repaired in place it must be replaced with a reduced pressure style unit. This unit is a permanent

part of the owner's property and is the responsibility of the property owner. The property owner must contract with a licensed contractor for replacement. The property owner will have 10 days from the date of test failure or until the end of the month in which failure occurs, whichever is longer, to complete this action. Failure to complete replacement within this period will result in service disconnection and the resulting disconnect fee. If the property owner believes that there are extenuating circumstances that justify extension of this deadline an extension MAY be granted if applied for before the deadline.

- g. **Program Opt Out Provision** – The member may opt out of the contract program if they wish. However TOWSC will not manage the opt out accomplishments. TOWSC will advise the member of the permanent test due date and the member will be totally responsible for insuring accomplishment by that date. Failure to accomplish by the due date will result in service disconnection and a \$100.00 penalty for such failure.
- h. **Damage Liability** - Customer shall be liable for any damage or injury to utility-owned property or personnel shown to be caused by the customer, his invitees, his agents, his employees, or others directly under his control.
- i. **Appeals** - Any applicant or existing customer required to pay for any costs not specifically set forth in the rate schedule pages of this tariff shall be entitled to a written explanation of such costs prior to payment and/or commencement of construction. If the applicant or existing customer does not believe that these costs are reasonable or necessary, the applicant or existing customer shall have the right to appeal such costs to the Corporation's Board of Directors at the next regular meeting at which such appeal can be included in the standard public notice.
- j. **Tap Fee Increases** - Tap fees shall be increased by the cost of unique expenses not normally incurred.
- k. **Access to Premises** - The utility will have the right of access to the customer's premises at all times reasonable for the purpose of installing, testing, inspecting or repairing water mains or other equipment used in connection with its provision of water service, or for the purpose of removing its property and disconnecting lines, and for all other purposes necessary to the operation of the utility system including inspecting the customer's plumbing for code, plumbing or tariff violations. The customer shall allow the utility and its personnel access to the customer's property to conduct any water quality tests or inspections required by law. Unless necessary to respond to equipment failure, leak or other condition creating an immediate threat to public health and safety or the continued provision of adequate utility service to others, such entry upon the customer's property shall be during normal business hours. The customer may require any utility representative, employee, contractor, or agent seeking to make such entry to identify themselves, their affiliation with the utility, and the purpose of their entry. These restrictions do not apply to access to the Corporation's easements. Corporate personnel and designated agents shall have un-restricted access to Corporate easements at all times.
- l. **Cross Connections Prohibition** - No other water service will be used by the customer on the same service installation in conjunction with the utility's service, either by means of a crossover valve or any other connection. Customer shall not connect, or allow any other person or party to connect, onto any water lines on his premises.
- m. **Returned Water Prohibition** - No connection shall be allowed which allows water to be returned to the public drinking water supply. No backflow prevention device shall be permitted to be installed in the customer's plumbing without notice to and approval by the utility. Any backflow prevention devices so installed shall be inspected annually by a licensed backflow prevention device inspector and a written report of such inspection delivered to the utility. This requirement applies to requirements other than lawn irrigation systems (sprinklers) cited in paragraph d. above.
- n. **No Assignment of Applications/Agreements/ Contracts** - No application agreement or contract for service may be assigned.
- o. **Declaration of Corporation Property** - All meters water lines and other equipment furnished by the Corporation (excepting the customer's individual service lines from the point of connection to customer's structures on customer's premises) are and shall remain the sole property of the Corporation, and nothing contained herein or in a contract/application for service shall be construed to reflect a sale or transfer of

any such meters, lines or equipment to any customer. All tap and extension charges shall be for the privilege of connecting to said water lines and for installation, not purchase, of said meters and lines.

- p. **Right to Inspect Plumbing** - TOWSC has the right to inspect the private plumbing of any customer to insure that it is maintained in a safe condition and operated in compliance with state health and safety regulations. Concurrent with this right is the obligation to inspect TOWSC-owned facilities, including reading meters at any time to ensure compliance with tariffs and drought management plans.

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

- removing a locking or shut off device used by the Corporation to discontinue service or re-establishing service after disconnection by any means,
- physically disorienting the meter,
- attaching objects to the meter to divert service or to by-pass,
- inserting objects into the meter,
- any other electrical and mechanical means of tampering with, by-passing, or diverting service.

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

21. Prohibition of Multiple Connections to a Single Tap. No more than one (1) residential service connection is allowed per meter. Any unauthorized sub-metering or diversion of service shall be considered a Multiple Connection and subject to disconnection of service. If the Corporation has sufficient reason to believe a Multiple Connection exists, the Corporation shall discontinue service under the Disconnection with Notice provisions of this Tariff.

22. Pressure Reduction Valves. A pressure reduction valve (PRV) can be used to lower the pressure delivered to the member's service line. When used, it is installed on the member's side of the meter and becomes the member's responsibility. The majority of service pressures are below 90 pounds per square inch (psi). There are some locations that the effects of gravity may raise the delivered pressure above 90psi. In those instances where the delivered pressure is above 90psi and no PRV exists and the member desires that the pressure be reduced, the Corporation will install a PRV at Corporate expense. The Corporation will use up to a one-inch PRV. If the member desires a larger PRV, the added cost will be at the member's expense. Once installed, the PRV becomes the property of the member and any future action (removal, replacement, adjustment, etc.) is the responsibility of the member. If the member desires that a delivered pressure of 90psi or less be further reduced, then the PRV installation will be at the member's expense. If a PRV has previously been installed at the member's property it is already the responsibility of the member.

23. Member's Responsibility.

- a. **Member to Provide Access to Meter** - The Member shall provide access to the meter as per service agreement. If access to the meter is hindered or denied preventing the reading of the meter, an estimated bill shall be rendered to the Member for the month; and a notice shall be sent to the effect that access could not be gained. If access is denied for three (3) consecutive months after proper notification to the Member, then service shall be discontinued, and the meter removed with no further notice. (Section E. 13. b.)
- b. **Member is to Comply with All On-Site Plumbing Requirements** - The Member shall be responsible for compliance with all utility, local, and state codes, requirements, and regulations concerning on-site service and plumbing facilities.
- 1) All connections shall be designed to ensure against back flow or siphonage into the Corporation's water supply.

- 2) All pipe and pipe fittings used shall comply with the applicable section of the Uniform Plumbing Code. Customer service lines are the responsibility of the applicant and shall be a minimum of SDR-26 pipe. (30TAC 290.46)

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

- c. **Member Owning More than One Membership** A Member having more than one (1) Membership Certificate or account shall keep all payments current on all accounts. Failure to maintain current status on all accounts shall be enforceable as per Service Application and Agreement executed by the Member. Failure to maintain current status on one account will result in termination of services for all accounts.
- d. **Extent of Corporation's Ownership and Maintenance** - The Corporation's ownership and maintenance responsibility of water supply and metering equipment shall end at the meter. Therefore, all water usage registering upon and/or damages occurring to the metering equipment owned and maintained by the Corporation shall be subject to charges as determined by the Corporation's Tariff as amended from time to time by the Board of Directors.
- e. **Cut Off Valve Required** Each Member shall have a cut off valve on the Member's side of the meter for purposes of isolating the Member's service pipeline and plumbing facilities from the Corporation's water pressure. The valve shall meet AWWA standards (a ball valve is preferred). The Member's use of the Corporation's curb stop or other similar valve for such purposes is prohibited. Any damage to the Corporation's equipment shall be subject to service charges. (The Corporation may install this additional cut-off valve as a part of the original meter installation.)

24. Member's Responsibility for Meter Access. The Member shall insure that the Corporation has access to the meter at all times. No objects shall be placed on or above a meter that restrict access. No fence shall be constructed or maintained in front of a water meter. If a fence exists, the Member must either install a small service gate with unrestricted usage by the Corporation, install a permanent ladder (inverted V type of metal construction heavy enough to support a 300 lb. person) or fence out the meter three feet on each side with a road opening.

25. Renter/Lessee. Membership in the Corporation is based on property ownership of the property to which water service is to be provided. A renter/lessee is not eligible for membership but may receive water service through the property owner's membership. Responsibility for payment of services remains with the property owner/member. The renter/lessee may be billed directly if an Alternate Billing Agreement for Rental Accounts is completed by the member. If an Alternate Billing Agreement is not completed the owner will be billed directly. Should service be disconnected for non-payment it will not be reconnected for either the renter or owner until all current and past due amounts have been paid.

26. Main Extension Policy.

- a. **Meter Location and Customer Responsibility** - The Corporation will set meters on the customer's property at a point as near as possible to the customer's property line consistent with ease of access to and safety and maintenance of the meter. The customer is responsible for constructing his service line from the point of water consumption to the meter. The customer shall own and maintain his own customer service line. Any leak or defect in the customer's service line must be repaired immediately in order to avoid possible contamination or hazard to the public water supply. Failure to accomplish timely repair will result in the termination of service until remedied.
- b. **Determination of Main Sizes** - Distribution and transmission main sizes shall be determined solely by The Oaks Water Supply Corporation's engineer based upon the reasonably anticipated needs of the utility in the area to be served.

27. Enforcement of Water Conservation Practices. HB 1152 (78 Legislature Regular Session - 2003) empowered water supply corporations to enforce customer water conservation practices by assessing reasonable penalties in the utilities' tariffs. The Corporation's Manager is empowered to assess the penalties provided in this tariff on customer/members who violate noticed conservation practices of the Corporation. The Manager may take this action based upon his/her own observations or those of a Corporation director, employee, operator, contractor or other person designated by the Manager to monitor water conservation practices and/or water rationing violations. The penalties may be appealed to the TCEQ in the same manner as provided for the appeal of new customer service costs under Texas Water Code §13.043(g). As a precondition

to a TCEQ appeal of any penalty assessed by the Corporation's Manager, the customer/member assessed the penalty must first exhaust their rights of appeal to the Corporation's Board of Directors.

- 28. Appeal of Water Conservation Penalties.** Any penalty assessed by the Corporation's Manager for violation of the Corporation's noticed customer water conservation practices must be appealed in writing received at the Corporation's business office before the close of business on the due date of the water service bill containing the penalty or the due date stated on the written notice to the customer/member assessing the penalty if not assessed on the monthly service bill. Any appeal, notice of which is not received by the close of business on the due date, shall be deemed to be waived for untimeliness. An untimely appeal may be considered only upon a majority vote of all Directors of the Corporation.

TARIFF

OF

**THE OAKS WATER
SUPPLY CORPORATION**

20 March 2007 (Revised 15 November 2016)

SECTION F. RATES AND SERVICE FEES

SECTION F.

RATES AND SERVICE FEES

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

1. **Service Investigation Fee.** The Corporation, if necessary, may conduct a service investigation for each service application submitted at the Corporation office. An initial determination shall be made by the Corporation, without charge, as to whether the service request is Standard or Non-Standard. An investigation may then be conducted, and the results reported under the following terms:
 - a. **Standard Service Requests** - All Standard Service requests shall be investigated without charge.
 - b. **Non-Standard Service Requests** - 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.
2. **Membership Fee.** At the time the application for service is approved, a non-refundable Membership Fee must be paid before service shall be provided for the Applicant by the Corporation. The Membership Fee for water service is \$100.00 for each service unit.
3. **Installation Fee.** The Corporation shall charge an installation fee for service as follows:
 - a. **Standard Service** - shall include all current labor, materials, engineering, legal, and administrative costs necessary to provide individual metered water service and shall be charged on a per tap basis. The approved tap fees are set forth in Section F.5 below.
 - b. **Non-Standard Service** - shall include any and all construction labor and materials, inspection, administration, legal, and engineering fees, as determined by the Corporation.

--	--

5. **Assessments.** If at the end of the fiscal year, or in the event of emergency repairs, or when emergency improvements are required, and 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 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 on indebtedness for the year's operations.
6. **Impact Fee.** Applicants for non-standard service of any kind and developers requesting service to two or more service connections shall not be entitled to any deferred payment of the capital recovery or impact fee without special action of the Board of Directors and only for extremely unique circumstances that would otherwise deny water utility service in a critical situation.
7. **Equipment Damage Fee.** If the Corporation's facilities or equipment have been damaged by tampering, by passing, installing unauthorized taps, reconnecting service without authority, or other service diversion, a fee shall be charged equal to the actual costs for all labor, material, and equipment necessary for repair, replacement, and other Corporation actions. This fee shall be charged and paid before service is reestablished. Removal of any locking device without authorization from the Corporation's General Manager shall be deemed to be damage by tampering. Removal of a locking device or subsequent acts of tampering, bypassing or diversion shall result in the meter being pulled. If the Corporation's equipment has not been damaged, a fee equal to the 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 assessed. All components of this fee will be itemized, and a statement shall be provided to the Member. **IF THE CORPORATION'S FACILITIES OR EQUIPMENT HAVE BEEN DAMAGED DUE TO NEGLIGENCE OR UNAUTHORIZED USE OF THE CORPORATION'S EQUIPMENT, RIGHT OF WAY, OR METER SHUT OFF VALVE, OR DUE TO OTHER ACTS FROM ANY SOURCE OR BY ANY PERSON OR ENTITY ON THE MEMBER'S PROPERTY THROUGH WHICH THE CORPORATION INCURS LOSSES OR DAMAGES, THE MEMBER SHALL BE LIABLE FOR ALL LABOR AND MATERIAL CHARGES INCURRED AS A RESULT OF SAID ACTS OR NEGLIGENCE.**
8. **Customer History Report Fee.** A fee of \$10.00 shall be charged to provide a copy of the Member's record of past water purchases in response to a Member's request for such a record. If the Member has a bona fide billing dispute with the Corporation, which may be resolved by the production of a Customer History Report, no charge will be made for the first report. The fee shall apply to all subsequent reports.
9. **Membership Certificate Copy Fee.** A fee of \$5.00 will be charged to provide a duplicate copy of the Membership Certificate.
10. **Information Disclosure Fee.** All public information except that which has been individually requested as confidential shall be available to the public for a fee to be determined by the Corporation based on the level of service and costs to provide such information, but not to be inconsistent with the terms of the Texas Open Records Act: Chapter 552, Texas Government Code.
11. **Customer Service Inspection.** The Corporation will not perform customer service inspections on applicants' or members' properties. These inspections are required to be performed by licensed customer service inspectors. It shall be the applicant's or member's responsibility to have the inspection performed by the licensed inspector of their choice. At its sole discretion, the Corporation may elect to allow its employees to perform inspections as independent contractors of the service applicant, but not as employees or agents of the Corporation. No permanent potable water service, or continued service if an inspection is required of existing plumbing, will be provided until the required certificate is delivered to the Corporation. A temporary service agreement for non-potable water may be obtained to provide a supply of water for construction purposes only. Use of the temporary water supply for human consumption or occupancy of the premises without a completed certificate being delivered to the Corporation shall be grounds for immediate termination of service.

12. Other Office Service Fees.

- a. **Meter/Tap Relocation Fee.** - Relocation of a tap or meter at a member/customer's request shall be made at the actual cost of the relocation, subject to a \$100.00 minimum charge, provided that the property to which the tap or meter is to be relocated is owned by the member/customer making the request.
- b. **Locked Meter Charge.** - The Corporation shall lock, at the request of a member/customer, the meter at the location where an active membership is serviced. A fee shall be charged of \$15.00 for unlocking the meter during regular field service hours or \$20.00 for unlocking after regular field service hours.

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

14. Penalties for Violation of Water Conservation Practices. HB 1152 (78 Legislature Regular Session - 2003) empowered water supply corporations to enforce customer water conservation practices by assessing reasonable penalties in the utilities' tariffs. Pursuant to the Act, the Corporation has adopted penalties for violations of noticed water conservation practices and water rationing restrictions as provided in Section G of this tariff.

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

TARIFF

OF

**THE OAKS WATER
SUPPLY CORPORATION**

20 March 2007 (Revised 1 February 2016)

**SECTION G. DROUGHT CONTINGENCY PLAN
AND EMERGENCY RATIONING PROGRAM**

SECTION G

DROUGHT CONTINGENCY PLAN AND EMERGENCY RATIONING PROGRAM

1. Declaration of Policy, Purpose, and Intent

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

Water uses regulated or prohibited under this Drought Contingency Plan (the Plan) are considered to be non-essential and continuation of such uses during a water shortage or other emergency water supply condition is deemed to constitute a waste of water which subjects the offender(s) to penalties as defined in Section G. 10. of the Plan.

It is the intent of The Oaks Water Supply Corporation Board to apply essentially the same rules and restrictions as the San Antonio Water System (SAWS). Therefore, when SAWS declares a given drought state, then TOWSC automatically enters that same stage as of that date, unless otherwise advised by TOWSC.

2. Public Involvement

Opportunity for the public to provide input into the preparation of the original Plan was provided by the TOWSC by means of a written notification which provided an advance copy of the proposed Plan and informed the customers of a scheduled meeting at which they could provide input and/or comment.

3. Public Education

TOWSC 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 utility bill inserts, separate mailings, San Antonio Water System (SAWS) public service announcements (PSAs) and/or web site postings (theoakswsc.org).

4. Coordination with Regional Water Planning Groups

The service area of TOWSC is located within the South-Central Texas Regional Water Planning Group and TOWSC has provided a copy of this Plan to this group.

5. Authorization

- a. The President, or his/her designee, is hereby authorized and directed to implement the applicable provisions of the Plan upon determination that such implementation is necessary to protect public health, safety, and welfare. The President, or his/her designee, shall have the authority to initiate or terminate drought or other water supply emergency response measures as described in the Plan. The President, or his/her designee, is authorized to begin restrictions at any stage necessitated by drought conditions and to skip stages if necessitated by drought conditions.
- b. TOWSC has the right to inspect the private plumbing of any customer to ensure that it is maintained in a safe condition and operated in compliance with state health and safety regulations. Concurrent with this right is the obligation to inspect TOWSC-owned facilities, including reading meters at any time to ensure compliance with tariffs and drought management plans. The President, or his/her designee, may authorize the daily reading of customer meters to ascertain if violations are being committed.

6. Application

The provisions of the Plan shall apply to all persons, customers, and property utilizing water provided by the TOWSC. The terms "person" and "customer" as used in the Plan include individuals, corporations,

partnerships, associations, and all other legal entities. This Plan does not apply to water provided from customer reclamation resources such as septic aerobic systems or rainwater catchments.

7. **Definitions**

For the purposes of the 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 such as retail establishments, hotels and motels, restaurants, and office buildings.

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.

Customer: any person, company, or organization using water supplied by TOWSC.

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. This does not include landscape irrigation use.

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

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

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, but not limited to:

- a. use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle except by use of handheld hose with cutoff or bucket during authorized days/hours;
- b. use of water to wash down any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
- c. use of water to wash down buildings or structures for purposes other than immediate fire protection;
- d. flushing gutters or permitting water to run or accumulate in any gutter or street;
- e. use of water to fill new outdoor swimming pools or spas and/or hot tubs;
- f. use of water in a fountain, water feature, or pond for aesthetic or scenic purposes.;
- g. failure to repair a controllable leak(s) within a reasonable period of time after having been given notice directing the repair of such leak(s); and
- h. use of water from hydrants for construction purposes or any purposes other than firefighting.

Watering Days: All watering days begin and end at midnight; no overnight watering is allowed.

Dairy Barn well is equal to or less than 200 ft. or the Edwards Aquifer trigger level falls to 640 ft. and SAWS declares Stage 3. However, the Board reserves the option of modifying this initiation point based on the overall availability of water from SAWS and our wells.

Requirements for termination - Stage 3 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 30 consecutive days unless the Board determines otherwise. Upon termination of Stage 3, Stage 2 becomes operative unless the Board determines otherwise.

e. **Stage 4 - Critical Water Shortage Conditions**

Requirements for initiation - Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses for Stage 4 of the Plan **when the static water level in the Dairy Barn well is equal to or less than 190 ft. or Stage 4 may be declared if the total supply of water from the Edwards Aquifer and other sources is insufficient to meet customer demand, even while complying with lesser restriction stages. Stage 4 restrictions may be declared at the discretion of the City Manager upon completion of a 30-day monitoring period following Stage 3 declaration. However, the Board reserves the option of modifying this initiation point based on the overall availability of water from SAWS and our wells.**

Requirements for termination - Stage 4 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 30 consecutive days unless the Board determines otherwise and/or SAWS releases a PSA canceling Stage 4. Upon termination of Stage 4, Stage 3 becomes operative unless the Board determines otherwise.

f. **Stage 5 - Emergency Water Shortage Conditions**

Requirements for initiation - Customers shall be required to comply with the requirements and restrictions for Stage 5 of the Plan when the 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); or
- 3) Major and unexpected depletion of the TOWSC's underground aquifer water source; or
- 4) Significant curtailment of water supplied by the San Antonio Water System; or
- 5) Any combination of the above.

Requirements for termination – Stage 5 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a sufficient period of time as determined by the Board.

9. Drought Response Stages

The President, or his/her designee, shall monitor water supply and/or demand conditions daily and, in accordance with the triggering criteria set forth in Section G. 8. of the Plan, shall implement the appropriate drought responses. Whenever SAWS implements drought response stages, they issue a PSA which will appear in newspapers and on television and radio newscasts. Unless notified otherwise by TOWSC, members are required to observe and comply with these SAWS PSAs. When SAWS declares a drought stage, then TOWSC automatically enters that same stage.

b. **Stage 2 - Moderate Water Shortage Conditions**

Goal: Achieve a 20 percent reduction in total water use.

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

- 1) All restrictions from Stage 1 remain in effect, unless added to or replaced by Stage 2 rules.
- 2) Landscape watering with an irrigation system, sprinkler, or soaker hose is allowed only **ONCE A WEEK from 7:00 a.m. – 11:00 a.m. and 7:00 p.m. – 11:00 p.m. on your designated day**, as determined by your address. Use of irrigation systems, soaker hose, or sprinklers is prohibited at any time on Saturday and Sunday
 - A) Street addresses ending in 0 and 1 – Monday
 - B) Street addresses ending in 2 and 3 – Tuesday
 - C) Street addresses ending in 4 and 5 – Wednesday
 - D) Street addresses ending in 6 and 7 – Thursday
 - E) Street addresses ending in 8 and 9 – Friday
- 3) Watering with drip irrigation or 5-gallon bucket is permitted any day, but only between 7:00 a.m. – 11:00 a.m. and 7:00 p.m. – 11:00 p.m.
- 4) Hand watering with one hand-held hose is permitted any time and any day.
- 5) **All residential fountains and indoor** commercial fountains can operate at any stage of drought.
- 6) All non-public swimming pools must have a minimum of 25 percent of the surface area covered with evaporation screens or other devices when not in use. Inflatable pool toys or floating decorations may be used.
- 7) Washing impervious cover such as parking lots, driveways, streets or sidewalks is prohibited.
- 8) Residential car washing allowed during drought once per week on Saturday or Sunday as long as there is no water waste.
- 9) Water waste is prohibited at all times. Water waste includes lawn watering overspray and runoff, allowing water to run off into a gutter, ditch, or drain; or failing to repair a controllable leak.

c. **Stage 3 - Severe Water Shortage Conditions**

Goal: Achieve a 30 percent reduction in total water use.

Mandatory Water Use Restrictions. Under threat of penalty for violation, the following water use restrictions shall apply to all persons:

- 1) All restrictions from Stage 1 and Stage 2 remain in effect, unless added to or replaced by Stage 3 rules.
- 2) Landscape watering is allowed only **EVERY OTHER WEEK** on the following schedule with an irrigation system, sprinkler, or soaker hose. Such watering is allowed **only from 7:00 a.m. – 11:00 a.m. and 7:00 p.m. – 11:00 p.m. on your designated watering day** as determined by your address. Use of irrigation systems, sprinklers, and soaker hoses is prohibited at any time on Saturday and Sunday.
 - A) Street addresses ending in 0 and 1 – Monday
 - B) Street addresses ending in 2 and 3 – Tuesday
 - C) Street addresses ending in 4 and 5 – Wednesday
 - D) Street addresses ending in 6 and 7 – Thursday
 - E) Street addresses ending in 8 and 9 - Friday
- 3) Weeks when no watering is allowed will be announced via SAWS PSA announcements, online at theoakswsc.org and by signs posted at the subdivision exits.
- 4) Watering with drip irrigation is allowed every Monday, Wednesday, and Friday, but only between 7:00 a.m. – 11:00 a.m. and 7:00 p.m. – 11:00 p.m.
- 5) Watering with one hand-held hose is permitted any time and any day.
- 6) All residential fountains and **indoor** commercial fountains can operate at any stage of drought.
- 7) All non-public swimming pools must have a minimum of 25 percent of the surface area covered with evaporation screens or other devices when not in use. Inflatable pool toys or floating decorations may be used.
- 8) Washing impervious cover such as parking lots, driveways, streets or sidewalks is prohibited.
- 9) Residential car washing allowed during drought once per week on Saturday or Sunday as long as there is no water waste.
- 10) Water waste is prohibited at all times. Water waste includes lawn watering overspray and runoff, allowing water to run off into a gutter, ditch, or drain; or failing to repair a controllable leak.

d. **Stage 4 - Critical Water Shortage Conditions**

Goal: Achieve a 40 percent reduction in total water use.

Mandatory Water Use Restrictions. Under threat of penalty for violation, the following water use restrictions shall apply to all persons:

- 1) All Stage 3 restrictions/rules remain in effect without change.
- 2) Landscape watering is allowed only **EVERY OTHER WEEK** on the following schedule with an irrigation system, sprinkler, or soaker hose. Such watering is allowed **only from 7:00 a.m. – 11:00 a.m. and 7:00 p.m. – 11:00 p.m. on your designated watering day** as determined by your address. Use of irrigation systems, sprinklers, and soaker hoses is prohibited at any time on Saturday and Sunday
 - A) Street addresses ending in 0 and 1 – Monday
 - B) Street addresses ending in 2 and 3 – Tuesday
 - C) Street addresses ending in 4 and 5 – Wednesday
 - D) Street addresses ending in 6 and 7 – Thursday
 - E) Street addresses ending in 8 and 9 - Friday
- 3) Weeks when no watering is allowed will be announced via SAWS PSA announcements, online at theoakswsc.org and by signs posted at the subdivision exits.
- 4) Watering with drip irrigation is allowed every Monday, Wednesday, and Friday, but only between 7:00 a.m. – 11:00 a.m. and 7:00 p.m. – 11:00 p.m.
- 5) Watering with one hand-held hose is permitted any time and any day.
- 6) All residential fountains and **indoor** commercial fountains can operate at any stage of drought.
- 7) All non-public swimming pools must have a minimum of 25 percent of the surface area covered with evaporation screens or other devices when not in use. Inflatable pool toys or floating decorations may be used.
- 8) Washing (impervious cover such as parking lots, driveways, streets or sidewalks is prohibited.
- 9) Residential car washing allowed during drought once per week on Saturday or Sunday as long as there is no water waste.
- 10) Water waste is prohibited at all times. Water waste includes lawn watering overspray and runoff, allowing water to run off into a gutter, ditch, or drain; or failing to repair a controllable leak.
- 11) Rate Schedule #2, as authorized in the current tariff, is effective with declaration of Stage 4. (All individual rates per 1000 gallons, above 10,000 gallons, are doubled.)

e. **Stage 5 - Emergency Water Shortage Conditions**

Goal: Achieve a 50 percent reduction in total water use.

Mandatory Water Use Restrictions. Under threat of penalty for violation, the following water use restrictions shall apply to all persons:

- 1) **NO outside water use is permitted for ANY purpose, at any time.**
- 2) Rate Schedule #2, as authorized in the current tariff, is effective in Stage 5. (All individual rates per 1000 gallons, above 10,000 gallons, are doubled.)
- 3) The monthly base charge for water service shall be increased by a surcharge of \$22 per connection for the duration of Stage 5 restrictions in order to insure the financial viability of TOWSC.

10. Enforcement

- a. No person shall allow the use of water from TOWSC 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 the President, or his/her designee, in accordance with provisions of this Plan.
- b. Any person who violates this Plan may be assessed a penalty of not less than two hundred fifty dollars (\$250.00) and not more than one thousand dollars (\$1,000.00). The first violation will result in a written warning. The second violation shall be assessed a penalty of \$250.00 with subsequent violations assessed at increasing amounts. Non-payment of any and all fees paid by noticed due dates will result in termination of water service. Each day that one or more of the provisions in this Plan is violated shall constitute a separate offense. If a person is notified of three or more distinct violations of this Plan, the President, or his/her designee, shall, upon due notice to the customer, be authorized to discontinue 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, hereby established at \$50.00, in addition to any other unpaid fees, as well as, any other costs incurred by TOWSC in discontinuing service. In addition, suitable assurance must be given to the 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.
- c. Any person, including a person classified as a water customer of TOWSC, 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. In addition, water customers will ultimately be responsible for any and all violations committed by any and all persons on their property.
- d. Any member or employee of TOWSC, TOWSC Board members or other person/persons designated by the President, may report a person he/she reasonably believes to be in violation of this Plan. The report shall be given to the President or his/her designee. The President or his/her designee shall notify the alleged violator in writing. The notification may be mailed, or attached to the front door of the violator's residence, or left with the entrance security officer for delivery, or any combination of these methods. The notification shall contain details of the alleged violation and the penalty, if applicable, for the violation. The alleged violator may appeal the proposed penalty to the Board of Directors.

11. Variances

- a. The 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.
- b. Persons requesting an exemption from the provisions of this Tariff shall file a petition for variance with TOWSC within 5 days after the Plan or a particular drought response stage has been invoked. All petitions for variances shall be reviewed by the 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.
- c. 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.
- d. No variance shall be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

12. Severability

It is hereby declared to be the intention of the Board of Directors that the sections, paragraphs, sentences, clauses, and phrases of this Tariff are severable and, if any phrase, clause, sentence, paragraph, or section of this Plan shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Plan, since the same would not have been enacted by the Board of Directors without the incorporation into this Plan of any such unconstitutional phrase, clause, sentence, paragraph, or section.

THE OAKS WATER SUPPLY CORPORATION

SERVICE APPLICATION AND AGREEMENT

NOTE: FORM MUST BE COMPLETED BY APPLICANT ONLY

Please Print Clearly

APPLICANT'S NAME: _____

DATE: _____

CO-APPLICANT'S NAME: _____

CURRENT BILLING ADDRESS:

FUTURE BILLING ADDRESS:

PHONE NUMBER - Home: (____) ____ - _____

Work (____) ____ - _____

Cell (____) ____ - _____

PROPERTY ADDRESS: _____

LEGAL DESCRIPTION OF PROPERTY (Include subdivision with lot, block number, and size):

NUMBER OF HOUSEHOLD MEMBERS: _____

PREVIOUS OWNER'S NAME AND ADDRESS (if transferring membership):

SPECIAL SERVICE NEEDS OF APPLICANT (for example, any medical condition that may be impacted by the water supply):

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.

White, Not of Hispanic
Origin ____

Black, Not of Hispanic
Origin ____

American Indian or Alaskan
Native ____

Hispanic ____

Asian or Pacific Islander ____

Other (Specify) ____

Male ____ Female ____

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

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

Applicant Member

Approved and Accepted

Date Approved

AGREEMENT made this _____ day of _____,

between

The Oaks 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 service to the Applicant and the Applicant shall purchase and receive 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, a copy of which has been provided as an information packet, for which Member acknowledges receipt hereof by execution of this agreement. A copy of this agreement shall be executed before service may be provided to the Applicant.

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

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

The Corporation shall have the right to locate a water service meter and the pipe necessary to connect the meter on the Member's property at a point to be chosen by the Corporation, and shall have access to its property and equipment located upon Member's premises at all reasonable and necessary times for any purpose connected with or in the furtherance of its business operations, and upon discontinuance of service the Corporation shall have the right to remove any of its equipment from the Member's property. The Member shall install, at their own expense, any necessary service lines from the Corporation's facilities and equipment to the point of use, including customer service isolation valves, backflow prevention devices, pressure reduction valves, 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 required water testing.

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 air gap 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 air gap or a reduced pressure-zone backflow prevention assembly and a service agreement must exist for annual inspection and testing by a certified backflow prevention device tester.
- c. No connection which allows condensing, cooling, or industrial process water to be returned to the public drinking water supply is permitted.
- d. No pipe or pipe fitting which contains more than 8.0 % lead may be used for the installation or repair of plumbing on or after July 1, 1988, at any connection which provides water for human consumption.
- e. No solder or flux which contains more than 0.2 % lead may be used for the installation or repair of plumbing on or after July 1, 1988 at any connection which provides water for human consumption.

The Corporation shall maintain a copy of this agreement as long as the Member and/or premise 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, provide, 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 the requirements of all of the Members, or in the event there is a shortage of water, the Corporation may initiate the Emergency Rationing Program as specified in the Corporation's Tariff. By execution of this agreement, the Applicant hereby shall comply with the terms of said program.

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

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

By execution hereof, the Applicant shall guarantee payment of all other rates, fees, and charges due on all accounts for which said Applicant owns a Membership Certificate.