

CERTIFICATE FOR ORDER

THE STATE OF TEXAS §
COUNTY OF HARRIS §
LAGO BELLO MUNICIPAL UTILITY DISTRICT NO. 1A OF HARRIS COUNTY §

We, the undersigned officers of the Board of Directors (the "Board") of Lago Bello Municipal Utility District No. 1A of Harris County (the "District"), hereby certify as follows:

1. The Board convened in regular session, open to the public, on the 9th day of January, 2024, at a designated meeting place outside the boundaries of the District, and the roll was called of the members of the Board, to-wit:

Javier Hernandez	-	President
Walt Krey	-	Vice President
Janet Baccus	-	Secretary
Robert John McClelland	-	Assistant Secretary
Jennifer Young	-	Assistant Secretary

All members of the Board were present, except the following absentees: N/A, thus constituting a quorum. Whereupon, among other business, the following was transaction at such meeting:

ORDER ADOPTING CONSOLIDATED RATE ORDER AND RULES AND REGULATIONS; ESTABLISHING A DROUGHT CONTINGENCY PLAN; ESTABLISHING A WASTEWATER CONTROL ORDER; ESTABLISHING CERTAIN OTHER POLICIES; AND PROVIDING PENALTIES FOR VIOLATION THEREOF

was duly introduced for the consideration of the Board. It was then duly moved and seconded that such Order be adopted; and, after due discussion, such motion, carrying with it the adoption of said Order, prevailed and carried by the following vote:

AYES: All Present

NOES: None

2. A true, full, and correct copy of the aforesaid Order adopted at the meeting described in the above and foregoing paragraph is attached to and follows this Certificate; such Order has been duly recorded in said Board's minutes of such meeting; the above and foregoing paragraph is a true, full, and correct excerpt from the Board's minutes of such meeting pertaining to the adoption of such Order; the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of the Board as indicated therein; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance of the time, place, and purpose of such meeting and that such Order would be introduced and considered for adoption at such meeting and each of such officers and members consented, in advance, to the holding of such meeting for such purpose; such meeting was open to the public, as required by law, and public notice of the time, place and purpose of such meeting was given as required by V.T.C.A. Government Code, Chapter 551, as amended.

SIGNED AND SEALED this 9th day of January, 2024.



President, Board of Directors



ORDER ADOPTING CONSOLIDATED RATE ORDER AND RULES AND REGULATIONS;
ESTABLISHING A DROUGHT CONTINGENCY PLAN; ESTABLISHING CERTAIN OTHER
POLICIES; AND PROVIDING PENALTIES FOR VIOLATION THEREOF

THE STATE OF TEXAS §

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LAGO BELLO MUNICIPAL UTILITY DISTRICT NO. 1A OF HARRIS COUNTY §

WHEREAS, the Board of Directors (the "Board") of Lago Bello Municipal Utility District No. 1A of Harris County (the "District") desires to adopt an Order and Rules and Regulations establishing the rates and conditions under which water and sanitary sewer service will be provided (this "Order" or "Rate Order"); and

WHEREAS, the Board of the District has determined that it is in the best interest of the District to adopt this Rate Order;

IT IS, THEREFORE, ORDERED BY THE BOARD OF DIRECTORS OF LAGO BELLO MUNICIPAL UTILITY DISTRICT NO. 1A OF HARRIS COUNTY THAT:

Section 1. Definitions. For purposes of this Order, the following words or terms shall have the following meanings:

1.01. "Builder" shall mean an entity which is constructing a house on a lot for resale to the public.

1.02. "Commercial" shall mean and include any office building, hotel, retail store, clubhouse, warehouse, service station, or other establishment rendering a service or offering a product for sale to the public, and any establishment not generally considered a single-family residence.

1.03. "Commercial Waste" shall mean liquid carried sanitary sewage discharged from Commercial Customer Connections which is properly shredded and amenable to biological treatment and which may contain trace amounts of sand, grit, lubricants and establishments such as service stations and car wash facilities.

1.04. "Community Association" shall mean a private, non-governmental entity that is organized as "not-for-profit" under Texas law as a homeowner or property owner association.

1.05. "Customer" shall mean the person, firm, corporation or other entity which receives District services for a Residential, Commercial, Multi-family, or other structure, whether the owner, renter, Builder or lessee thereof. Inasmuch as this Order hereinafter makes it mandatory for each such structure to be connected to the District's System as soon as the District's System becomes operable, the term "Customer" shall mean and include the person, firm, corporation or other entity which requests District services for such structure at the time service becomes available to said structure.

1.06. "Customer Connection" shall mean each separately metered Residential, Commercial or Multi-family structure that is physically connected to the District's System, whether occupied or not, and where appropriate, shall refer to the point of physical connection of such facility to the District's System.

1.07. "Customer Service Inspection Certification" shall mean the inspection and subsequent certification required to be provided to the District in the instances and in the manner set forth in this Order, and which shall be evidenced by the completion of a form in substantially the form attached to this Order as Appendix "1" to Exhibit "B".

1.08. "Delinquent Bill" shall mean a bill for water and/or sanitary sewer service and/or other services, penalties and/or other charges of any nature hereunder imposed by the District, whether hereunder or pursuant to the District's Wastewater Control Order, which has not been paid by the due date printed on the bill.

1.09. "District's Engineer" shall mean the person, firm or corporation which the District has engaged to provide engineering services for the District.

1.10. "District's Operator" shall mean the person, firm, corporation, municipal corporation or political subdivision with which the District has contracted for operation and maintenance of the District's System.

1.11. "Domestic Waste" shall mean liquid carried sanitary sewage discharged from Residential Customer Connections which is properly shredded and amenable to biological treatment, which is normally discharged from Residential food preparation and bathroom facilities, and which has biological oxygen demand (5-day) and total suspended solids concentrations not exceeding 200 milligrams per liter.

1.12. "Equivalent Single-Family Connection" or "ESFC" shall mean the amount of capacity allocated to a commercial customer expressed in terms of the amount of capacity used by a single-family residence, based on the volume and type of wastewater discharge as determined by the District Engineer.

1.13. "Governmental and Non-Profit Entity" as used in reference to "initial connection to the System," shall mean the owner of any property within the District that is exempt from the payment of ad valorem taxes levied by the District and is a customer who is a political subdivision of the State of Texas, or a private, non-governmental entity that is organized as "not-for-profit" under Texas law and is not a homeowner or property owner association.

1.14. "Health Hazard" shall mean a cross-connection, potential cross-connection, or other situation involving any substance that could, in the opinion of the District, cause death, illness, or spread of disease, or which has a high probability of causing such effects if introduced into the District's potable drinking water supply.

1.15. "Industrial Waste" shall mean waste other than Commercial Waste and Domestic Waste.

1.16. "Multi-family" shall mean the individual dwelling units served through the Multi-family Residential Connection's master meter and all individual dwelling units served by a master meter.

1.17. "Multi-family Residential Connection" shall mean all multiplex, residential connections which are served by a master meter, including apartments, motels, hotels, townhouses, and condominiums.

1.18. "Public Space User" shall mean any user of the District's system to serve areas open to all members of the public, all residents of the District including, but not limited to esplanades, lakes, recreational areas or green spaces ("Public Spaces").

1.19. "Rate Schedule" shall mean the schedule of rates set by the District for water and sanitary sewer services as well as any and all necessary services provided by the Districts' consultants on behalf of or for the benefit of the District's Customers, whether in-District or out-of-District, residential, commercial, governmental or charitable organizations, as set forth on Exhibit "A" attached hereto, which rates may be amended from time to time by the District's Board of Directors.

1.20. "Residential" shall mean and include only single family residences.

1.21. "State Approved Plumbing Code" is a set of rules governing plumbing practices which are at least as stringent and comprehensive as one of the following nationally recognized codes:

- a. Southern Standard Plumbing Code.
- b. Uniform Plumbing Code.
- c. National Standard Plumbing Code.

1.22. "System" as used herein, shall mean the water and/or sanitary sewer and/or storm sewer facilities of the District and all extensions and additions thereto, whether now in place or hereafter constructed.

Section 2. Initial Connections to the District's System ("Taps").

2.01. Requirement to Connect to the District's System. Each structure within the District requiring water and/or sanitary sewer services shall be physically connected to the District's System as soon as the District has made water and sanitary sewer services available to such structure pursuant to the provisions contained herein. It is the policy of the District that all properties within the District shall be physically connected to both the sanitary sewer System and water System of the District. In the event that both water and sanitary sewer services are not available to a property at the time a Customer Connection is applied for, the Board of Directors, in its sole discretion, may permit connection to the water System or sanitary sewer System upon determination by the District that an acceptable alternative water source or wastewater treatment source is available to such property. If both water and sanitary sewer services do not become available at the same time, and if the District permits connection to the water System or sanitary sewer System without requiring connection to both, the water connection must be made at the time water service becomes available and the sanitary sewer connection must be made at the time sanitary sewer service becomes available.

2.02. Application for Water and Sanitary Sewer Connections. Each person desiring initial water and sanitary sewer service connections to the District's System shall notify the District's Operator and sign and complete an application for such service and pay such fees as established by this Rate Order. The application form may be amended by the District from time to time, as deemed appropriate, without

the necessity of an amendment to this Rate Order. No physical connection to the District's System shall be made until such application has been completed and such fees have been paid.

2.03. Tap Fees. Tap fees shall be collected from the applicant by the District's Operator before physical connection is made to the District's System (which fees shall include the meter and meter box and installation thereof) as set forth on the Rate Schedule attached hereto as Exhibit "A".

2.04. Policies Governing Initial Connections.

(a) Certification. Subject to the provisions of Section 2.01 hereof, physical connection shall not be made to the District's System until the District's Engineer has certified that the System is operational. Continuous water service shall not be provided to any Customer until (i) an acceptable sanitary sewer connection (except as to water service only Customers) has been made; (ii) all inspections required pursuant to Section 2.05 hereof have been performed; (iii) any deficiencies or damages noted during said inspections have been corrected and/or paid for; and (iv) a properly completed Customer Service Inspection Certification has been provided to the District.

(b) Availability of Access. Upon application for Customer Connection, the applicant shall grant an easement of ingress and egress to and from the water meter for such installation, maintenance and repair as the District, in its judgment, may deem necessary. Physical connection will not be made when, in the opinion of the District's Engineer or the District's Operator, the work area is obstructed by building materials and debris or the work area is not completed to finished grade. When sidewalks, driveways or other improvements have been constructed prior to application for Customer Connection, such application shall be construed and accepted as a waiver of any claim for damages to such improvements resulting from the reasonable actions of the District's Operator relative to the installation of the Customer's connection to the District's System.

(c) Property of District. All meters, fittings, boxes, valves and appurtenances installed shall remain the property of the District.

(d) Connections by District Operator. Physical connection to the District's water System shall be made by the District's Operator unless specified otherwise by the Board of Directors of the District. Physical connection to the District's sanitary sewer System shall be made in accordance with the District's Rules and Regulations Governing Water and Sanitary Sewer Facilities, Service Lines, and Connections and in accordance with Section 2.05 hereof. No person, other than the properly authorized agents of the District, shall be permitted to make any connection to the District's water System, except for emergency fire-fighting purposes, or make any repairs or additions to our alterations in any meter, box, tap, pipe, cock or other fixture or appurtenance connected with the water service, or any manhole, main, truck or appurtenance of the District's sanitary sewer or storm sewer System except by the written permission of the Board of Directors of the District.

(e) Submission of Plans for Connections. Each applicant for a Customer Connection, other than a Residential Customer Connection, shall, not less than thirty (30) days prior to the requested connection date, submit to the District's Engineer or other party designated by the Board of Directors of the District, the following information:

(1) Water, sanitary sewer, and drainage plans and specifications for the property for which the connection is sought signed and sealed by a Registered Professional Engineer of the State of Texas

indicating estimated volumes of water or effluent, details of building plumbing, materials to be used and the location, size and number of proposed connections to the District's System;

(2) The legal description of the land to be served by the District's System and a copy of the recorded plat of same; and

(3) A general description of the type of proposed establishment and, if applicable, a description of the special measures taken in order to prevent any possible Industrial Waste and/or unauthorized Commercial Waste from entering the District's sanitary sewer System.

In recognition of the District's obligation to protect and maintain public health, the District's Engineer or other party designated by the Board of Directors of the District shall review the information presented and may approve or reject the application, request that further information be submitted prior to approval of the application, or require modifications to be made to the plans, including without limitation, requiring the installation of backflow preventers, grease traps, grinders, sampling wells, and/or pretreatment units as may be deemed necessary or appropriate for the protection of the District's System. The Customer shall be responsible for payment of all costs in connection with the review of said information. Simultaneously with submitting plans and specifications for review and approval, the applicant shall submit an initial deposit of \$1,500.00 to the District's bookkeeper. If the District's costs exceed the initial additional deposit amount of \$1,500.00, review of the plans will be discontinued until an additional deposit of \$1,500.00 is submitted to the District's bookkeeper. Any funds remaining on deposit after completion of review and approval of the plans will be returned at the District's next following Board meeting. Customer shall be notified in writing as to the basis for rejection of its application. Failure to construct the facilities in accordance with approved drawings shall constitute a basis for denial of District services. If the application information is not timely provided, the District shall not be held responsible for delays in the installation of water and sanitary sewer connections or the provision of District services. Payment of tap fees to the District's Operator prior to the approval of plans shall not be considered approval of said plans or approval for connection to the District's System. Any unauthorized physical connection to the District's System may be removed without notice at the expense of the person or firm causing such connection to be made. A copy of approved plans and specifications, with the District's engineer's approval indicated thereon, shall be submitted to the District's Operator. Any modification of such plans shall require re-approval by the District's engineer.

(f) Builder Deposit. Upon first application for a Customer Connection, the applicant (whether property owner, Builder or other) (the "Applicant") shall pay a security deposit in the amount specified on the Rate Schedule attached hereto as Exhibit "A", (which deposit shall apply to all connections of such Applicant, whether one or more) (the "Builder Deposit"). The Builder Deposit is solely to secure the payment of costs to repair any District facilities damaged by the Applicant or other parties during the construction of the house, building or other improvement on the applicable property ("Builder Damages"). The Applicant shall be held responsible for any Builder Damages and shall reimburse the District for all costs incurred in repairing the Builder Damages.

After inspection by the District's Operator, the District may utilize the Builder Deposit to pay for any repairs to the District facilities made necessary by the Applicant's construction activities. If the Builder Deposit is not sufficient to pay for such Builder Damages, the Applicant shall pay such outstanding balance due. No additional connections to the District's System shall be permitted relative to any Applicant who has outstanding Builder Damages. If Applicant is building more than one house, building or other improvement within the District, the Builder Deposit shall remain at the level set forth on the Rate Schedule attached hereto as Exhibit "A", at all times, and if the District utilizes a portion or all of the Builder Deposit to repair Builder Damages, the Applicant shall pay to the District the amount(s)

necessary to maintain the Builder Deposit as set forth on the Rate Schedule attached hereto as Exhibit "A".

The District shall refund the Builder Deposit upon completion of the last house, building or other improvement to be constructed within the District by the Applicant and final inspection by the District's Operator. No interest will be paid by the District on the Builder Deposit.

2.05. Inspections.

(a) Sanitary Sewer Inspections. A sanitary sewer inspection fee shall be charged to each Residential, Commercial, Multi-family, Governmental, Non-Profit, and Community Association Entity, payable at the time of application for connection to the District's System, shall be charged by the District for inspection of each sanitary sewer physical connection and service line. Sanitary sewer connections and service lines shall be inspected for strict compliance with the District's "Rules and Regulations Governing Water and Sanitary Sewer Facilities, Service Lines, and Connections." Customer shall notify the District's Operator prior to any such connection being made. Customer shall again notify the District's Operator after the physical connection has been made and such District's Operator shall inspect and approve the connection prior to backfilling of the area and prior to the commencement of sanitary sewer service. Installations which fail to conform to said rules will be denied. Customer shall be notified in writing as to the basis for such denial. After noted deficiencies have been corrected, a sanitary sewer connection reinspection shall be made upon payment to the District of a reinspection fee. If subsequent reinspections are required before the sanitary sewer connection and service lines are found in compliance with the District's rules, an additional sanitary sewer reinspection fee shall be charged for each such reinspection.

(b) Customer Service Inspection Certification. Prior to the District providing continuous water service to (i) any new construction; (ii) any existing Customer Connection when the District, in its sole discretion, has reason to believe that a cross-connection or other unacceptable plumbing practice exists; or (iii) any existing Customer Connection after any material improvement, correction or addition to the private plumbing facilities, a properly completed Customer Service Inspection Certification shall be provided by the Customer to the District. "Continuous" water service, with respect to new construction, shall be deemed to commence upon the transfer of service from the Builder of a building, residence, or other establishment to the initial occupant or user thereof.

For Residential Customer Connections, the District's Operator shall perform the inspection and provide the necessary certification, and the District shall charge the Customer a fee as set forth in the Rate Schedule attached hereto as Exhibit "A".

For Commercial (including Governmental, Non-Profit and Community Association Entities) and Multi-family Customer Connections, the District's Operator shall perform the inspection and provide the necessary certification, and the District shall charge the Customer a fee as set forth in the Rate Schedule attached hereto as Exhibit "A".

Should a Customer fail to provide to the District a properly completed Customer Service Inspection Certification, water service to such Customer will be terminated by the District and service shall not be restored by the District until the required Customer Service Inspection Certification form is provided.

(c) Final Inspection of District Facilities. In accordance with applicable rules of the Texas Commission on Environmental Quality, any person desiring water and sanitary sewer services from the District must notify the District's Operator prior to making any improvement or starting any construction on property within the District if such improvement, construction or equipment used in connection

therewith will be within or in close proximity to easements, rights-of-way or property where District facilities are located. The District's Operator shall inspect each property or location at which the improvement or construction is to take place prior to commencement of same to verify the location and condition of District facilities on the property. Upon receipt of instructions from the contractor or Builder that construction of the facility or improvement is complete and prior to the transfer of the account to the subsequent Customer, the District's Operator shall make a final inspection of the water tap, meters and all other District facilities located on or around the property in question to verify the condition of such facilities. If damage to any District facilities is found, the District's Operator will repair such facilities and the Builder or contractor will be responsible for payment of all costs incurred prior to the initiation of services to the property. A fee as shown on the Rate Schedule attached hereto as Exhibit "A", shall be charged by the District to cover the costs of such inspections, which fee will be due and payable at the time the tap fee is paid.

(d) Swimming Pool Inspections and Fee. Any Customer planning to construct or install a swimming pool within the District shall notify the District's Operator in writing prior to commencing construction and pay an inspection fee as set forth in the Rate Schedule attached hereto as Exhibit "A". The District's Operator shall ensure proper backflow prevention devices are installed and require all drains and backwash from the swimming pool, and related equipment and facilities, are connected to the sanitary sewer system in accordance with a State Approved Plumbing Code. Service shall not be authorized for a swimming pool until the District's Operator has inspected all drains and backflow prevention devices and verified proper connection. The District may discontinue service to any Customer failing to follow the requirements of this subsection.

(e) Water Softener Inspection and Fee. Any Customer planning to install a water softener within the District shall notify the District's Operator in writing prior to commencing installation and pay an inspection fee as set forth in the Rate Schedule attached hereto as Exhibit "A". The District's Operator shall ensure proper backflow prevention devices are installed and require all drains are connected to the sanitary sewer system in accordance with a State Approved Plumbing Code. Service shall not be authorized for a water softener until the District's Operator has inspected all drains and backflow prevention devices and verified proper connection. The District may discontinue service to any Customer failing to follow the requirements of this subsection.

(f) Grease Trap Inspections and Fee. Commercial users shall install a sampling well and a grease trap with sampling port when required by the District's Engineer and Operator. Each customer requiring a grease trap shall: (1) install such grease trap with approval by the District's Operator and Engineer, at the sole expense of the customer; (2) provide the District, prior to receiving service, with a copy of an effective and continuing contract between the customer and a licensed hauler, said contract to be for regular routine pumping and disposal; and (3) provide the District's Operator with a copy of a hauler's manifest to evidence regular pumping and disposal within ten (10) days after receipt by the customer. In addition, no less often than once per month, the District's Operator shall inspect the grease trap, the cost of which inspection is set forth in the Rate Schedule attached hereto as Exhibit "A". In the event the customer fails to have the grease trap cleaned on a timely basis, following ten (10) days written notice, the District shall be authorized to clean the customer's grease trap and such cost shall be billed to customer with the next monthly water bill. Failure to pay any charges described in this Section 2.05(f) shall result in the termination of water service in accordance with Article IV of this Rate Order.

2.06. Temporary Water Service. Withdrawal of water from flushing valves or fire hydrants or other appurtenances of the District's System without prior approval of the District, except for emergency fire-fighting purposes, is prohibited. The District's Operator shall be authorized to make a temporary

connection to any fire hydrant or flushing valve upon request for temporary water service within the area of the District. Such temporary service shall be provided only through a District meter installed by the District's Operator. The applicant for temporary water service shall be required to post a deposit to secure the payment for water supplied by the District, the installation fee, the safe return of the District's meter and fire hydrant wrench, and the cost of repair of any damage by a user of the hydrant. In addition to the deposit required herein above, a fee for temporary water service shall be charged for water delivered through the meter at the rate set forth in the Rate Schedule attached hereto as Exhibit "A". Temporary water service may be supplied outside the area of the District only with the express authorization of the Board of Directors of the District.

Section 3. Rates and Fees for Water and Sanitary Sewer Services. Each prospective Customer desiring water and sanitary sewer service shall be required to provide appropriate information in order to obtain such service and shall pay an application fee.

3.01. Application Fee and Security Deposit. A non-refundable application fee shall be charged for each Customer. Each Residential and Commercial Customer shall pay a security deposit; and each Multi-family Customer for Multi-family units served by a master meter, shall pay a security deposit, as set forth on the Rate Schedule attached hereto as Exhibit "A". Upon final termination of service, such deposit shall be credited against amounts owed to the District and any balance refunded to the Customer within forty-five (45) days after termination of service. The District shall not be required to pay interest to the Customer on such security deposit. Further, any Customer whose service is terminated pursuant to Section 4.02 hereof shall pay such deposit (if such Customer has not previously paid a security deposit) before Customer's service is restored.

3.02. Monthly Rates for Residential Water and Sewer Service.

(a) In-District Customers. The District shall charge a rate per month, or any part thereof, to each Customer Connection for Residential water and sewer service in every instance in which a different charge is not expressly and clearly provided for herein, as set forth on the Rate Schedule attached hereto as Exhibit "A".

(b) Out-of-District Customers. The District, at its discretion, may provide water and sanitary sewer service to out-of-District Customers. Such out-of-District Customers shall be governed by the same rules and regulations of the District as the District's residents and shall be governed by the rates shown on the Rate Schedule for out-of-District Customers, attached hereto as Exhibit "A".

3.03. Monthly Water and Sanitary Sewer Service Rates for Commercial, Governmental and Non-Profit Entities. The District shall charge a rate per month, or any part thereof, to each Commercial, Governmental and Non-Profit Customer Connection for water and sanitary sewer service in every instance in which a different charge is not expressly and clearly provided for herein, as set forth on the Rate Schedule attached hereto as Exhibit "A".

3.04. Monthly Water and Sanitary Sewer Service Rates for Multi-family Residential Connections. The District shall charge a rate per month, or any part thereof, for water and sanitary sewer service to Multi-family units served by a master meter as set forth in the Rate Schedule attached hereto as Exhibit "A".

The District shall charge the minimum base water and sewer charge for each unit served by a master meter. Notwithstanding the foregoing, during the first three (3) months after the date of initial

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connection to the District's System of Multi-family units serviced by a master meter, the customer shall be charged for water usage at the rate of \$2.00/1,000 gallons and sanitary sewer service at the rate of \$25.00 per month. Beginning the first day of the next billing period after the third month, the following percentage of Multi-family units planned ultimately to be served by such meter will conclusively be deemed to be completed and habitable, and billing will be in accordance with the rates set forth on the Rate Schedule attached hereto as Exhibit "A" with each unit deemed completed and habitable being considered as one unit:

Phase-In Schedule

Months After Tap	Percentage Habitable
3	40%
4	55%
5	70%
6	85%
7 and thereafter	100%

3.05 Community Associations. Nonprofit Community or Civic Associations using water for the beautification and maintenance of public or common areas within the boundaries of the District may be charged as set forth on the Rate Schedule attached hereto as Exhibit "A" upon application and approval by the District's Board. This rate shall not include swimming pools, clubhouses, and other similar facilities. The Board reserves the right to terminate services for those entities paying for water as provided in this subsection if the Board finds their usage to be excessive, or if their system is found to be in need of repair.

3.06. Bulk Rates. The water and sanitary sewer service rates set forth above shall not be construed to prevent the District from furnishing water and/or sanitary sewer service to any Customer at a bulk rate if deemed advisable by the District, with such rate to be determined on a case by case basis.

3.07. Policies Governing Services.

(a) No Reduced Rates or Free Service. All Customers receiving services from the District shall be subject to the provisions of this Order and shall be charged the rates established in this Order, and no reduced rate or free service shall be furnished to any Customer; provided, however, this provision shall not prohibit the District, upon good cause shown, from establishing reasonable classifications of Customers for which rates differing from the rates stated herein may be adopted.

(b) Entitlement. Customers are not guaranteed a specific quantity or pressure of water or specific capacity in sewer facilities for any purpose whatever; in no instance shall the District be liable for failure or refusal to furnish water or any particular amount or pressure of water or to provide capacity in sewer facilities.

(c) Unauthorized and Extraordinary Waste. The water and sewer service rates established herein are applicable for ordinary Domestic Waste normally considered to have a biological oxygen demand (five day) and total suspended solids of 200 milligrams per liter. Customers discharging, whether intentionally or unintentionally, non-Domestic Waste into the District's System will be assessed additional charges as established by District based on the volume and concentration of the proposed waste, as well as costs of remediation and/or repairs to the System occasioned as a consequence of such discharge. Customers proposing to discharge or discharging certain Commercial Waste, including Commercial Waste from food processing or other food handling establishments, will be required to install garbage grinders and may be

required to install grease traps or pretreatment units when so ordered by the District following the evaluation of the effects of high concentrations of organics on the System. Customers which are required to install garbage grinders, grease traps or other types of pretreatment units shall maintain same in good working condition, which shall include, but not be limited to, regular cleaning. The District shall have the right to inspect such pretreatment units, and, in order to protect the District's facilities, reserves the right, if Customer has failed to do so, to perform the required maintenance at Customer's expense and/or to discontinue service to Customer. The District's current waste discharge permit prohibits the introduction of Industrial Waste into the System. All Customers of the District's sanitary sewer System shall be subject to the terms and conditions of any waste order heretofore or hereafter adopted by the District, rates and charges to produce revenues to pay such additional costs incurred by the District in connection with such Industrial Waste. The District's Operator shall have rights of ingress and egress to Customer's property in order to carry out the provisions of this Section.

(d) Plumbing Regulations. The following plumbing regulations are, pursuant to 30 Texas Administrative Code Chapter 290, applicable to all Customers of the District:

(i) No direct connection between the District's water System and a potential source of contamination shall be permitted; potential sources of contamination shall be isolated from the District's water System by an air gap or an appropriate backflow prevention device in accordance with the guidelines set forth in the American Water Works Association Manual of Cross Connection Control (Manual M-14) and/or as otherwise required by the District in its reasonable discretion;

(ii) No cross connection between the District's water System and any private water system shall be permitted, and any potential threat of cross connection shall be eliminated at the service connection by the installation of an air gap or reduced pressure-zone backflow prevention device;

(iii) No connection which allows water used for condensing, cooling or industrial processes, or water from any other system of nonpotable usage over which the District does not have sanitary control to be returned to the District's water System shall be permitted;

(iv) The use of pipes and pipe fittings that contain more than 0.25 percent lead, or solders and flux that contain more than 0.2 percent lead is prohibited for installation or repair of the District's water supply System and for installation or repair of any plumbing in any Residential or Commercial facility providing water for human consumption and connected to the District's water supply System. This requirement may be waived for lead joints that are necessary for repairs to cast iron pipe;

(v) No new or replacement plumbing fixture which is not in compliance with a State-Approved Plumbing Code shall be permitted to be installed in any Residential or Commercial facility that is connected to the District's water supply System; and

(vi) Notwithstanding anything to the contrary contained herein, the District reserves the right to inspect each Customer's property at any time for possible cross connections and other plumbing practices in violation of this Rate Order. The Customer shall, upon receipt of notice from the District, immediately correct any undesirable plumbing practice existing on his premises to prevent possible contamination of the District's water System. The existence of a serious threat to the integrity of the District's water System shall be considered sufficient grounds for immediate termination of water service. Water service will be restored only when the source of potential contamination no longer exists, or when sufficient additional safeguards have been taken to protect the District's water System from contamination, and a Customer Service Inspection Certification confirming the correction of a prohibited

plumbing practice has been submitted to the District. The District shall not be required to follow the procedures set forth in Section 4.02 hereof when terminating water service to a Customer under this Section 3.07(d). However, the Customer shall be subject to the same charge for restoration of service terminated pursuant to this Section 3.07(d) as is set forth in Section 4.02 hereof.

(e) Backflow Prevention Requirements. The following backflow prevention requirements are applicable to all Customers of the District:

(i) Backflow prevention assemblies shall be installed, tested and maintained, at the Customer's expense, at any Customer Connection as required by 30 Texas Administrative Code Chapter 290, and pursuant to the guidelines set forth in the American Water Works Association Manual of Cross Connection Control (Manual M-14) and/or as otherwise required by the District in its reasonable discretion. The use of a backflow prevention device at the service connection shall be considered additional backflow protection and shall not negate the use of backflow prevention on the internal hazards of any Customer Connection as outlined and enforced by State-approved plumbing codes and/or the American Water Works Association Manual of Cross Connection Control (Manual M-14).

(ii) All backflow prevention assemblies installed at any Customer Connection shall be tested upon installation by a recognized backflow prevention assembly tester (as defined in 30 Texas Administrative Code Chapter 290) and certified to be operating within specifications. Backflow prevention assemblies which are installed to provide protection against a Health Hazard must also be tested and certified to be operating within specifications at least annually by a certified backflow prevention assembly tester. The District will bill an administrative fee specified in Exhibit "B" to administer the annual testing program.

(iii) For each backflow prevention assembly required to be installed by a Residential Customer pursuant to this Order, it shall be the responsibility of the Residential Customer to have such assembly tested upon installation and periodically thereafter as required by Subsection (ii) above, and to submit to the District for record keeping purposes within seven (7) days after each such test a signed and dated original Backflow Prevention Assembly Test and Maintenance Report ("Test Report"), in the form attached to this Order as Appendix "2" to Exhibit "B", completed by a recognized backflow prevention assembly tester;

At the option of a non-Residential Customer, the non-Residential Customer or the District's Operator shall install any backflow prevention assembly required to be installed pursuant to this Order; provided that the District's Operator shall test any such backflow prevention assembly and shall complete and retain in the District's files for record keeping purposes an original Backflow Prevention Assembly Test and Maintenance Report ("Test Report"), in the form attached to this Order as Appendix "2" to Exhibit "B". The District shall charge the non-Residential Customer for the District's cost of the installation of the backflow prevention assembly and the initial test thereof and for each annual test performed on such assembly as set forth on the Rate Schedule attached hereto as Exhibit "A".

3.08. Garbage Collection. The District may contract with an independent contractor to provide for solid waste and trash collection within the District. If the Board of the District determines that it is in the best interest of the District to contract for solid waste and trash collection, the fee for such service, as established by contract, shall be included in the monthly sewer service bill. Failure to pay the solid waste and trash collection service on or before the due date indicated on the water and sewer service bill shall result in the assessment of a 10% penalty on the unpaid balance of the bill for solid waste and trash collection as well as termination of service under the provisions of Section 4 of this Order.

3.09. Regulatory Assessment. Pursuant to Section 5.701 Texas Water Code, as amended, and 30 T.A.C. 291.76, the District shall pay by January 31 of each year a regulatory assessment to the Texas Commission on Environmental Quality in the amount required by law based on the total charges for retail water and sewer service collected from its retail customers in the prior twelve months.

At the end of each calendar year, the District's Operator shall prepare a written statement indicating the (i) the total charges collected for retail water and sewer service for the year; and (ii) the regulatory assessment due and payable to the Texas Commission on Environmental Quality. The District's Operator shall deliver the written statement to the District's Bookkeeper for payment.

3.10. Harris Galveston Subsidence District. The District lies within the boundaries of the Harris Galveston Subsidence District (the "Subsidence District") and may be subject to fees imposed by the Subsidence District. In order to collect from the District's Customers sufficient funds to pay the Subsidence District's fees, if such fees are enforced on the District, the District shall add to each Customer's bill the Subsidence District's fee plus a ten (10) percent administrative fee. The Subsidence District fee may be subject to change, and the charge to each Customer shall automatically adjust therewith. Failure by a customer to pay such fees will result in the termination of water service as set forth in this Order.

3.11 Groundwater Reduction Plan Fee. In order to collect from the District's Customers sufficient funds to cover the costs of maintaining compliance with the requirements of the Groundwater Reduction Plan approved by the Subsidence District on _____, 202__ (the "GRP"), including but not limited to the reservation of water rights pursuant to that certain Water Supply Contract by and between the District and San Jacinto River Authority dated August 1, 2023, the District shall add to each Customer's bill a "GRP Fee" of \$4 per 1,000 gallons. Failure by a customer to pay such fees will result in the termination of water service as set forth in this Order.

3.12. Fire Protection Service and Fees. Reserved.

3.13. Law Enforcement Service and Fees. Reserved.

Section 4. Delinquency in Payment; Penalty; Discontinuation and Termination of Service.

4.01. Penalty for Failure to Pay Bill Before Delinquency. A charge of ten percent (10%) of the amount of the Customer's bill shall be added to the Customer's bill when such Customer has failed to pay any bill before it becomes a Delinquent Bill. A returned check charge in the amount shown on the Rate Schedule attached hereto as Exhibit "A" shall be imposed for each returned check notice forwarded to a Customer as a result of a Customer's check being returned by a bank for any reason.

4.02. Termination of Service For Failure to Pay Bills When Due. The District shall have the right to terminate service and cut off the supply of water to a Customer and/or a Customer's access to the District's sanitary sewer System fifty (50) days after its bill becomes a Delinquent Bill. The Customer shall, by written notice mailed to the Customer's address as reflected in the records of the District, be notified of the delinquency and the date on which service shall be terminated if the account (including delinquent charges and penalty) is not paid in full, which date shall not be less than five (5) days from the date such notice is sent. Such notice shall state the place and time at which the account may be paid, that any errors in the bill may be corrected by contacting the billing company, whose telephone number shall also be given in such notice, and that the Customer has the right to appeal such termination to the Board of Directors of the District. The cost incurred by the District to mail notice of a Delinquent Bill and the

District's cost to place notice of a Delinquent Bill on the customer's front door shall be added to the customer's Delinquent Bill. If the delinquent account (including any non-delinquent portion thereof), including penalty and all other charges then due and owing, has not been paid in full by the proposed termination date, service shall then be discontinued unless otherwise agreed by the Board of Directors of the District. The District shall impose a charge as shown on the Rate Schedule attached hereto as Exhibit "A", for disconnection and restoration of service discontinued pursuant to this section. Payment of the unpaid account, including penalty and all other charges then due and owing, plus any required deposit, shall be paid by cashier's check or money order or a form of guaranteed funds (credit card) prior to restoration of water service where service has been terminated because of the Customer's failure to pay a bill before it became a Delinquent Bill.

4.03. Discontinuing Service Upon Request of a Customer. Whenever a Customer of the District requests that water and sewer service be temporarily discontinued, Customer shall notify the District's Operator at least two days prior to the time that such service discontinuation is desired. The District shall charge the Customer, as indicated on the Rate Schedule attached hereto as Exhibit "A", for restoring water service when such service is discontinued and restored at the request of the Customer and he/she is not delinquent in the payment of any bill at the time of either request.

Section 5. Damage to District Facilities.

5.01. Damage to Meters and Appurtenances. No person other than a duly authorized agent of the District shall open any meter box, repair, alter, adjust, remove, make connections or additions to or in any other way take any action which affects any meter, meter box, service line or other water and/or sewer System appurtenance. The District reserves the right to immediately and without notice remove the meter or disconnect water service to any Customer whose meter, meter box, service line or other System appurtenance has been tampered with or altered in any way, or who has reconnected service which was terminated by the District. The District shall assess repair costs to Customer plus a damage fee as shown on the Rate Schedule attached hereto as Exhibit "A".

5.02. Right to Repair. In recognition of the District's obligation to protect and maintain the public health, the District reserves the right to repair damage to the District's System and appurtenances without prior notice, and to assess against Customer such costs, including attorneys' fees, and such penalties as are provided in this Order or otherwise provided by law or legally available to the District, in addition to those charges necessary to repair the portion of the System so damaged.

5.03. Obstructions. After a water meter has been set, the Customer shall at all times keep the area in, around and upon the meter and box and District easements and property under Customer's control free from rubbish or obstructions of any kind. Failure to keep the meter and box and District easements and property under Customer's control free from rubbish or obstructions may result in disconnection of water services and/or the assessment of charges necessary to remove said obstructions. Customers are prohibited from introducing material into the District's sanitary sewer System which would cause obstruction of said System. In the event that an inspection by the District's Engineer or District's Operator reveals damage to the sanitary sewer System resulting from a Customer's failure to prevent obstructions from entering said System, the District reserves the right to immediately and without notice remove the obstruction. Any District costs for removal of obstructions, including the cleaning of grease traps, plus a District administration fee, shall be assessed to Customer. The District's Operator shall have rights of ingress and egress to Customer's property in order to carry out the provisions of this Section.

5.04. Storm Sewer System. The use of the District's storm sewer System is limited solely to storm waters. No other liquids or solids, including but not limited to, grass or yard clippings, trash, construction materials, oils or grease, shall be introduced into the District's storm sewer System. It shall be a violation of this Order to introduce unauthorized material, whether liquid or solid, into the District's storm sewer System and the District reserves the right to assess such penalties as provided in this Order to any person, corporation, or other entity who makes such unauthorized use of the District's storm sewer System.

Section 6. Penalties for Violation; Attorneys Fees and Court Costs. Any person, corporation or other entity who:

- (1) violates any section of this Order, including a waste order entered into by the District; or
- (2) makes unauthorized use of District services or facilities; or

(3) violates the District's Rules and Regulations Governing Sewer Lines and Sewer Connections or any other rules or regulations of the District;

shall be subject to a civil penalty of not less than \$200.00, and in no event to exceed \$5,000, for each breach of the foregoing provisions. Each day that a breach continues shall be considered a separate breach. The amount of any penalty levied by the District pursuant to this Section shall be established by the District's Board of Directors after reasonable notice to the violator and a public hearing relative to such matter before the Board of Directors.

Penalties levied under this Section shall be in addition to such other penalties as are provided in this Rate Order, any other penalties provided under the laws of the State of Texas, and any other right of recovery that the District may have for damages or otherwise under applicable law. Notwithstanding the foregoing, in no event shall the District levy a penalty that is in excess of the jurisdictional limit of the justice court as provided by Section 27.031, Texas Government Code, as amended. In addition to the enforcement provisions set forth in this Order, the provisions of this Order, including any penalties levied hereunder, may be enforced by complaints filed in the appropriate court of jurisdiction in the County in which the District's principal office or meeting place is located. If the District prevails in any suit to enforce its rules, it may, in the same action, recover reasonable fees for attorneys, expert witnesses and other costs incurred by the District before the court. The amount of attorney's fees shall be fixed by the court.

Section 7. Appeal. Any determination by District's Operator or District's Engineer or authorized agent of the District or any dispute regarding the terms and provisions of this Order may be appealed to the Board of Directors of the District which shall conduct a hearing on the matter. All appeals shall either be submitted by Customer in writing or presented by Customer in person to the Board of Directors of the District at its regular meeting. In order to maintain service during the pendency of any such appeal in connection with fees or charges assessed hereunder, Customer shall pay all amounts, including service charges, penalties and other charges, due and payable to the District. Any amounts which are paid by the Customer and subsequently determined by the Board of Directors not to have been due shall be refunded to the Customer or credited against future bills, at the discretion of the District. The District's Operator and/or attorney shall provide Customer with information regarding appeals and hearing procedures upon Customer's request.

Section 8. Amendments. The District's Board of Directors has and specifically reserves the right to change, alter or amend any rate or provision of this Order at any time.

Section 9. Adoption of Rules and Regulations Concerning Waterworks and Sanitary Sewer System. To preserve the sanitary condition of all water controlled by the District, to prevent waste or the unauthorized use of water controlled by the District, and to secure and maintain safe, sanitary and adequate plumbing installation, connections and appurtenances, the Board of the District hereby adopts the Amended and Restated Rules and Regulations Governing Water and Sanitary Sewer Facilities, Service Lines, and Connections attached hereto as Exhibit "B" and incorporated herein for all purposes.

Section 10. Drought Contingency Plan. The Board of the District hereby adopts the Drought Contingency Plan attached hereto as Exhibit "C" and incorporated herein for all purposes.

Section 11. Wastewater Control Order. The Board of the District hereby adopts the Wastewater Control Order, attached hereto as Exhibit "D", and incorporated herein for all purposes.

Section 12. Enforcement/Civil Penalties.

12.01. Enforcement.

(a) Civil Penalties. The Board hereby imposes the following civil penalties for breach of any rule of the District: The violator shall pay the District the lesser of twice the costs the District has sustained due to the violation or an amount determined by the Board of Directors not to exceed \$5,000. A penalty under this Section is in addition to any other penalty provided by the laws of this State and may be enforced by complaints filed in the appropriate court of jurisdiction in the County in which the District's principal office or meeting place is located. If the District prevails in any suit to enforce its rules, it may, in the same action, recover any reasonable fees for attorneys, expert witnesses, and other costs incurred by the District before the court. The amount of the attorneys' fees shall be fixed by the court.

(b) Liability for Costs. Any person violating any of the provisions of this Order and/or the Rules and Regulations Governing Water and Sanitary Sewer Facilities, Service Lines, and Connections shall become liable to the District for any expense, loss or damage occasioned by the District by reason of such violation, and enforcement thereof shall be in accordance with Section 10.01(a) of this Order and Article X of the Rules and Regulations.

12.02. Non-waiver. The failure on the part of the District to enforce any section, clause, sentence, or provision of this Order shall not constitute a waiver of the right of the District later to enforce any section, clause, sentence, or provision of this Order.

12.03. Appeal. Any determination by the District's Operator or the District's Engineer or any authorized agent of the District of any dispute regarding the terms and provisions of this Order may be appealed to the Board of the District, which shall conduct a hearing on the matter. The District's Operator and/or attorney shall provide the Customer with information regarding appeals and hearing procedures upon the Customer's request.

Section 13. Miscellaneous.

13.01. Amendments. The Board of the District has and specifically reserves the right to change, alter or amend any rate or provision of this Order at any time.

13.02. Severability. The provisions of this Order are severable, and if any provision or part of this Order or the application thereof to any person or circumstance shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Order and application of such provision or part of this Order shall not be affected thereby.

13.03. Headings. The section and paragraph headings used herein are for reference only and are not to be construed as part of the text of the section or paragraph.

Section 14. Effective Date. This Order shall be effective as of the 9th day of January, 2024.

The President or Vice President is authorized to execute and the Secretary or any Assistant Secretary is authorized to attest this Order on behalf of the Board and to do all things necessary and proper to carry out the purpose and intent hereof.

PASSED, ADOPTED, ORDERED and APPROVED this 9th day of January, 2023.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(DISTRICT SEAL)

EXHIBITS ATTACHED

EXHIBIT "A" – Rate and Fee Schedule

EXHIBIT "B" – Rules and Regulations Governing Water and Sanitary Sewer Facilities, Service Lines, and Connections

EXHIBIT "C" – Drought Contingency Plan

EXHIBIT "D" – Wastewater Control Order

EXHIBIT "A"

RATE SCHEDULE

SERVICE DESCRIPTION	CUSTOMER CHARGE	BILLING FREQUENCY	OPERATOR'S CHARGE	APPLICABLE RATE SECTION
Residential Tap 5/8"	\$1,000.00	Start of construction	\$600.00	§ 2.03
Residential Tap 3/4"	\$1,100.00	Start of construction	\$700.00	§ 2.03
Residential Tap 1"	\$1,600.00	Start of construction	\$1,000.00	§ 2.03
Residential Tap > 1"	Cost of installation + 200% of cost	Start of construction	Per quote	§ 2.03
Nonstandard Residential, Commercial, and Multi-Family Connections	Cost of installation + 200% of cost	Start of construction	Per quote	§ 2.03
Governmental and Non-Profit Entity Connections [Excluding Community Associations]	Cost of installation + cost to the District incl. cost of all facilities that are necessary to provide District services to such entity and that are financed or to be financed in whole or in part by tax supported bonds of the District	Start of construction	Per quote	§ 2.03
Community Association Connections	Cost of installation	Start of construction	Per quote	§ 2.03
Builder Security Deposit	\$1,500 deposit + \$200 per home thereafter	As necessary	N/A	§ 2.04(f)
Sanitary Sewer Inspection [Residential - New Construction]	\$95.00	Start of construction/ at reinspection	\$50.00	§ 2.05(a)
Sanitary Sewer Inspection [Residential - Existing Construction]	\$95.00	Start of construction/ at reinspection	\$50.00	§ 2.05(a)

SERVICE DESCRIPTION	CUSTOMER CHARGE	BILLING FREQUENCY	OPERATOR'S CHARGE	APPLICABLE RATE SECTION
Sanitary Sewer Inspection [Commercial Customer Connections, Multi-Family Residential Connections, and Community Associations]	Cost + \$50.00	Start of construction/ at reinspection	Per quote	§ 2.05(a)
Grease Trap Inspection	\$150	At inspection	\$100	§ 2.05(f)
Swimming Pool Inspection [Residential]	Cost + \$50.00	At inspection	Per quote	§ 2.05(d)
Hot Tub Inspection [Residential]	Cost + \$50.00	At inspection	Per quote	§ 2.05(d)
Swimming Pool Connection Inspection [Commercial Customer Connections, Multi-Family Residential Connections, and Community Associations]	Cost + \$100.00	At inspection	Per quote	§ 2.05(d)
Water Softener Inspection	Cost + \$50.00	At inspection	Per quote	§ 2.05(e)
Customer Service Inspection Fee [Residential]	\$150.00	At inspection	\$60.00	§ 2.05(b)
Customer Service Inspection Fee [Commercial Customer Connections, Multi-Family Residential Connections, and Community Associations]	Cost + \$100.00	At inspection	Per quote	§ 2.05(b)

SERVICE DESCRIPTION	CUSTOMER CHARGE	BILLING FREQUENCY	OPERATOR'S CHARGE	APPLICABLE RATE SECTION
Pre-Inspection of District Facilities [Residential]	\$75.00	Start of construction	\$50.00	§ 2.05(c)
Pre-Inspection of District Facilities [Commercial, Multi-Family, and Non-Taxable]	200% of cost	Start of construction	Per Quote	§ 2.05(c)
Pre-Inspection of District Facilities [Community Associations]	Cost	Start of construction	Per Quote	§ 2.05(c)
Final Inspection of District Facilities	\$75.00	Start of construction	\$50.00	§ 2.05(c)
Final Inspection of District Facilities [Commercial, Multi-Family, and Non-Taxable]	200% of cost	Start of construction	Per Quote	§ 2.05(c)
Final Inspection of District Facilities [Community Associations]	Cost	Start of construction	Per Quote	§ 2.05(c)
Temporary Water Service – Deposit	\$2,500.00	Time of request	N/A	§ 2.06
Temporary Water Service – Installation of Meter				
3/4" by 5/8" Meter	Cost + 10% w/ a minimum of \$50	Upon service	N/A	§ 2.06
1" Meter	Cost + 10% w/ a minimum of \$50		N/A	
2" Meter	Per Quote		Per quote	
Temporary Water Service Rate	\$3.00 per 1,000 gal. w/ \$150 per month rental charge	Monthly	Per quote	§ 2.06

Non-Refundable Application Fee	\$35.00	Time of request	Per quote	§ 3.01
Security Deposit [Residential Homeowner]	\$200.00	Time of request	N/A	§ 3.01
Security Deposit [Residential Non- Homeowner/Tenant]	\$250.00	Time of request	N/A	§ 3.01
Security Deposit [Multi-Family Customer and Commercial]	200% of estimated total monthly service charges	Time of request	N/A	§ 3.01
Additional Security Deposit (payable if service disconnected for nonpayment of account - all customers)	\$75 per disconnection (maximum \$400 deposit)	Prior to restoration of service	N/A	§ 3.01

SERVICE DESCRIPTION	CUSTOMER CHARGE	BILLING FREQUENCY	OPERATOR'S CHARGE	APPLICABLE RATE SECTION
Residential and Builder Water and Sewer Service Base minimum monthly charge for water (incl. first 5,000 gallons of metered water) 5,001-10,000 gallons of metered water 10,001-15,000 gallons of metered water 15,001-20,000 gallons of metered water 20,001+ gallons of metered water Monthly charge for sewer	\$24.00 \$2.00/1,000 gal. \$2.50/1,000 gal. \$3.00/1,000 gal. \$4.00/1,000 gal. \$20.00 + garbage collection rate	Monthly	N/A	§ 3.02(a) and 3.04
Multi-Family Water and Sewer Service Base minimum monthly charge for water (incl. first 5,000 gallons of metered water) +5,001 gallons of metered water Monthly charge for sewer	\$24.00* \$4.00/1,000 gal. \$20.00*	Monthly	N/A	§ 3.04

*Minimum monthly charge per unit regardless of usage, except as otherwise provided in § 3.04.

<p>Commercial Water and Sewer Service per ESFC</p>			
<p>Base minimum monthly charge for water (incl. first 5,000 gal. of metered water) per ESFC</p>	<p>\$25.00 for standard 5/8" Meter</p> <p>\$36.00 for 1" Meter</p> <p>\$48.00 for 2" Meter</p> <p>\$60.00 for 4" Meter</p> <p>\$72.00 for 6" Meter</p> <p>\$90.00 for 8" Meter</p> <p>\$120.00 for 12" Meter</p>	<p>Monthly</p>	<p>§ 3.03</p>
<p>5,001+ gallons of metered water</p>	<p>\$4.00/1,000 gal.</p>		
<p>Base minimum monthly charge for sewer (incl. first 5,000 gallons of metered water)</p>	<p>\$25.00</p>		
<p>5,001-20,000 gallons of metered water for sewer</p>	<p>\$2.00/1,000 gal.</p>		
<p>20,001+ gallons of metered water for sewer</p>	<p>\$2.50/1,000 gal.</p>		

SERVICE DESCRIPTION	CUSTOMER CHARGE	BILLING FREQUENCY	OPERATOR'S CHARGE	APPLICABLE RATE SECTION
Governmental and Non-Taxable Water and Sewer Service	Billed at two times (2x) the commercial rate	Monthly	N/A	§ 3.03
Community Associations/Public Space Users: Water and Sewer Service Water Service Only	\$8.00 base + \$0.50/1,000 gal. \$5.00 base + \$0.50/1,000 gal.	Monthly	N/A	§ 3.05
Out-of-District Customer Water and Sewer Service	All requests for water and sewer service from parties located outside the boundaries of the District shall be considered on a case-by-case basis and governed by separate agreement.	Monthly	N/A	§ 3.02(b)
Backflow Prevention Device [Residential]	\$125.00	Yearly	Per quote	§ 3.07(e)(iii)
Backflow Prevention Program Administration	\$100.00/per device	Yearly	Per quote	§ 3.07(e)(iii)
Backflow Prevention Device [Commercial]	Cost + 20%	Installation	Per quote	§ 3.07(e)(iii)
Annual Test	Cost + 20%	Yearly	Per quote	§ 3.07(e)(iii)

SERVICE DESCRIPTION	CUSTOMER CHARGE	BILLING FREQUENCY	OPERATOR'S CHARGE	APPLICABLE RATE SECTION
Penalty for Failure to Pay Bill Before Delinquency	10% of amount	Monthly	N/A	§ 4.01
Returned Check Charge	\$30.00	As necessary	\$30.00	§ 4.01
Disconnect Fee (resulting from non-payment of account)	\$50.00	As necessary	\$25.00	§ 4.02
Pulling and Reinstalling Meter	Cost + 10%	As necessary	\$50.00	§ 4.02
Reconnection of Water Service – Emergency Basis (after hours and holidays)	Cost + 10%	As necessary	Per quote	§ 4.02
Disconnect and Reconnection Fee (per customer's request)	Cost + 10%	As necessary	Per quote	§ 4.03
Damage to Meters and Appurtenances	Cost of repair + \$50 damage fee	As necessary	Per contract	§ 5.01
Curing Obstructions to District's System	Cost of removal + administrative fee of 50%	As necessary	Per contract	§ 5.03
Cost to Issue Delinquent Notice	\$17.00	As necessary	\$15.00	§ 4.02
Cost to Issue Door Hanger	\$10.50	As necessary	\$8.50	§ 4.02

EXHIBIT "B"

RULES AND REGULATIONS
GOVERNING WATER AND SANITARY SEWER FACILITIES,
SERVICE LINES, AND CONNECTIONS

THE STATE OF TEXAS §

COUNTY OF HARRIS §

LAGO BELLO MUNICIPAL UTILITY DISTRICT NO. 1A OF HARRIS COUNTY §

ARTICLE I.
PURPOSE

The following Rules and Regulations Governing Water and Sanitary Sewer Facilities, Service Lines, and Connections (the "Rules and Regulations") shall govern the design, installation and inspection of all connections and taps made to the District's water distribution system and sanitary sewer collection system, the limitations of the flow of waste into the sanitary sewer system, protection of all facilities which are part of the District's waterworks and sanitary sewer system, and the enforcement of these Rules and Regulations.

ARTICLE II.
GENERAL

Section 2.01. Definitions.

A. Customer is any person, partnership, corporation, non-profit corporation, trust or other legal entity served by the District with water and/or sewer services to a residence or business establishment.

B. District is Lago Bello Municipal Utility District No. 1A of Harris County, located in Harris County, Texas, a political subdivision of the State of Texas.

C. Engineer is the person, company or corporation which is under contract with the District to design the District's Water Supply System and Sanitary Sewer Collection System and performs any additional services as set forth in the contract with the District.

D. Health Hazard is a cross-connection, potential cross-connection, or any other situation involving any substance that can cause death, illness, spread of disease, or that has a high possibility of causing such effects if introduced into the District's Water Supply System.

E. Operator is the person, company or corporation which is under contract with the District to operate the District's Water Supply System and Sanitary Sewer Collection System, collect amounts owed to the District for such services, report monthly to the District on the operations of the District's Water Supply System and Sanitary Sewer Collection System and perform any additional services as set forth in the contract with the District.

F. Rate Order shall mean the District's Order Adopting Consolidated Rate Order and Rules and Regulations; Establishing Policy Regulating Water Use During Emergencies; Establishing a Wastewater Control Order; and Providing Penalties for Violation Thereof which may be amended from time to time.

G. Sanitary Sewer Collection System constitutes the underground sanitary sewer lines owned or leased and operated by the District. This system is composed of all interconnecting laterals, mains, and trunk lines with manholes, clean-outs, stacks, tees, and wyes located within the publicly dedicated utility easements owned or leased and operated by the District. This system is maintained by the District.

H. Sanitary Sewer Service Line is any line from a residential dwelling or commercial building which connects with the District's Sanitary Sewer Collection System, including any grease traps or other facilities constructed to prevent non-domestic waste from being introduced into the District's Sanitary Sewer Collection System. This service line is owned and maintained by the property owner of the residential dwelling or commercial building.

I. Sewer Tap is the physical connection between the Sanitary Sewer Service Line and the District's Sanitary Sewer Collection System.

J. Sewer Tap Inspection is the inspection performed by the District's Operator to assure that the proper materials and connections to the Sanitary Sewer Collection System have been accomplished in accordance with these Rules and Regulations.

K. State Approved Plumbing Code is a set of rules governing plumbing practices which are at least as stringent and comprehensive as one of the following nationally recognized codes:

1. Southern Standard Plumbing Code.
2. Uniform Plumbing Code.
3. National Standard Plumbing Code.

L. Tap Fee is the fee paid to the District to obtain a water meter and sewer inspection for any dwelling. The amount of the Tap Fee shall be established in the District's Rate Order and may be modified or changed at any time.

M. Utility Easement is an interest in land, granted by dedication, to public utility entities, including the District, to install and maintain utilities across, over, or under private land together with the right to enter thereon with machinery, other vehicles and personnel necessary for the maintenance, repair or construction of said utilities.

N. Water Supply System is composed of all water lines, valves, valve boxes, flushing valves, blowoff valves, water meters, water meter service lines, and meter boxes located within public rights-of-way or easements owned or leased and operated by the District. This system is maintained by the District.

O. Water Meter is the recording device that registers the amounts of water consumed by each Customer of the District. This meter is owned and maintained by the District.

P. Water Service Line is any line from a residential dwelling or commercial building, which connects to the District's Water Supply System. This service line is owned and maintained by the property owner of the residential dwelling or commercial structure.

Q. Water Tap is the physical connection of any Water Service Line to the District's Water Supply System. Such connection will be made only by the District's Operator.

Section 2.02. Platting Requirement. No connection shall be made to the District's Water Supply System or Sanitary Sewer Collection System unless the tract, parcel, or lot of land to be served by such connection:

A. was first connected to the District's Water Supply System or Sanitary Sewer Collection System prior to September 1, 1987, or

B. is part of an area covered by a development plat duly approved and recorded pursuant to Sections 212.0115 and 212.012 of the Local Government Code, as amended, or

C. is not required to be platted and written certification to that effect, in accordance with Section 212.0115(e) or from the District's attorney, has been presented to the District's Operator.

Section 2.03. Approval of Plans and Specifications. Prior to any non-residential connection to the District's Water Supply System or the Sanitary Sewer Collection System, the plans and specifications for the Sanitary Sewer Service Line and the Water Service Line must be submitted the District's Engineer for review and approval. Upon the Engineer's review and approval, the plans and specifications shall then be submitted to the District's Operator for review and approval. The cost of the review and approval of the plans and specification by the District's Engineer and Operator shall be paid by the Customer.

ARTICLE III. WATER CONNECTIONS

Section 3.01. Water Tap Materials. Only the following types of pipe and fitting materials shall be approved for the installation of Water Taps, including residential Water Taps and commercial Water Taps:

- A. Any meter approved by the City of Houston;
- B. Brass curb stops, corp stops, and related fittings manufactured by Ford, Hays or Muller;
- C. Polyethylene water service pipe, 3/4" to 2";
- D. Cast iron or vinyl iron (C-900) water service pipe, larger than 2";
- E. Water main pipe of the type originally installed;
- F. Plastic meter box up to 2" meter;
- G. Concrete meter box, where traffic use is specified; and
- H. Concrete meter vault per City of Houston specifications for 3" and larger meter.

Section 3.02. Plumbing Material Prohibitions.

- A. Prohibited Materials.

The use of the following materials are prohibited for the installation and repair of the District's Water Supply System and for the installation and repair of any private plumbing facilities:

1. any pipe or pipe fitting which contains more than 0.25% lead; and
2. any solder or flux which contains more than 0.2% lead.

This prohibition may be waived for lead joints that are necessary for repairs to cast iron pipe.

B. Certificate of Compliance.

All new connections to the District's Water Supply System shall be made by the District's Operator. The District's Operator shall inspect and certify as to whether the new connection complies with the plumbing material prohibition contained in Section 3.02(A) hereof.

Section 3.03. Installation.

A. An Application for Service must be obtained from and filed with the District's Operator. The Customer must pay to the District's Operator all Tap Fees, inspection fees and deposits, as described in the District's Rate Order.

B. All Water Taps to the District's Water Supply System shall be installed only by the District's Operator.

C. The District's Operator shall install Water Taps and set meters at a location on adjoining property lines, whenever possible, with the meter box being located in the easement adjacent to the property line and with two (2) meters per box, where appropriate.

D. The District's Operator shall be responsible for all repairs to the Water Taps.

E. After installation of the Water Tap, connection of the Water Service Line shall be made at the expense of the Customer. (Note: This line shall be tested for leaks since all water recorded through the meter will be charged to the Customer).

F. After connection to the District's Water Supply System, the Water Service Line should be thoroughly flushed as to prevent foreign matter from entering the household system.

Section 3.04. Customer Service Inspection Certifications.

A. A Customer Service Inspection Certification, as described in Appendix "1" to Exhibit "B" attached hereto, shall be completed prior to providing continuous water service to any new construction, on any existing service where the District has reason to believe that cross-connections or other unacceptable plumbing practices exist, and after any material improvement, correction, or addition to private plumbing facilities. Prior to the District initiating continuous service, a Customer shall provide a Customer Service Inspection Certification to the District. The Customer Service Inspection Certification may only be performed by those individuals described in Subsection B of this Section 3.04. For Customer Service Inspection Certifications performed by the District's Operator, the Customer must pay the District the Customer Service Inspection Fee prior to the District's Operator performing the inspection and certification. Copies of properly completed Customer Service Inspection Certifications shall be kept on file by the District's Operator and made available, upon request, for Texas Commission on

Environmental Quality (“TCEQ”) review. Inspection certifications shall be retained for a minimum of ten (10) years. Failure to provide a Customer Service Inspection Certification in accordance with this Section 3.04 shall constitute a violation of these Rules and Regulations and such violation shall be subject to the enforcement provisions set forth in Article X hereof.

B. Individuals with the following credentials shall be recognized as capable of conducting a Customer Service Inspection Certification:

1. Plumbing Inspectors and Water Supply Protection Specialists licensed by the Texas State Board of Plumbing Examiners; and

2. Certified Waterworks Operators and members of other water related professional groups who have completed a training course, passed an examination administered by the TCEQ or its designated agent, and hold an endorsement granted by the TCEQ or its designated agent.

C. Private plumbing facilities in violation of Article III hereof shall constitute an unacceptable plumbing practice and violation of these Rules and Regulations. If an unacceptable plumbing practice is discovered, the Customer shall eliminate the unacceptable plumbing practice within thirty (30) days from the date of discovery to prevent possible contamination of the District's Water Supply System. The existence of a serious threat to the integrity of the District's Water Supply System shall be considered sufficient grounds for immediate termination of water service. Service can be restored only when the source of potential contamination no longer exists, or when sufficient additional safeguards have been taken, and a Customer Service Inspection Certification confirming correction of unacceptable plumbing practices has been submitted to the District.

D. The Customer Service Inspection Certification shall certify that:

1. No direct connection between the District's Water Supply System and a potential source of contamination exists. Potential sources of contamination are isolated from the District's Water Supply System by an air gap or an appropriate backflow prevention assembly in accordance with state plumbing regulations. Additionally, all pressure relief valves and thermal expansion devices are in compliance with state plumbing regulations.

2. No cross-connection between the District's Water Supply System and a private water source exists. Where an actual air gap is not maintained between the District's Water Supply System and a private water supply, an approved reduced pressure-zone backflow prevention assembly is properly installed and a service agreement exists for annual inspection and testing by a recognized backflow prevention assembly tester.

3. No connection exists which would allow the return of water used for condensing, cooling or industrial processes back to the District's Water Supply System.

4. No pipe or pipe fitting which contains more than 0.25% lead exists in private plumbing facilities installed on or after July 1, 2015.

5. No solder or flux which contains more than 0.2% lead exists in private plumbing facilities installed on or after July 1, 1988.

6. No new or replacement plumbing fixture is installed which is not in compliance with a State Approved Plumbing Code.

Section 3.05. Prohibited Connections.

A. No water connection from the District's Water Supply System shall be made to any establishment where an actual or potential contamination or system hazard exists without an air gap separation between the drinking water supply and the source of potential contamination. Where a containment air gap is impractical, individual "internal" air gaps or mechanical backflow prevention devices shall be required at the meter in the form of a backflow prevention device (in accordance with AWWA Standards C510 and C511 and AWWA Manual M14) on those establishments handling substances deleterious or hazardous to the public health.

B. No water connection from the District's Water Supply System shall be made to any condensing, cooling, or industrial process or any other system of nonpotable usage over which the District does not have sanitary control, unless the said connection is made in accordance with the requirements of paragraph (A) of this section. Water from such systems cannot be returned to the District's Water Supply System.

C. Overhead bulk water dispensing stations must be provided with an air gap between the filling outlet hose and the receiving tank to protect against back siphonage and cross-contamination.

Section 3.06. Backflow Prevention Assemblies.

A. Backflow prevention assemblies shall be installed on any connection which poses a Health Hazard and any other connection which the District or the District's Operator reasonably believes poses a threat to the District's Water Supply System. Water service provided for lawn sprinklers, swimming pool supply, reflection pool supply or other such applications must incorporate a back flow prevention assembly in accordance with a State Approved Plumbing Code for the particular designated use. No permanent water service will be provided or continued to any new connection in the District which requires a backflow prevention assembly, unless the Customer provides the District with a Backflow Prevention Assembly Test and Maintenance Report (the "Test Report"), as described in Appendix "2" to Exhibit "B" attached hereto. At the request of the customer, the District's Operator may, on behalf of the District, install the backflow prevention assembly and complete the Test Report at the Customer's cost.

B. Effective January 1, 1996, all backflow prevention assemblies shall be tested upon installation by a Recognized Backflow Prevention Assembly Tester and certified to be operating within specifications. The Test Report, as described in Appendix "2" to Exhibit "B" attached hereto, shall be retained for a minimum of three (3) years. The District shall provide these records to the TCEQ for inspection upon request. Backflow prevention assemblies which are installed to provide protection against Health Hazards must also be tested and certified to be operating within specifications at least annually by a Recognized Backflow Prevention Device Tester.

C. Recognized Backflow Prevention Device Testers shall have completed a TCEQ approved course on cross-connection control and backflow prevention and passed an examination administered by the TCEQ or its designated agent. The accredited tester classification shall be broken down into two categories:

1. The "General Tester" is qualified to test and repair backflow prevention assemblies on any domestic, commercial, industrial or irrigation service.

2. The “Fireline Tester” is qualified to test and repair backflow prevention assemblies on firelines only. The State Fire Marshall's office requires that a person performing maintenance on firelines must be employed by an Approved Fireline Contractor.

D. Gauges used in the testing of backflow prevention assemblies shall be tested for accuracy annually in accordance with the University of Southern California's Foundation of Cross- Connection Control and Hydraulic Research and/or the American Water Works Association Manual of Cross Connection Control (Manual M-14). Test gauge serial numbers must be included on the Test Report and Recognized Backflow Prevention Device Testers shall have gauges tested for accuracy.

E. A Test Report must be completed by the Recognized Backflow Prevention Assembly Tester for each assembly tested. The signed and dated original must be submitted to the District's Operator for record keeping purposes.

F. Repairs to backflow prevention assemblies shall be performed by authorized individuals as recognized by the Texas State Board of Plumbing Examiners, the TCEQ, Texas Irrigators Advisory Council, or the Texas Commission on Fire Protection-State Fire Marshall's Office, depending upon application and use.

G. The use of a backflow prevention device at the service connection shall be considered as additional backflow protection and shall not negate the use of backflow protection on internal hazards as outlined and enforced by a State Approved Plumbing Code.

Section 3.07. Customer Service Agreements.

A. The District is responsible for protecting its Water Supply System from contamination or pollution which can result from unacceptable plumbing practices. To this end, the District has adopted plumbing restrictions to provide protection to the District's Water Supply System. To notify Customers of the plumbing restrictions which are in place, each Customer shall be required to sign a Customer Service Agreement, as described in Appendix “3” to Exhibit “B” attached hereto, before the District will begin service.

The District will maintain a copy of the Customer Service Agreement as long as the Customer and/or the premises is connected to the District.

B. The Customer shall allow his/her property to be inspected for possible cross-connections and other unacceptable plumbing practices. These inspections shall be conducted by the District or its designated agent prior to initiating new water service; when there is reason to believe that cross-connections or other unacceptable plumbing practices exist; or after any major changes to the private plumbing facilities. Inspections shall be conducted during the District's normal business hours.

C. The District shall notify the Customer in writing of any cross-connection or other unacceptable plumbing practices which have been identified during the initial inspection or the periodic reinspection.

D. The Customer shall immediately correct any undesirable plumbing practice on his/her premises.

E. The Customer shall, at his expense, properly install, test, and maintain any backflow prevention device required by the District. Copies of all testing and maintenance records shall be provided to the District.

F. If a Customer fails to comply with the terms of the Customer Service Agreement, the District shall, at its option, either terminate service or properly install, test, and maintain an appropriate backflow prevention assembly at the service connection. Any expenses associated with the enforcement of the Customer Service Agreement shall be billed to the Customer.

ARTICLE IV. SANITARY SEWER CONNECTIONS

Section 4.01. Sanitary Sewer Service Line Installation.

A. Only one Sanitary Sewer Service Line connection to the District's Sanitary Sewer Collection System is permitted for each residence or commercial building. The Sanitary Sewer Service Line shall remain fully within the boundaries of the lot until the line reaches a utility easement or street right-of-way.

B. No opening in the District's Sanitary Sewer Collection System will be allowed to remain overnight or during rain.

C. All Sanitary Sewer Service Lines must be constructed to true alignment and grade. Warped and/or sagging lines will not be permitted. Sanitary Sewer Service Lines must have continuous contact with firm trench bottom throughout their entire run. Lines placed in such manner as to increase the likelihood of being displaced during backfill will be rejected.

D. All Sanitary Sewer Service Lines should be run from wyes or stacks directly to the houses without meanders or bends.

Section 4.02. Sanitary Sewer Service Line Materials. Only the following types of pipe and fitting materials are approved for constructing Sanitary Sewer Service Lines. Pipe and fittings in each Sanitary Sewer Service Line must consist of the following material or other material approved by the District's Engineer:

A. Vitrified clay pipe conforming to ASTM Specification C700 with joint coupling conforming to ASTM Specifications C425 or C594 and installed according to ASTM C12.

B. Cast iron soil pipe, standard weight, conforming to ASTM Specification A74 with rubber gasket joint coupling conforming to ASTM Specification C564.

C. Poly-vinyl-chloride PSM (PVC) pipe conforming to ASTM Specification D3034 or ASTM specification F789 (with UL listing) and installed according to ASTM D2321.

D. Ductile Iron Pipe conforming to ANSI A21.51 with rubber gasket joints ANSI A21.11 and installed according to manufacturer's recommendations.

E. Acrylonitrile-butadiene-styrene (ABS) pipe material conforming to ASTM Specification D2751.

Section 4.03. Size and Grade of Sanitary Sewer Service Lines.

A. Minimum Sizes for Sanitary Sewer Service Lines shall be as follows:

1. Residential- - 4 inches in diameter; and

2. Commercial - - - 6 inches in diameter.
- B. The minimum grades for Sanitary Sewer Service Lines shall be as follows:
1. 4 inch pipe - - - 14 inch drop per hundred feet (1.2%);
 2. 6 inch pipe - - - 8 inch drop per hundred feet (0.7%); and
 3. 8 inch pipe - - - 5 inch drop per hundred feet (0.4%).
- C. The maximum grades for Sewer Service Lines shall be as follows:
1. 4 inch pipe - - - two and one-half feet drop per hundred feet (2.5%);
 2. 6 inch pipe - - - one and one-half feet drop per hundred feet (1.5%); and
 3. 8 inch pipe - - - one foot drop per hundred feet (1%).

Section 4.04. Connection of Building Sewer Outlet.

- A. On all building waste outlets, the building tie-on connections shall be made directly to the stub-out from the building plumbing at the foundation.
- B. Water-tight adapters of a type compatible with the materials being joined shall be used at the point of connection of a Sanitary Sewer Service Line to the building plumbing. No cement grout materials shall be permitted.
- C. Unless an exception is permitted by the District's Operator, existing wye and stack connections must be utilized for connection of a Sanitary Sewer Service Line to the District's Sanitary Sewer Collection System.
- D. Commercial users shall install a sampling well constructed to City of Houston standards and a grease trap with sampling port constructed to City of Houston standards when required by the District's Engineer and Operator.

Section 4.05. Fittings and Cleanouts.

- A. No bends or turns at any point will be greater than forty-five degrees (45°).
- B. Each horizontal Sanitary Sewer Service Line will be provided with a cleanout at its upper terminal; and each such run of piping which is more than ninety (90) feet in length will be provided with a cleanout for each ninety (90) feet or fraction thereof in the length of such piping.
- C. Each cleanout will be installed so that it opens in a direction opposite to the flow of the waste and, except in the case of wye branch and end-of-the-line cleanouts, cleanouts will be installed vertically above the flow line of the pipe.
- D. Cleanouts will be made with air-tight mechanical plug.

Section 4.06. Installation of Sewer Taps and Issuance of Permits.

A. Sanitary Sewer Service Lines must be at least 24 inches below (vertically) and at least 9 feet from (horizontally) any Water Service Line (far side or near side connection). If this is not possible, a cast iron casing over the Water Service Line must be installed by the Customer, which casing will be inspected by the District's Operator.

B. Excavation for Sewer Taps shall be water tamped in all areas within 5 feet (vertically or horizontally) of any existing sewer lines, sidewalks or driveways. Soil not suitable for water tamping (clay modules, organic material or silty soils) shall be removed and replaced with suitable backfill materials.

C. All stacks shall be installed in locations shown on the plans. Stacks shall be capped and the cap lightly cemented in place. Wyes will not be installed by the line contractor. Wye saddles will be paid for in the line contract, but will be delivered to the District's Operator. The District's Operator will furnish the Customer a saddle at the time of inspection.

D. An Application for Service (which may be obtained from the District's Operator) must be filed with the District's Operator prior to construction of any Sanitary Sewer Service Line, and the Tap Fee and/or Sewer Tap Inspection fee as established in the District's most current Rate Order should accompany the application. (Application forms are available from the District's Operator.) Construction of any Sanitary Sewer Service Line must not begin until the design of the Sanitary Sewer Service Line is approved by the District's Engineer and construction is authorized by the District's Operator.

E. When the Sanitary Sewer Service Line is complete, and prior to backfilling the pipe trench, the Customer shall request an inspection of the Sanitary Sewer Service Line. Requests for inspections (or reinspections) shall be made to the District's Operator at least twenty-four (24) hours in advance of the inspection.

F. The Sewer Tap shall be made only under the supervision of the District's Operator by use of an adapter of a type compatible with materials being joined. The Sewer Tap shall be watertight. No cement grout materials are permitted.

G. Any damage to the District's facility shall be repaired promptly by the Customer under the direction of the District's Operator. Major damage will be repaired by the District's Operator at the Customer's expense.

H. Backfilling of a Sanitary Sewer Service Line trench must be accomplished within twenty-four (24) hours of inspection and approval. Backfill material shall be sand or loam free of large lumps or clods. No debris will be permitted in the trench or backfill.

I. During inspection of the Sanitary Sewer Service Line, the District's Operator will examine all District facilities, such as manholes, valves, flush valves, and inlets on and adjacent to the lot. The connection permit will not be granted until any damage to these facilities has been repaired.

J. The District's Operator will complete the Inspection Form and file it for record with the Application.

K. A connection permit will be issued after the Sewer Tap Inspection is performed and the District's Operator confirms that all requirements of these Rules and Regulations have been met.

L. Connection permits which are rejected for any deficiency shall be promptly corrected and a reinspection requested. A reinspection fee as set forth in the District's Rate Order shall be paid at the time the reinspection is requested.

ARTICLE V.
FEES AND CHARGES

The District's fees and charges shall be as established by its Rate Order.

ARTICLE VI.
EXCLUDED FLOW AND WASTE

A. No waste material which is not biologically degradable will be permitted to discharge into the District's Sanitary Sewer Collection System, including mud and debris accumulated during service line installation. The Customer should refer to the District's Rate Order and Wastewater Control Order for specific information concerning acceptable discharges into the District's Sanitary Sewer Collection System. The Customer is to be fully responsible for cleaning and jetting lines of any dirt or debris permitted to enter during service construction.

B. No surface runoff water will be permitted to be discharged into the District's Sanitary Sewer Collection System, including but not limited to, downspouts and yard or area drains.

C. Swimming pool and/or spa connections will not be made to the District's Sanitary Sewer Collection System unless specifically approved by the District in writing.

ARTICLE VII.
PRIVATE WELLS/TANKS

The construction of water wells and/or the installation of septic tanks is prohibited without prior written approval by the Board of Directors. Said approval, if granted by the Board of Directors, will state the purpose for the construction of a water well and the intended use of the water.

ARTICLE VIII.
AVAILABILITY OF ACCESS/OBSTRUCTIONS

By application for connection to the District's Sanitary Sewer Collection System and/or Water Supply System, the Customer shall be deemed to be granting to the District and its representatives a right of ingress and egress to and from the meter or point of service for such installation, maintenance and repair as the District, in its judgment, may deem reasonably necessary. The Customer shall also be deemed to be granting to the District and its representatives a right of ingress and egress to the Customer's property, including the interior and exterior of the Customer's premises, for the purpose of performing the inspections and completing the Customer Service Inspection Certifications required by these Rules and Regulations. Taps and connections will not be made when, in the opinion of the District's Engineer or Operator, the work area is obstructed by building materials or other debris or the work area is not completed or finished to grade. When sidewalks, driveways or other improvements have been constructed prior to application for service, such application shall be construed and accepted as the Customer's waiver of a claim for any damages to such improvements resulting from the reasonable actions of the District's Operator in installation of the connection.

ARTICLE IX.
PROTECTION OF DISTRICT'S WATER SUPPLY SYSTEM AND
SANITARY SEWER COLLECTION SYSTEM

A. Damage to the District's Water Supply System or the Sanitary Sewer Collection System by the District's Customers, including developers and Builders' plumbers, will be repaired by the District at the Customer's expense.

B. After a water meter has been set or a fire hydrant installed, the Customer shall at all times keep the area in, around and upon such facilities and District easements and property under Customer's control free from rubbish or obstructions of any kind, including shrubbery. Failure to keep such facilities and District easements and property under Customer's control free from rubbish or obstructions of other kind, including shrubbery, shall result in disconnection of water service and/or the assessment of charges necessary to remove said obstructions. Customers are prohibited from introducing material into the District's Sanitary Sewer Collection System which could cause obstruction of said system. In the event that an inspection by the District's Engineer or Operator reveals foreseeable damage to the District's Sanitary Sewer Collection System resulting from a Customer's failure to prevent obstructions from entering said system, the District reserves the right to remove the obstruction immediately and without notice. Any costs incurred by the District for removal of an obstruction to the District's system, plus a District administration fee of 20% of said costs, shall be assessed to the Customer.

C. It shall be unlawful for any person, unless authorized in writing by the District's Operator, to tamper or interfere with, obstruct access to, or as a result of willful action injure, deface, or destroy any facilities that are a part of the District's Water Supply System or Sanitary Sewer Collection System, including, with respect to the waterworks system, water plants, flushing valves, valve boxes, and water lines up to the meter box and including meters; provided, however, that duly authorized members of the local fire department shall have the right to use such flushing valves for fire protection purposes.

D. It shall be unlawful for any person to connect any building to the District's Water Supply System without a meter or to have a straight line connection to a building without being metered. It shall also be unlawful for any person, other than the District's Operator or Engineer, to draw water from the District's Water Supply System (except for the use of water for firefighting purposes) without being metered, including the unauthorized use of a flushing valve or unmetered water taps.

E. It shall be unlawful for any person to deposit, throw, drain, discharge, or otherwise cause to be injected into any sewer, manhole, catch basin, flush tank, or other facility that is a part of the District's Water Supply System or Sanitary Sewer Collection System any debris or foreign substance that would interfere with the proper and routine functioning thereof.

F. The general welfare requires that the water resources available to the District be put to the maximum beneficial use and that the waste or unreasonable use of water be prevented, to avoid subsidence and conserve water for the public health, safety and welfare; therefore, it shall be unlawful for any person to waste water or use it unreasonably.

ARTICLE X.
ENFORCEMENT OF RULES AND REGULATIONS

Any and all of the following remedies may be employed by the District to abate and prevent any violation of the provisions of these Rules and Regulations:

A. Discontinuance of water service.

B. Disconnection and sealing of sanitary sewer connection.

C. The Board hereby imposes the following civil penalties for breach of any rule or regulation of the District: The violator shall pay the District the lesser of twice the costs the District has sustained due to the violation or an amount determined by the Board of Directors not to exceed \$5,000. A penalty under this Section is in addition to any other penalty provided by the laws of this State and may be enforced by complaints filed in the appropriate court of jurisdiction in the county in which the District's principal office or meeting place is located. If the District prevails in any suit to enforce its rules, it may, in the same action, recover any reasonable fees for attorneys, expert witnesses, and other costs incurred by the District before the court. The amount of the attorneys' fees shall be fixed by the court.

D. A Customer found in violation of these Rules and Regulations shall be liable to the District for all expenses borne by the District including laboratory fees, legal fees, engineering fees and other costs incurred by the District in establishing the violation and resolving the cause of the violation.

E. A Customer found in violation of these Rules and Regulations who causes or contributes to a violation by the District's Sanitary Sewer Collection System of effluent parameters shall be liable to the District for all expenses borne by the District, including legal and engineering fees related to any lawsuit filed by federal, state, or local authorities regarding violations by the District of effluent parameters applicable to the District's Sanitary Sewer Collection System.

ARTICLE XI.
EFFECTIVE DATE

These Rules and Regulations shall become effective immediately.

**APPENDIX "1"
TO EXHIBIT "B"**

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

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

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

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

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

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

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

Remarks:	

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

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

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

APPENDIX "2" TO EXHIBIT "B"

Texas Commission on Environmental Quality BACKFLOW PREVENTION ASSEMBLY TEST AND MAINTENANCE REPORT

The following form must be completed for each assembly tested. A signed and dated original must be submitted to the public water supplier for recordkeeping *purposes:

NAME OF PWS:	
PWS ID#:	
PWS MAILING ADDRESS:	406 W Grand Parkway S, Suite 260, Katy, TX 77494
PWS CONTACT PERSON:	Municipal District Services, Builder Services Department, 281-290-6503,option 2, bldrservices@mdswater.com
ADDRESS OF SERVICE:	

The backflow prevention assembly detailed below has been tested and maintained as required by commission regulations and is certified to be operating within acceptable parameters.

TYPE OF BACKFLOW PREVENTION ASSEMBLY (BPA):			
<input type="checkbox"/>	Reduced Pressure Principle (RPBA)	<input type="checkbox"/>	Reduced Pressure Principle-Detector (RPBA-D) Type II <input type="checkbox"/>
<input type="checkbox"/>	Double Check Valve (DCVA)	<input type="checkbox"/>	Double Check-Detector (DCVA-D) Type II <input type="checkbox"/>
<input type="checkbox"/>	Pressure Vacuum Breaker (PVB)	<input type="checkbox"/>	Spill-Resistant Pressure Vacuum Breaker (SVB)

Manufacturer:	Main:	Bypass:	Size:	Main:	Bypass:
Model Number:	Main:	Bypass:	BPA Location:		
Serial Number:	Main:	Bypass:	BPA Serves:		

Reason for test:	New <input type="checkbox"/>	Existing <input type="checkbox"/>	Replacement <input type="checkbox"/>	Old Model/Serial #
Is the assembly installed in accordance with manufacturer recommendations and/or local codes?				<input type="checkbox"/> Yes <input type="checkbox"/> No
Is the assembly installed on a non-potable water supply (auxiliary)?				<input type="checkbox"/> Yes <input type="checkbox"/> No

TEST RESULT	Reduced Pressure Principle Assembly (RPBA)			Type II Assembly	PVB & SVB	
	DCVA		Relief Valve	Bypass Check	Air Inlet	Check Valve
	1 st Check	2 nd Check***				
PASS <input type="checkbox"/> FAIL <input type="checkbox"/>						
Initial Test Date: _____ Time: _____	Held at ____ psid Closed Tight <input type="checkbox"/> Leaked <input type="checkbox"/>	Held at ____ psid Closed Tight <input type="checkbox"/> Leaked <input type="checkbox"/>	Opened at ____ psid Did not open <input type="checkbox"/> Did it fully open <input type="checkbox"/>	Held at ____ psid Closed Tight <input type="checkbox"/> Leaked <input type="checkbox"/>	Opened at ____ psid Did not open <input type="checkbox"/> Did it fully open <input type="checkbox"/>	Held at ____ psid Leaked <input type="checkbox"/>
Repairs and Materials Used**	Main: _____ Bypass: _____					
Test After Repair Date: _____ Time: _____	Held at ____ psid Closed Tight <input type="checkbox"/>	Held at ____ psid Closed Tight <input type="checkbox"/>	Opened at ____ psid Closed Tight <input type="checkbox"/>	Held at ____ psid Closed Tight <input type="checkbox"/>	Opened at ____ psid	Held at ____ psid

*** 2nd check: numeric reading required for DCVA only

Differential pressure gauge used:	Potable: <input type="checkbox"/>	Non-Potable: <input type="checkbox"/>
Make/Model:	SN:	Date tested for accuracy:

Remarks:	

Company Name:	Licensed Tester Name (Print/Type):	
Company Address:	Licensed Tester Name (Signature):	
Company Phone #:	BPAT License #	
	License Expiration Date:	

The above is certified to be true at the time of testing.

* TEST RECORDS MUST BE KEPT FOR AT LEAST THREE YEARS [30 TAC §290.46(B)]

** USE ONLY MANUFACTURER'S REPLACEMENT PARTS

APPENDIX "3"
TO EXHIBIT "B"

CUSTOMER SERVICE AGREEMENT

SECTION I. PURPOSE. _____ (the "District") is responsible for protecting its Water Supply System from contamination or pollution which could result from unacceptable plumbing practices. The purpose of this Service Agreement is to notify each customer of the plumbing restrictions which are in place to provide this protection. The District enforces these restrictions to ensure the public health and welfare. Each customer must sign this Customer Service Agreement before the District will begin service.

SECTION II. PLUMBING RESTRICTIONS. The following unacceptable plumbing practices are prohibited by State regulations:

- A. No direct connection between the District's Water Supply System 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 device.
- B. No cross-connection between the District's Water Supply System and a private water system is permitted. These potential threats to the District's Water Supply System shall be eliminated at the service connection by the installation of an air gap or a reduced pressure-zone backflow prevention device.
- C. No connection which allows water to be returned to the District's Water Supply System is permitted.
- D. No pipe or pipe fitting which contains more than 0.25% lead may be used for the installation or repair of plumbing at any connection which provides water for human use.
- E. No solder or flux which contains more than 0.2% lead can be used for the installation or repair of plumbing at any connection which provides water for human use.

SECTION III. SERVICE AGREEMENT. The following are the terms of this Customer Service Agreement between _____ (the "District") and _____ (the "Customer"):

- A. The District will maintain a copy of this Customer Service Agreement as long as the Customer and/or the premises is connected to the District.
- B. The Customer shall allow his/her property to be inspected for possible cross-connections and other unacceptable plumbing practices. These inspections shall be conducted by the District or its designated agent prior to initiating new water service; when there is reason to believe that cross-connections or other unacceptable plumbing practices exist; or after any major changes to the private plumbing facilities. Inspections shall be conducted during the District's normal business hours.
- C. The District shall notify the Customer in writing of any cross-connection or other unacceptable plumbing practices which have been identified during the initial inspection or the periodic reinspection.

- D. The Customer shall immediately correct any unacceptable plumbing practice on his/her premises.
- E. The Customer shall, at his expense, properly install, test, and maintain any backflow prevention device required by the District. Copies of all testing and maintenance records shall be provided to the District.

SECTION IV. ENFORCEMENT. If the Customer fails to comply with the terms of this Service Agreement, the District shall, at its option, 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 Service Agreement shall be billed to the Customer.

NOTE: THE PURPOSE OF THE CUSTOMER SERVICE AGREEMENT IS TO NOTIFY CUSTOMERS OF THE PLUMBING RESTRICTIONS OF THE DISTRICT ADOPTED TO PROTECT THE DISTRICT'S WATER SUPPLY SYSTEM. INSPECTIONS CONDUCTED BY THE DISTRICT'S OPERATOR IN ACCORDANCE WITH THIS SERVICE AGREEMENT ARE FOR THE SOLE PURPOSE OF DISCOVERING AND ELIMINATING UNACCEPTABLE PLUMBING PRACTICES. THE DISTRICT OR THE DISTRICT'S OPERATOR MAKES NO REPRESENTATION AS TO THE ADEQUACY, QUALITY, OR FITNESS OF THE CUSTOMER'S PRIVATE PLUMBING FACILITIES.

Customer's
Signature: _____

Date: _____

Address: _____

EXHIBIT "C"

DROUGHT CONTINGENCY PLAN
FOR
LAGO BELLO MUNICIPAL UTILITY DISTRICT NO. 1A OF HARRIS COUNTY

ARTICLE I
POLICY AND PURPOSE

Section 1.01: Declaration of Policy, Purpose, and Intent

In order to conserve the available water supply and protect the integrity of water supply facilities, with particular regard for domestic water use, sanitation, and fire protection, and to protect and preserve public health, welfare, and safety, and to minimize the adverse impacts of water supply shortage or other water supply emergency conditions, Lago Bello Municipal Utility District No. 1A of Harris County (the "District") 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 times of 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 Article VII of this Plan.

Section 1.02: Public Involvement

Opportunity for the public to provide input into the preparation of the Plan was provided by the District by means of holding public hearings during regular meetings of the Board of Directors of the District during preparation of the Plan.

Section 1.03: Public Education

The District 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 letters to the residents, notices on the utility bills, placing of signs in the District, or other similar measures, as appropriate.

Section 1.04: Coordination with Regional Water Planning Groups

The service area of the District is located within Regional Water Planning Area H ("Region H") under the Texas Water Plan, and the District will provide a copy of this Plan to Region H.

Section 1.05: Authorization

The Board of Directors of the District, along with Municipal District Services, LLC (the "District's Operator"), is hereby authorized and directed to implement the applicable provisions of this Plan upon determination that such implementation is necessary to protect public health, safety, and welfare. The District's Operator shall have the authority to initiate or terminate drought or other water supply emergency response measures as described in this Plan.

Section 1.06: Application

The provisions of this Plan shall apply to all persons, customers, and property utilizing water provided by the District. The terms “person” and “customer” as used in the Plan include individuals, corporations, partnerships, associations, and all other legal entities.

**ARTICLE II
DEFINITIONS**

For the purposes of this Plan, the following definitions shall apply in addition to the definitions from Article I of the Order Adopting Consolidated Rate Order and Rules and Regulations; Establishing Drought Contingency Plan; Establishing a Wastewater Control Order; Establishing Certain Other Policies; and Providing Penalties for Violation Thereof:

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

Beneficial use: the use of treated wastewater (reuse or recycled water), condensate water, or cooling tower blown down for a purpose not otherwise prohibited by city, state, or federal law or regulation, when such use is a reasonable viable alternative offering efficiency of use and economic benefits.

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 the District.

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

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

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

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

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

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

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

Reuse or recycled water: domestic or municipal wastewater which has been treated to a quality suitable for a beneficial use in accordance with applicable law.

Waste: the use of water without obtaining maximum beneficial use thereof. Waste shall also include, but not be limited to, causing, suffering, or permitting a flow of water used for landscape watering to run into any river, creek, stream, or other natural water course or drain, superficial or underground channel, bayou, or until any sanitary or storm sewer, any street, road or highway or other impervious surface area, or upon the lands of another person or upon public land. Waste shall also include, but not be limited to, failure to repair any controllable leak on property owned by any registered water meter holder.

ARTICLE III DROUGHT RESPONSE STAGES

Section 3.01. Criteria for Initiation and Termination of Drought Response Stages

The District's Operator shall monitor water supply and/or demand conditions on a daily basis and shall determine when conditions warrant initiation or termination of each stage of the Plan, that is, when the specified "triggers" are reached.

The triggering criteria described below are based on known system capacity limits. The District will adopt measures for each stage of the Plan as warranted by the triggers. The stages will not necessarily be adopted in consecutive order.

Section 3.02. Stage 1 Triggers -- Mild Water Shortage Conditions

A. Requirements for initiation

Customers shall be requested to voluntarily conserve water and adhere to the prescribed restrictions on certain non-essential water uses, defined in Article II hereof, when the following condition is reached:

When total daily water demand equals or exceeds 80% of the District's available water well capacity (e.g., based on the "safe" operating capacity of water supply facilities), or when the water supply facilities cannot meet or are in danger of not being capable of meeting water supply demand, as determined by the District's Operator.

B. Requirements for termination

Stage 1 of the Plan may be rescinded when the District's Operator determines that all of the conditions listed as triggering events have ceased to exist for a period of 3 consecutive days.

Section 3.03. Stage 2 Triggers --- Moderate Water Shortage Conditions

A. Requirements for initiation

Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses for Stage 2 of this Plan when any of the following conditions occur:

When total daily water demand equals or exceeds 85% of the District's available water well capacity (e.g., based on the "safe" operating capacity of water supply facilities), or when the water supply facilities cannot meet or are in danger of not being capable of meeting water supply demand, as determined by the District's Operator.

B. Requirements for termination

Stage 2 of the Plan may be rescinded when the District's Operator determines that all of the conditions listed as triggering events have ceased to exist for a period of 3 consecutive days. Upon termination of Stage 2, Stage 1 becomes operative, unless otherwise notified.

Section 3.04. Stage 3 Triggers -- Severe Water Shortage Conditions

A. Requirements for initiation

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

When total daily water demand equals or exceeds 90% of the District's available water well capacity (e.g., based on the "safe" operating capacity of water supply facilities), or when the water supply facilities cannot meet or are in danger of not being capable of meeting water supply demand, as determined by the District's Operator.

B. Requirements for termination

Stage 3 of the Plan may be rescinded when the District's Operator determines that all of the conditions listed as triggering events have ceased to exist for a period of 3 consecutive days. Upon termination of Stage 3, Stage 2 becomes operative, unless otherwise notified.

Section 3.05. Stage 4 Triggers -- Critical Water Shortage Conditions

A. Requirements for initiation

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

When total daily water demand equals or exceeds 95% of the District's available water well capacity (e.g., based on the "safe" operating capacity of water supply facilities), or when the water supply facilities cannot meet or are in danger of not being capable of meeting water supply demand, as determined by the District's Operator.

B. Requirements for termination

Stage 4 of the Plan may be rescinded when the District's Operator determines that all of the conditions listed as triggering events have ceased to exist for a period of 3 consecutive days. Upon termination of Stage 3, Stage 2 becomes operative, unless otherwise notified.

Section 3.06. Stage 5 Triggers -- Emergency Water Shortage Conditions

A. Requirements for initiation

Customers shall be required to comply with the requirements and restrictions for Stage 5 of this Plan when the District's Operator determines that a water supply emergency exists based on:

1. Major water line breaks, pump or system failures, or other events which cause unprecedented loss of capability to provide water service; or
2. Natural or man-made contamination of the water supply source(s).

B. Requirements for termination

Stage 5 of the Plan may be rescinded when the District's Operator determines that all of the conditions listed as triggering events have ceased to exist for a period of 3 consecutive days.

Section 3.07. Stage 6 Triggers -- Water Allocation

A. Requirements for initiation

Customers shall be required to comply with the allocation plan prescribed in Article IV of this Plan and comply with the requirements and restrictions for Stage 5 when any of the following conditions occur:

When total daily water demand equals or exceeds 97% of the District's available water well capacity, or when the water supply facilities cannot meet or are in danger of not being capable of meeting water supply demand, as determined by the District's Operator.

B. Requirements for termination

Stage 6 of the Plan may be rescinded when the District's Operator determines that all of the conditions listed as triggering events have ceased to exist for a period of 3 consecutive days.

**ARTICLE IV
DROUGHT RESPONSE STAGES**

Section 4.01. Public Notification

The District's Operator shall monitor water supply and/or demand conditions on a daily basis and, in accordance with the triggering criteria set forth in Section III of this Plan, shall determine when a mild to moderate, severe, critical, or emergency water shortage condition exists and shall implement the following notification procedures:

A. Notification

Before any notification of the public occurs, the District's Operator shall notify the Board of Directors of the need to evoke mandatory water conservation procedures.

The District's Operator shall notify the public by means of:

1. direct mail to each customer,
2. signs posted in public places, or
3. other measures that might be appropriate.

B. Additional Notification

The District's Operator shall notify directly, or cause to be notified directly, the following individuals and entities:

1. Texas Commission on Environmental Quality (required when mandatory restrictions are imposed),
2. Major water users,
3. Critical water users, i.e. hospitals.

Section 4.02. Stage 1 Response -- Mild Water Shortage Conditions

A. Goal

Achieve a 15 percent reduction in daily water demand to reduce the well motor run time from 18 hours to 14 hours or less.

B. Best Management Practices

1. Reduce flushing of water mains.

2. Notify customers of the implementation of the voluntary water use restrictions by sending the letter attached as Appendix 1.

C. Voluntary Water Use Restrictions for Reducing Water Demand

The following voluntary water use restrictions shall apply to all persons:

1. Customers are requested to voluntarily limit the irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems to Sundays and Thursdays for customers with a street address ending in an even number (0, 2, 4, 6 or 8), and Saturdays and Wednesdays for water customers with a street address ending in an odd number (1, 3, 5, 7 or 9), and irrigation of landscaped areas is further limited to the hours of 12:00 midnight until 10:00 a.m. and between 8:00 p.m. and 12:00 midnight on designated watering days. However, irrigation of landscaped areas is permitted at anytime if it is by means of a hand-held hose, a faucet filled bucket or watering can of five (5) gallons or less, or drip irrigation system.

2. All operations of the District shall adhere to water use restrictions prescribed for Stage 2 of the Plan.

3. Customers are requested to practice water conservation and to minimize or discontinue water use for non-essential purposes.

Section 4.03. Stage 2 Response -- Moderate Water Shortage Conditions

A. Goal

Achieve a 10 percent reduction in daily water demand.

B. Best Management Practices

1. Reduce flushing of water mains.

2. Notify customers of the implementation of the water use restrictions by sending the letter attached as Appendix 2.

C. Water Use Restrictions for Reducing Water Demand

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

1. Irrigation of residential landscaped areas with hose-end sprinklers or automatic irrigation systems shall be limited to Sundays and Thursdays for customers with a street address ending in an even number (0, 2, 4, 6 or 8), and Saturdays and Wednesdays for water customers with a street address ending in an odd number (1, 3, 5, 7 or 9), and irrigation of landscaped areas is further limited to the hours of 12:00 midnight until 10:00 a.m. and between 8:00 p.m. and 12:00 midnight on designated watering days. However, irrigation of residential landscaped areas is permitted at anytime if it is by means of a hand-held hose, a faucet filled bucket or watering can of five (5) gallons or less, or drip irrigation system.

2. Irrigation of green belts, common areas, esplanades and sports field shall be limited to Mondays and Fridays between 8:00 p.m. and 12:00 midnight.

3. Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight. Such washing, when allowed, shall be done with a hand-held bucket or a hand-held hose equipped with a positive shutoff nozzle for quick rises. Vehicle washing may be done at any time on the immediate premises of a commercial car wash or commercial service station. Further, such washing may be exempted from these regulations if the health, safety, and welfare of the public is contingent upon frequent vehicle cleansing, such as garbage trucks and vehicles used to transport food and perishables.

4. Use of water to fill, refill, or add to any indoor or outdoor swimming pools, wading pools, or jacuzzi-type pools is prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8 p.m. and 12:00 midnight.

5. Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a re-circulation system.

6. Use of water from hydrants shall be limited to fire fighting, related activities, or other activities necessary to maintain public health, safety, and welfare, except that use of water from designated fire hydrants for construction purposes may be allowed under special permit from the District.

7. Use of water for the irrigation of golf course greens, tees, and fairways is prohibited except on designated watering days between the hours 12:00 midnight and 10:00 a.m. and between 8 p.m. and 12:00 midnight. However, if the golf course utilizes a water source other than that provided by the District, the facility shall not be subject to these regulations.

8. All restaurants are prohibited from serving water to patrons except upon request of the patron.

9. The following uses of water are defined as non-essential and are prohibited:

- a. wash down of any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
- b. use of water to wash down buildings or structures for purposes other than immediate fire protection;
- c. use of water for dust control;
- d. flushing gutters or permitting water to run or accumulate in any gutter or street; and
- e. failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s).

Section 4.04. Stage 3 Response -- Severe Water Shortage Conditions

A. Goal

Achieve a 15 percent reduction in daily water demand.

B. Best Management Practices

1. Discontinue flushing of water mains.
2. Notify customers of the implementation of the mandatory water use restrictions by sending the letter attached as Appendix 3.

C. Water Use Restrictions

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

1. Irrigation of residential landscaped areas shall be limited to designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8 p.m. and 12:00 midnight and shall be by means of hand-held hoses, hand-held buckets, drip irrigation, or permanently installed automatic sprinkler system only. The use of hose-end sprinklers is prohibited at all times.
2. Irrigation of green belts, common areas, esplanades and sports field shall be limited to Mondays and Fridays between 8:00 p.m. and 12:00 midnight
3. The watering of golf course tees is prohibited unless the golf course utilizes a water source other than that provided by the District.
4. The use of water for construction purposes from designated fire hydrants under special permit is to be discontinued.

Section 4.05. Stage 4 Response -- Critical Water Shortage Conditions

A. Goal

Achieve a 20 percent reduction in daily water demand.

B. Best Management Practices

1. Discontinue flushing of water mains; discontinue irrigation of public landscaped areas.
2. Notify customers of the implementation of the water use restrictions by sending the letter attached as Appendix 4.

C. Water Use Restrictions

Under threat of penalty for violation, the water use restrictions of Stages 1, 2 and 3 shall be mandatory and shall remain in effect during Stage 4 except:

1. Irrigation of residential landscaped areas shall be limited to designated watering days between the hours of 6:00 a.m. and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight and shall be by means of hand-held hoses, hand-held buckets, or drip irrigation only. The use of hose-end sprinklers or permanently installed automatic sprinkler systems is prohibited at all times.

2. Irrigation of green belts, esplanades and sports field shall be limited to Mondays and Fridays between 8:00 p.m. and 12:00 midnight

3. Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is absolutely prohibited. Further, such vehicle washing at commercial car washes or service stations shall occur only between the hours of 6:00 am and 10:00 am and between 6:00 pm and 10:00 pm.

4. The filling, refilling, or adding of water to swimming pools, wading pools, and jacuzzi-type pools is prohibited.

5. Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a re-circulation system.

6. No application for new, additional, expanded, or increased-in-size water service connections, meters, service lines, pipeline extensions, mains, or water service facilities of any kind shall be approved, and time limits for approval of such applications are hereby suspended for such time as this drought response stage or a higher-numbered stage shall be in effect.

Section 4.06. Stage 5 Response -- Emergency Water Shortage Conditions

A. Goal

Restore normal water supply as soon as possible.

B. Best Management Practices

1. Discontinue flushing of water mains; discontinue irrigation of public landscaped areas.

2. Notify customers of the implementation of the water use restrictions by sending the letter attached as Appendix 5.

C. Water Use Restrictions

All requirements of Stages 1, 2, 3 and 4 shall remain in effect during Stage 5 except (1) irrigation of landscaped areas and (2) use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle are absolutely prohibited.

Section 4.07. Stage 6 Response - Water Allocation

In the event that water shortage conditions threaten public health, safety and welfare, the District's Operator is hereby authorized to allocate water according to the water allocation plan set forth

below. The District's Operator shall notify the Customers by placing signs at the entrances of all subdivisions in the District, and by sending the letter attached as Appendix 6.

A. Single Family Residential Customers

The allocation to residential water customers residing in a single-family dwelling shall be as follows:

<u>Persons per Household</u>	<u>Gallons per Month</u>
1 or 2	6,000
3 or 4	7,000
5 or 6	8,000
7 or 8	9,000
9 or 10	10,000
11 or more	12,000

"Household" means the residential premises served by the customer's meter. **"Persons per household"** includes only those persons currently physically residing at the premises and expected to reside there for the entire billing period. It shall be assumed that a particular customer's household is comprised of two (2) persons unless the customer notifies the District's Operator of a greater number of persons per household. New customers may claim more persons per household at the time of applying for water service. When the number of persons per household increases so as to place the customer in a different allocation category, the customer may notify the District and the change will be implemented in the next practicable billing period. If the number of persons in a household is reduced, the customer shall notify the District's Operator in writing within two (2) days. In prescribing the method for claiming more than two (2) persons per household, the District shall adopt methods to insure the accuracy of the claim. Any person who knowingly, recklessly, or with criminal negligence falsely reports the number of persons in a household or fails to timely notify the District of a reduction in the number of person in a household shall be fined not less than \$250.00.

Residential water customers shall pay the following surcharges:

- \$3.00 for the first 1,000 gallons over allocation.
- \$4.00 for the next 1,000 gallons over allocation.
- \$5.00 for each additional 1,000 gallons over allocation.

Surcharges shall be cumulative.

B. Master-Metered Multi-Family Residential Customers

The allocation to a customer billed from a master meter which jointly measures water to multiple permanent residential dwelling units shall be allocated 5,000 gallons per month for each dwelling unit. Customers billed from a master meter under this provision shall pay the following monthly surcharges:

- \$2.00 per thousand gallons for the first 1,000 gallons over allocation.
- \$3.00 per thousand gallons for the second 1,000 gallons over allocation.
- \$4.00 per thousand gallons for the third 1,000 gallons over allocation.
- \$5.00 per thousand gallons for each additional 1,000 gallons over allocation.

Surcharges shall be cumulative.

C. Commercial Customers

A monthly water allocation shall be established by the District or each nonresidential commercial customer other than an industrial customer who uses water for processing purposes. The commercial customer's allocation shall be approximately 70% percent of the customer's usage for the previous month. Provided, however, a customer, 70% percent of whose monthly usage is less than 5,000 gallons, shall be allocated 5,000 gallons. It shall be the customer's responsibility to contact the District's Operator to determine the allocation. Upon request of the customer or at the initiative of the District, the allocation may be reduced or increased if, (1) the designated period does not accurately reflect the customer's normal water usage, or (2) other objective evidence demonstrates that the designated allocation is inaccurate under present conditions. A customer may appeal an allocation established hereunder to the District. Nonresidential commercial customers shall pay the following surcharges:

- \$2.00 per thousand gallons for the first 1,000 gallons over allocation.
- \$3.00 per thousand gallons for the second 1,000 gallons over allocation.
- \$4.00 per thousand gallons for the third 1,000 gallons over allocation.
- \$5.00 per thousand gallons for each additional 1,000 gallons over allocation.

Surcharges shall be cumulative.

D. Industrial Customers

A monthly water allocation shall be established by the District for each industrial customer, which uses water for processing purposes. The industrial customer's allocation shall be approximately, 90% percent of the customer's previous month's water usage. It shall be the customer's responsibility to contact the District's Operator to determine the allocation, and the allocation shall be fully effective notwithstanding the lack of receipt of written notice. Upon request of the customer or at the initiative of the District, the allocation may be reduced or increased, (1) if the designated period does not accurately reflect the customer's normal water use because the customer had shutdown a major processing unit for repair or overhaul during the period, (2) the customer has added or is in the process of adding significant additional processing capacity, (3) the customer has shutdown or significantly reduced the production of a major processing unit, (4) the customer has previously implemented significant permanent water conservation measures such that the ability to further reduce water use is limited, or (6) if other objective evidence demonstrates that the designated allocation is inaccurate under present conditions. A customer may appeal an allocation established hereunder to the District. Industrial customers shall pay the following surcharges:

- \$2.00 per thousand gallons for the first 1,000 gallons over allocation.
- \$3.00 per thousand gallons for the second 1,000 gallons over allocation.
- \$4.00 per thousand gallons for the third 1,000 gallons over allocation.
- \$5.00 per thousand gallons for each additional 1,000 gallons over allocation.

Surcharges shall be cumulative. As used herein, "block rate" means the charge to the customer per 1,000 gallons at the regular water rate schedule at the level of the customer's allocation.

ARTICLE VII ENFORCEMENT

A. No person shall knowingly or intentionally allow the use of water from the District 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 District's Operator in accordance with provisions of this Plan.

B. Any person who violates this Plan is guilty of a misdemeanor and, upon conviction shall be punished by a fine of not less than two hundred fifty dollars (\$250) and not more than five hundred dollars (\$500). Each day that one or more of the provisions in this Plan is violated shall constitute a separate offense. If a person is convicted of three or more distinct violations of this Plan, the District's Operator 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, as set forth in the District's Rate Order, and any other costs incurred by the in District discontinuing and re-connecting service. In addition, suitable assurance must be given to the District 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 the District, in apparent control of the property where a violation occurs or originates shall be presumed to be the violator, and proof that the violation occurred on the person's property shall constitute a rebuttable presumption that the person in apparent control of the property committed the violation, but any such person shall have the right to show that he/she did not commit the violation. Parents shall be presumed to be responsible for violations of their minor children and proof that a violation, committed by a child, occurred on property within the parents' control shall constitute a rebuttable presumption that the parent committed the violation, but any such parent may be excused if he/she proves that he/she had previously directed the child not to use the water as it was used in violation of this Plan and that the parent could not have reasonably known of the violation.

D. The District's Operator, police officer, or other person(s) designated by the District, may issue a citation to a person he/she reasonably believes to be in violation of this Ordinance. The form of citation is attached hereto as Appendix 7. The citation shall be prepared in duplicate and shall contain the name and address of the alleged violator, if known, the offense charged, and shall direct him/her to appear in the Justice of the Peace Court on the date shown on the citation for which the date shall not be less than 3 days nor more than 5 days from the date the citation was issued. The alleged violator shall be served a copy of the citation. Service of the citation shall be complete upon delivery of the citation to the alleged violator, to an agent or employee of a violator, or to a person over 14 years of age who is a member of the violator's immediate family or is a resident of the violator's residence. The alleged violator shall appear in the Justice of the Peace Court to enter a plea of guilty or not guilty for the violation of this Plan. If the alleged violator fails to appear in the Justice of the Peace Court, a warrant for his/her arrest may be issued. A summons to appear may be issued in lieu of an arrest warrant. These cases shall be expedited and given preferential setting in the Justice of the Peace Court before all other cases.

ARTICLE VIII VARIANCES

A. The District's Operator, 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 Ordinance shall file a petition for variance with the District within 5 days after the Plan or a particular drought response stage has been invoked. All petitions for variances shall be reviewed by the District's Operator, 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. Variances granted by the District's Operator on behalf the District shall be subject to the following conditions, unless waived or modified by the District's Operator:

1. Variances granted shall include a timetable for compliance.

2. Variances granted shall expire when the Plan is no longer in effect, unless the petitioner has failed to meet specified requirements.

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

ARTICLE IX

END OF DROUGHT CONTINGENCY WATER USE RESTRICTIONS

When the District is able to return to normal water use, the District shall send out the letter attached as Appendix 8, or otherwise notify the customers of the District of the end of all water use restrictions.

PASSED AND APPROVED this ___ day of _____, 20__.

/s/

President, Board of Directors

ATTEST:

/s/

Secretary, Board of Directors

(DISTRICT SEAL)

**APPENDIX 1
TO EXHIBIT C**

Lago Bello Municipal Utility District No. 1A of Harris County
of
Harris County, Texas
(Drought Stage 1)

(Date)

Dear Customer:

Lago Bello Municipal Utility District No. 1A of Harris County is unable to provide water at the customary levels or pressure.

To ensure that an adequate supply of water is available for drinking and bathing, you are hereby notified that Stage One of the Drought Contingency Plan is now in effect. Stage One includes the following **VOLUNTARY** water use restrictions:

- (a) Irrigation of residential landscaped areas with hose-end sprinklers or automatic irrigation systems shall be limited to Sundays and Thursdays for customers with a street address ending in an even number (0, 2, 4, 6 or 8), and Saturdays and Wednesdays for water customers with a street address ending in an odd number (1, 3, 5, 7 or 9), and irrigation of landscaped areas is further limited to the hours of 12:00 midnight until 10:00 a.m. and between 8:00 p.m. and 12:00 midnight on designated watering days.
- (b) Irrigation of green belts, esplanades and sports field shall be limited to Mondays and Fridays between 8:00 p.m. and 12:00 midnight.
- (c) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight. Such washing, when allowed, shall be done with a hand-held bucket or a hand-held hose equipped with a positive shutoff nozzle for quick rises. Vehicle washing may be done at any time on the immediate premises of a commercial car wash or commercial service station. Further, such washing may be exempted from these regulations if the health, safety, and welfare of the public is contingent upon frequent vehicle cleansing, such as garbage trucks and vehicles used to transport food and perishables.
- (d) Use of water to fill, refill, or add to any indoor or outdoor swimming pools, wading pools, or jacuzzi-type pools is prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8 p.m. and 12:00 midnight.
- (e) Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a re-circulation system.
- (f) Use of water from hydrants shall be limited to fire fighting, related activities, or other activities necessary to maintain public health, safety, and welfare, except that use of water from designated fire hydrants for construction purposes may be allowed under special permit from the District.

(g) Use of water for the irrigation of golf course greens, tees, and fairways is prohibited except on designated watering days between the hours 12:00 midnight and 10:00 a.m. and between 8 p.m. and 12:00 midnight. However, if the golf course utilizes a water source other than that provided by the District, the facility shall not be subject to these regulations.

(h) All restaurants are prohibited from serving water to patrons except upon request of the patron.

(i) The following uses of water are defined as non-essential and are prohibited:

(1) wash down of any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;

(2) use of water to wash down buildings or structures for purposes other than immediate fire protection;

(3) use of water for dust control;

(4) flushing gutters or permitting water to run or accumulate in any gutter or street; and

(5) failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s).

The Board of Directors appreciates your cooperation and perseverance during this Conservation Condition. Once the Conservation Condition ends, we will notify you and you may then return to normal usage. If conditions should worsen, you will be notified of more stringent restrictions, to ensure the availability of water in your community.

Very truly yours,

Board of Directors

**APPENDIX 2
TO EXHIBIT C**

Lago Bello Municipal Utility District No. 1A of Harris County
of
Harris County, Texas
(Drought Stage 2)

(Date)

Dear Customer:

Lago Bello Municipal Utility District No. 1A of Harris County is unable to provide water at the customary levels or pressure.

To ensure that an adequate supply of water is available for drinking and bathing, you are hereby notified that Stage 2 of the Drought Contingency Plan is now in effect. Stage 2 includes the **MANDATORY** water use restrictions set forth below. Any person who violates the water use restrictions set forth below is guilty of a misdemeanor and, upon conviction shall be punished by a fine of not less than two hundred fifty dollars (\$250) and not more than five hundred dollars (\$500). Each day that one or more of the provisions in this Plan is violated shall constitute a separate offense. If a person is convicted of three or more distinct violations of this Plan, the District's Operator 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, as set forth in the District's Rate Order, and any other costs incurred by the District in discontinuing and re-connecting service. In addition, suitable assurance must be given to the District 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.

WATER USE RESTRICTIONS

- (a) Irrigation of residential landscaped areas with hose-end sprinklers or automatic irrigation systems shall be limited to Sundays and Thursdays for customers with a street address ending in an even number (0, 2, 4, 6 or 8), and Saturdays and Wednesdays for water customers with a street address ending in an odd number (1, 3, 5, 7 or 9), and irrigation of landscaped areas is further limited to the hours of 12:00 midnight until 10:00 a.m. and between 8:00 p.m. and 12:00 midnight on designated watering days. However, residential irrigation of landscaped areas is permitted at anytime if it is by means of a hand-held hose, a faucet filled bucket or watering can of five (5) gallons or less, or drip irrigation system.
- (b) Irrigation of green belts, esplanades and sports field shall be limited to Mondays and Fridays between 8:00 p.m. and 12:00 midnight
- (c) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight. Such washing, when allowed, shall be done with a hand-held bucket or a hand-held hose equipped with a positive shutoff nozzle for quick rises. Vehicle washing may be done at any time on the immediate premises of a commercial car wash or commercial service station. Further, such washing may be exempted from these regulations if the health, safety, and welfare of the

public is contingent upon frequent vehicle cleansing, such as garbage trucks and vehicles used to transport food and perishables.

(d) Use of water to fill, refill, or add to any indoor or outdoor swimming pools, wading pools, or jacuzzi-type pools is prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8 p.m. and 12:00 midnight.

(e) Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a re-circulation system.

(f) Use of water from hydrants shall be limited to fire fighting, related activities, or other activities necessary to maintain public health, safety, and welfare, except that use of water from designated fire hydrants for construction purposes may be allowed under special permit from the District.

(g) Use of water for the irrigation of golf course greens, tees, and fairways is prohibited except on designated watering days between the hours 12:00 midnight and 10:00 a.m. and between 8 p.m. and 12:00 midnight. However, if the golf course utilizes a water source other than that provided by the District, the facility shall not be subject to these regulations.

(h) All restaurants are prohibited from serving water to patrons except upon request of the patron.

(i) The following uses of water are defined as non-essential and are prohibited:

(1) wash down of any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;

(2) use of water to wash down buildings or structures for purposes other than immediate fire protection;

(3) use of water for dust control;

(4) flushing gutters or permitting water to run or accumulate in any gutter or street;
and

(5) failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s).

The Board of Directors appreciates your cooperation and perseverance during this Conservation Condition. Once the Conservation Condition ends, we will notify you and you may then return to normal usage. If conditions should worsen, you will be notified of more stringent restrictions, to ensure the availability of water in your community.

Very truly yours,

Board of Directors

**APPENDIX 3
TO EXHIBIT C**

Lago Bello Municipal Utility District No. 1A of Harris County
of
Harris County, Texas
(Drought Stage 3)

(Date)

Dear Customer:

Lago Bello Municipal Utility District No. 1A of Harris County is experiencing severe water shortage conditions and is unable to provide water at the customary levels or pressure.

To ensure that an adequate supply of water is available for drinking and bathing, you are hereby notified that Stage 3 of the Drought Contingency Plan is now in effect and the **MANDATORY** restrictions set forth in below are now in effect. The Board of Directors is aware of the inconvenience of these severe restrictions, but it is imperative that the water supply not only be available for drinking and bathing but also for fire fighters in the event of a house fire. Any person who violates the water use restrictions set forth below is guilty of a misdemeanor and, upon conviction shall be punished by a fine of not less than two hundred fifty dollars (\$250) and not more than five hundred dollars (\$500). Each day that one or more of the provisions in this Plan is violated shall constitute a separate offense. If a person is convicted of three or more distinct violations of this Plan, the District's Operator 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, as set forth in the District's Rate Order, and any other costs incurred by the in discontinuing service. In addition, suitable assurance must be given to the District 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.

WATER USE RESTRICTIONS

- (a) Irrigation of residential landscaped areas shall be limited to Sundays and Thursdays for customers with a street address ending in an even number (0, 2, 4, 6 or 8), and Saturdays and Wednesdays for water customers with a street address ending in an odd number (1, 3, 5, 7 or 9). Irrigation of residential landscaped areas shall be limited to designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8 p.m. and 12:00 midnight and shall be by means of hand-held hoses, hand-held buckets, drip irrigation, or permanently installed automatic sprinkler system only. The use of hose-end sprinklers is prohibited at all times.
- (b) Irrigation of green belts, esplanades and sports field shall be limited to Mondays and Fridays between 8:00 p.m. and 12:00 midnight
- (c) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle not occurring on the premises of a commercial car wash and commercial service stations and not in the immediate interest of public health, safety, and welfare is prohibited. Further, such vehicle washing at commercial car washes and commercial service stations shall occur only between the hours of 10:00 a.m. and 2:00 p.m. and between 10:00 p.m. and 6:00 a.m.

- (d) Use of water to fill, refill, or add to any indoor or outdoor swimming pools, wading pools, or jacuzzi-type pools is prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8 p.m. and 12:00 midnight.
- (e) Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.
- (f) Use of water from hydrants shall be limited to fire fighting, related activities, or other activities necessary to maintain public health, safety, and welfare. The use of water for construction purposes from designated fire hydrants under special permit is to be discontinued.
- (g) The watering of golf course tees is prohibited unless the golf course utilizes a water source other than that provided by the District.
- (h) All restaurants are prohibited from serving water to patrons except upon request of the patron.
- (i) The following uses of water are defined as non-essential and are prohibited:
- (1) wash down of any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
 - (2) use of water to wash down buildings or structures for purposes other than immediate fire protection;
 - (3) use of water for dust control;
 - (4) flushing gutters or permitting water to run or accumulate in any gutter or street;
- and
- (5) failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s).

Failure to comply with the Water Use Restrictions is deemed a violation of the Drought Contingency Plan and may result in the termination of water and sewer service to your property. Water and sewer service will not be restored until noncompliance is discontinued and a reconnect fee of \$100 is paid.

The Board of Directors appreciates your cooperation and perseverance during this Drought Stage. Once the Drought Stage ends, we will notify you and you may then return to normal usage. If conditions should worsen, you will be notified of more stringent restrictions, to ensure the availability of water in your community.

Very truly yours,

Board of Directors

**APPENDIX 4
TO EXHIBIT C**

Lago Bello Municipal Utility District No. 1A of Harris County
of
Harris County, Texas
(Drought Stage 4)

(Date)

Dear Customer:

Lago Bello Municipal Utility District No. 1A of Harris County is experiencing critical water shortages conditions and is unable to provide water at the customary levels or pressure.

To ensure that an adequate supply of water is available for drinking and bathing, you are hereby notified that Stage 4 of the Drought Contingency Plan is now in effect and the **MANDATORY** restrictions set forth in below are now in effect. The Board of Directors is aware of the inconvenience of these severe restrictions, but it is imperative that the water supply not only be available for drinking and bathing but also for fire fighters in the event of a house fire. Any person who violates the water use restrictions set forth below is guilty of a misdemeanor and, upon conviction shall be punished by a fine of not less than two hundred fifty dollars (\$250) and not more than five hundred dollars (\$500). Each day that one or more of the provisions in this Plan is violated shall constitute a separate offense. If a person is convicted of three or more distinct violations of this Plan, the District's Operator 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, as set forth in the District's Rate Order, and any other costs incurred by the District in discontinuing and re-connecting service. In addition, suitable assurance must be given to the District 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.

WATER USE RESTRICTIONS

To ensure that an adequate supply of water is available for drinking and bathing, you are hereby notified that Stage 4 of the Drought Contingency Plan is now in effect. The Board of Directors is aware of the inconvenience of these severe restrictions, but it is imperative that the water supply not only be available for drinking and bathing but also for fire fighters in the event of a house fire. The following **MANDATORY** restrictions are now in effect:

(a) Irrigation of residential areas shall be limited to Sundays and Thursdays for customers with a street address ending in an even number (0, 2, 4, 6 or 8), and Saturdays and Wednesdays for water customers with a street address ending in an odd number (1, 3, 5, 7 or 9). Irrigation of residential landscaped areas shall be limited to designated watering days between the hours of 6:00 a.m. and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight and shall be by means of hand-held hoses, hand-held buckets, or drip irrigation only. The use of hose-end sprinklers or permanently installed automatic sprinkler systems is prohibited at all times.

- (b) Irrigation of green belts, esplanades and sports field shall be limited to Mondays and Fridays between 8:00 p.m. and 12:00 midnight.
- (c) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is absolutely prohibited. Further, such vehicle washing at commercial car washes and commercial service stations shall occur only between the hours of 10:00 a.m. and 2:00 p.m. and between 10:00 p.m. and 6:00 a.m.
- (d) The filling, refilling, or adding of water to swimming pools, wading pools, and jacuzzi-type pools is prohibited.
- (e) Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.
- (f) Use of water from hydrants shall be limited to fire fighting, related activities, or other activities necessary to maintain public health, safety, and welfare. The use of water for construction purposes from designated fire hydrants under special permit is to be discontinued.
- (g) The watering of golf course tees is prohibited unless the golf course utilizes a water source other than that provided by the District.
- (h) All restaurants are prohibited from serving water to patrons except upon request of the patron.
- (i) The following uses of water are defined as non-essential and are prohibited:
- (1) wash down of any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
 - (2) use of water to wash down buildings or structures for purposes other than immediate fire protection;
 - (3) use of water for dust control;
 - (4) flushing gutters or permitting water to run or accumulate in any gutter or street; and
 - (5) failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s).
- (j) No application for new, additional, expanded, or increased-in-size water service connections, meters, service lines, pipeline extensions, mains, or water service facilities of any kind shall be approved, and time limits for approval of such applications are hereby suspended for such time as this drought response stage or a higher-numbered stage shall be in effect.

The Board of Directors appreciates your cooperation and perseverance during this Conservation Condition. Once the Conservation Condition ends, we will notify you and you may then return to normal usage. If conditions should worsen, you will be notified of more stringent restrictions, to ensure the availability of water in your community.

Very truly yours,

Board of Directors

**APPENDIX 5
TO EXHIBIT C**

Lago Bello Municipal Utility District No. 1A of Harris County
of
Harris County, Texas
(Drought Stage 5)

(Date)

Dear Customer:

Lago Bello Municipal Utility District No. 1A of Harris County is experiencing emergency water conditions and is unable to provide water at the customary levels or pressure.

To ensure that an adequate supply of water is available for drinking and bathing, you are hereby notified that Stage 5 of the Drought Contingency Plan is now in effect and the **MANDATORY** restrictions set forth in below are now in effect.. The Board of Directors is aware of the inconvenience of these severe restrictions, but it is imperative that the water supply not only be available for drinking and bathing but also for fire fighters in the event of a house fire. Any person who violates the water use restrictions set forth below is guilty of a misdemeanor and, upon conviction shall be punished by a fine of not less than two hundred fifty dollars (\$250) and not more than five hundred dollars (\$500). Each day that one or more of the provisions in this Plan is violated shall constitute a separate offense. If a person is convicted of three or more distinct violations of this Plan, the District's Operator 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, as set forth in the District's Rate Order, and any other costs incurred by the District in discontinuing or re-connecting. In addition, suitable assurance must be given to the District 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.

WATER USE RESTRICTIONS

To ensure that an adequate supply of water is available for drinking and bathing, you are hereby notified that Stage 5 of the Drought Contingency Plan is now in effect. The Board of Directors is aware of the inconvenience of these severe restrictions, but it is imperative that the water supply not only be available for drinking and bathing but also for fire fighters in the event of a house fire. The following **MANDATORY** restrictions are now in effect:

- (a) Irrigation of all residential landscaped areas is prohibited.
- (b) Irrigation of green belts, esplanades and sports fields is prohibited.
- (c) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is absolutely prohibited.
- (d) The filling, refilling, or adding of water to swimming pools, wading pools, and jacuzzi-type pools is prohibited.

- (e) Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.
- (f) Use of water from hydrants shall be limited to fire fighting, related activities, or other activities necessary to maintain public health, safety, and welfare. The use of water for construction purposes from designated fire hydrants under special permit is to be discontinued.
- (g) The watering of golf course tees is prohibited unless the golf course utilizes a water source other than that provided by the District.
- (h) All restaurants are prohibited from serving water to patrons except upon request of the patron.
- (i) The following uses of water are defined as non-essential and are prohibited:
- (1) wash down of any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
- (2) use of water to wash down buildings or structures for purposes other than immediate fire protection;
- (3) use of water for dust control;
- (4) flushing gutters or permitting water to run or accumulate in any gutter or street;
- and
- (5) failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s).
- (j) No application for new, additional, expanded, or increased-in-size water service connections, meters, service lines, pipeline extensions, mains, or water service facilities of any kind shall be approved, and time limits for approval of such applications are hereby suspended for such time as this drought response stage or a higher-numbered stage shall be in effect.

The Board of Directors appreciates your cooperation and perseverance during this Conservation Condition. Once the Conservation Condition ends, we will notify you and you may then return to normal usage. If conditions should worsen, you will be notified of more stringent restrictions, to ensure the availability of water in your community.

Very truly yours,

Board of Directors

**APPENDIX 6
TO EXHIBIT C**

Lago Bello Municipal Utility District No. 1A of Harris County
of
Harris County, Texas
(Drought Stage 6)

(Date)

Dear Customer:

Lago Bello Municipal Utility District No. 1A of Harris County is experiencing emergency water conditions and must implement water allocation measures.

You are hereby notified that Stage 6 of the Drought Contingency Plan is now in effect and the **MANDATORY** water allocations and water use restrictions set forth below are now in effect. Any person who violates the water use restrictions set forth below is guilty of a misdemeanor and, upon conviction shall be punished by a fine of not less than two hundred fifty dollars (\$250) and not more than five hundred dollars (\$500). Each day that one or more of the provisions in this Plan is violated shall constitute a separate offense. If a person is convicted of three or more distinct violations of this Plan, the District's Operator 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, as set forth in the District's Rate Order, and any other costs incurred by the District in discontinuing or re-connecting service. In addition, suitable assurance must be given to the District 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.

WATER ALLOCATION

RESIDENTIAL WATER CUSTOMERS RESIDING IN A SINGLE-FAMILY DWELLING SHALL BE ALLOCATED WATER AS FOLLOWS:

<u>Persons per Household</u>	<u>Gallons per Month</u>
1 or 2	6,000
3 or 4	7,000
5 or 6	8,000
7 or 8	9,000
9 or 10	10,000
11 or more	12,000

Each residential water customer is deemed to have two (2) persons per household unless the customer notifies the District's Operator of a greater number of persons per household. Residential water customers shall pay the following surcharges:

- \$3.00 for the first 1,000 gallons over allocation.
- \$4.00 for the next 1,000 gallons over allocation.
- \$5.00 for each additional 1,000 gallons over allocation.

Surcharges shall be cumulative.

MASTER-METERED MULTI-FAMILY RESIDENTIAL CUSTOMERS SHALL BE ALLOCATED WATER AS FOLLOWS:

The allocation to a customer billed from a master meter which jointly measures water to multiple permanent residential dwelling units shall be allocated 5,000 gallons per month for each dwelling unit. Customers billed from a master meter under this provision shall pay the following monthly surcharges:

- \$2.00 per thousand gallons for the first 1,000 gallons over allocation.
- \$3.00 per thousand gallons for the second 1,000 gallons over allocation.
- \$4.00 per thousand gallons for the third 1,000 gallons over allocation.
- \$5.00 per thousand gallons for each additional 1,000 gallons over allocation.

Surcharges shall be cumulative.

COMMERCIAL CUSTOMERS

A monthly water allocation for commercial customers, other than an industrial customer, shall be approximately 70% percent of the customer's usage for the previous month. Provided, however, a customer, 70% percent of whose monthly usage is less than 5,000 gallons, shall be allocated 5,000 gallons. It shall be the customer's responsibility to contact the District's Operator to determine the allocation. Commercial customers shall pay the following surcharges:

- \$2.00 per thousand gallons for the first 1,000 gallons over allocation.
- \$3.00 per thousand gallons for the second 1,000 gallons over allocation.
- \$4.00 per thousand gallons for the third 1,000 gallons over allocation.
- \$5.00 per thousand gallons for each additional 1,000 gallons over allocation.

The surcharges shall be cumulative. As used herein, "block rate" means the charge to the customer per 1,000 gallons at the regular water rate schedule at the level of the customer's allocation.

INDUSTRIAL CUSTOMERS

The industrial customer's allocation shall be approximately, 90% percent of the customer's previous month water usage. It shall be the customer's responsibility to contact the District's Operator to determine the allocation, and the allocation shall be fully effective notwithstanding the lack of receipt of written notice. Industrial customers shall pay the following surcharges:

- \$2.00 per thousand gallons for the first 1,000 gallons over allocation.
- \$3.00 per thousand gallons for the second 1,000 gallons over allocation.
- \$4.00 per thousand gallons for the third 1,000 gallons over allocation.
- \$5.00 per thousand gallons for each additional 1,000 gallons over allocation.

The surcharges shall be cumulative.

WATER USE RESTRICTIONS

To ensure that an adequate supply of water is available for drinking and bathing, you are hereby notified that Stage 6 of the Drought Contingency Plan is now in effect. The Board of Directors is aware of the inconvenience of these severe restrictions, but it is imperative that the water supply not only be available for drinking and bathing but also for fire fighters in the event of a house fire. The following mandatory restrictions are now in effect:

- (a) Irrigation of landscaped areas is prohibited.
- (b) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is absolutely prohibited.
- (c) The filling, refilling, or adding of water to swimming pools, wading pools, and jacuzzi-type pools is prohibited.
- (d) Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a re-circulation system.
- (e) Use of water from hydrants shall be limited to fire fighting, related activities, or other activities necessary to maintain public health, safety, and welfare. The use of water for construction purposes from designated fire hydrants under special permit is to be discontinued.
- (f) The watering of golf course tees is prohibited unless the golf course utilizes a water source other than that provided by the District.
- (g) All restaurants are prohibited from serving water to patrons except upon request of the patron.
- (h) The following uses of water are defined as non-essential and are prohibited:
 - (1) wash down of any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
 - (2) use of water to wash down buildings or structures for purposes other than immediate fire protection;
 - (3) use of water for dust control;
 - (4) flushing gutters or permitting water to run or accumulate in any gutter or street;and
 - (5) failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s).
- (j) No application for new, additional, expanded, or increased-in-size water service connections, meters, service lines, pipeline extensions, mains, or water service facilities of any kind shall be approved, and time limits for approval of such applications are hereby suspended for such time as this drought response stage or a higher-numbered stage shall be in effect.

The Board of Directors appreciates your cooperation and perseverance during this Conservation Condition. Once the Conservation Condition ends, we will notify you and you may then return to normal usage. If conditions should worsen, you will be notified of more stringent restrictions, to ensure the availability of water in your community.

Very truly yours,

Board of Directors

**APPENDIX 7
TO EXHIBIT C**

Lago Bello Municipal Utility District No. 1A of Harris County
of
Harris County, Texas

CITATION

(Date)

Dear Customer:

On _____, you were notified that you were violating the Water Use Restrictions of Lago Bello Municipal Utility District No. 1A of Harris County. This second violation has resulted in the termination of water and sewer service to your property. Service will be restored upon discontinuation of the prohibited use and upon payment of a \$100 reconnect fee. In addition, you will have to sign a copy of the water use restrictions now in effect. To have service restored you should contact the District's Operator of Lago Bello Municipal Utility District No. 1A of Harris County at _____.

In addition, if you fail to take the steps listed above, the District will consider the imposition of Monetary Penalties for Noncompliance. In addition to disconnection, the District may impose a penalty of up to \$5,000.00 for each violation of this Plan. Each day that a breach of any provision of this Plan continues shall be considered a separate violation. This penalty shall be in addition to any other legal rights and remedies of the District as may be allowed by law. We urge you to comply with the provisions of the District's Drought Contingency Plan.

Sincerely,

Board of Directors

**APPENDIX 8
TO EXHIBIT C**

Lago Bello Municipal Utility District No. 1A of Harris County
of
Harris County, Texas

(Date)

Dear Customer:

The Drought Condition has ended. You may return to normal water usage. The Board of Directors of Lago Bello Municipal Utility District No. 1A of Harris County appreciates your cooperation and perseverance during this period and would appreciate your continued attention to water use. Continued water conservation practices will help ensure water availability in the future. Thank you for your efforts.

Very truly yours,

Board of Directors

EXHIBIT D
WASTEWATER CONTROL ORDER

LAGO BELLO MUNICIPAL UTILITY DISTRICT NO. 1A OF HARRIS COUNTY (the "District") hereby adopts the following regulations controlling wastewater for the purpose of establishing and enforcing reasonable and effective regulations to secure and maintain safe, sanitary and adequate influent to the District's Sanitary Sewer System;

ARTICLE I
Definition of Terms

For the purpose of this Order, the following words and terms shall have the following meanings unless the context indicates otherwise:

- (1) Approving Authority. The District and any of its employees or representatives or any entity or person authorized by the District's governing body to act for the District in carrying out the provisions of this Order, or their duly authorized deputies, agents or representatives.
- (2) Average Quality. The arithmetic average of all the "daily determinations of concentration," as that term is defined herein, made during a calendar month.
- (3) BOD (Biochemical Oxygen Demand). The quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory conditions for five (5) days at a temperature of twenty (20) degrees celsius, reported in mg/l, as described in the "Standard Methods," as defined herein.
- (4) CFR. The Code of Federal Regulations.
- (5) COD (Chemical Oxygen Demand). The quantity of oxygen consumed from a chemical oxidation of inorganic and organic matter present in the water or wastewater, expressed in mg/l, as described in the "Standard Methods" as defined herein.
- (6) Daily Composite Sample. A sample of effluent continuously collected over a normal operating day.
- (7) Daily Composite Sample Quality. The concentration of some parameter tested in a "daily composite sample," as that term is defined herein, and reported proportional to flow.
- (8) Daily Determination of Concentration. For composite samples, "daily determination of concentration" shall be the same as "daily composite sample quality," as the term is defined herein. For grab samples, the daily determination of concentration shall be the arithmetic average of all "grab sample qualities," as that term is defined herein, determined for any calendar day.
- (9) Domestic Waste. A typical, residential-type waste which requires no pretreatment under the provisions of this Order prior to discharge into the sanitary sewer system, excluding all commercial, manufacturing and industrial wastes and which has the following characteristics:
 - (a) Free or emulsified oil and grease, if such materials:

- i. Exceed on analysis an average of fifty (50) milligrams per liter (mg/l) of either or both or combination of free or emulsified oil and grease; or
 - ii. Form a discernable layer floating on the surface of the discharge waters;
- or
- iii. Overload the producer's skimming and grease handling equipment; or
 - iv. Are not amenable to biological treatment and will therefore pass to the receiving waters without being affected by normal sewage treatment processes; or
 - v. Have adverse effects on the treatment process due to the excessive quantities.

Provided, however, the Approving Authority's engineer may grant a permittee, by permit amendment, a variance with respect to paragraph i. such that biodegradable detergents are excluded from the calculation of oil and grease concentration. Permittee shall be responsible for providing a method of analysis acceptable to the Approving Authority's engineer.

- (b) BOD exceeding 200 parts per million for any 24-hour period.
 - (c) COD exceeding 500 parts per million for any 24-hour period.
 - (d) Suspended Solids exceeding 200 parts per million for any 24-hour period.
 - (e) Ammonia concentration not exceeding 50 parts per million.
- (10) EPA. The Environmental Protection Agency.
- (11) Establishment. Any establishment or plant producing liquid waste, with or without suspended solids, required to be discharged into the sewer system.
- (12) Grab Sample. An individual sample of effluent collected in less than fifteen (15) minutes.
- (13) Grab Sample Quality. The concentration of some parameter tested in a grab sample, as that term is defined herein.
- (14) Industrial User. Any person that discharges industrial waste into the sanitary sewer system.
- (15) Industrial Waste. Any waterborne solid, liquid or gaseous waste, including cooling water, resulting from any commercial, industrial, manufacturing or food processing operation or from the development, recovery or processing of any natural resource, or any mixture of these with water or domestic waste.
- (16) Industrial Waste Permit or Permit. Any permit issued pursuant to this Order.
- (17) Interim Industrial Waste Permit. A permit to discharge waste issued by the Approving Authority pursuant to Section 2.03(b) of this Order.

(18) Plant. The District's Wastewater Treatment Plant.

(19) Milligrams per liter (mg/l). The same as parts per million (ppm) and is weight-to-volume ratio; when the milligram per liter value is multiplied by the factor 8.34, an equivalent to pounds per million gallons of water is obtained.

(20) Permittee, Permit Holder. Any person who owns, operates, possesses or controls an Establishment or Plant being operated under a valid Industrial Waste Permit.

(21) pH value. The logarithm of the reciprocal of the hydrogen ion concentration in grams per liter; i.e.:

$$\text{pH} = \text{LOG}_{10} \frac{1}{[\text{H}^+]}$$

pH will be determined according to the "Standard Methods," as defined herein.

(22) Pretreatment Requirements. Any substantive or procedural pretreatment requirement promulgated by the EPA and required by this Order, other than a pretreatment standard.

(23) Pretreatment Standards. Any regulation containing pollutant discharge limits promulgated by the EPA in accordance with sections 307 (b) and (c) of the Clean Water Act, that applies to industrial users.

(24) Producer. Any person who owns, operates, possesses or controls an establishment or plant, whether or not a permittee.

(25) Sanitary Sewer System, Sewers, Sewage Works, Sewer System. All facilities for collecting, conveying and pumping sanitary sewage and industrial wastes to the District's waste water treatment plant and all facilities for treating and disposing of sanitary sewage and industrial wastes at the District's wastewater treatment plant. For the purposes of this Order, however, waterways shall not be included in this definition.

(26) Standard Methods. The procedure as described in the latest edition of "Standard Methods for the Examination of Water and Wastewater", published by the American Public Health Association.

(27) Suspended Solids (SS). Solids measured in mg/l that either float on the surface of or are in suspension in water, wastewater, or other liquids, and which are largely removable by a laboratory filtration device, as defined in the "Standard Methods," as defined herein.

(28) TCEQ. The Texas Commission on Environmental Quality, as successor or to the Texas Natural Resource Conservation Commission, and any successor thereto.

(29) Testing Procedures. All testing procedures approved herein shall be EPA approved.

(30) User Charge. Charges established under this article for discharging wastes into the sanitary sewer system.

(31) Waste Discharge Permit. The permit issued to the District by EPA or TCEQ permitting the discharge of treated Domestic Waste and Industrial Waste into the waters of the state.

ARTICLE II
Permits

Section 2.01. Permit Required, Compliance With Approving Authority's Requests.

A. The following classes of industrial users shall be required to obtain industrial waste permits in accordance with the provisions of this article:

(1) Industrial users discharging 25,000 gallons or more of industrial waste per day into the sanitary sewer system;

(2) Industrial users subject to categorical pretreatment standards established by the EPA; and

(3) Industrial users that, in the opinion of the Approving Authority engineer, contribute industrial waste to the sanitary sewer system, or may cause the Plant's sewage sludge to violate the waste discharge permit or applicable sludge disposal regulations.

B. Any producer discharging or proposing to discharge wastewater into a sewer in any quantity when requested by the Approving Authority must:

(1) Submit to a wastewater survey which includes, but is not limited to, a description of activities, facilities, plant processes, and types of products or services of the producer. The survey shall include a list of chemicals not normally discharged into the sewer system as well as a list of process industrial wastes which are, or could be, discharged into the sewer system.

(2) Submit a site drawing showing location and size of on-site sewers, sampling point, pretreatment facilities, public sewers, and any other pertinent details relating to its discharge of waste.

(3) File a discharge report which must include at a minimum: nature of process, volume, rate of flow, and any other information that is relevant to the production of waste, including substances and concentrations in the wastewater discharge.

(4) Provide a tour for Approving Authority inspectors of facilities of the producer, relating to the production, transport, storage, or discharge of waste.

Section 2.02. Permit Issuance, Renewal.

A. Industrial Waste Permits:

(1) An applicant shall complete the Application for an Industrial Waste Permit and shall pay a fee of fifty dollars (\$50.00), or such other amount adopted by the Approving Authority for each application for an industrial waste permit. The application will not be accepted unless the fee is paid.

(2) An applicant, upon compliance with the terms and conditions established by this article for the issuance of industrial waste permit, shall pay the Approving Authority a fee of five hundred dollars (\$500.00), plus the cost of the testing required hereunder, and shall thereafter be issued an industrial waste permit, which shall be valid for a period of two (2) years from the date of issuance.

(3) To renew its industrial waste permit an applicant shall file an application for renewal and pay the Approving Authority a fee of two hundred and fifty dollars (\$250.00), plus the cost of any testing. Any such renewal shall be valid for a period of two (2) years from the date of its issuance.

(4) Shall submit as part of his application the results of a laboratory analysis taken of a grab or daily composite sample of industrial waste produced by the applicant's Establishment. Sample collection and analysis for such report shall conform to standard methods and shall be conducted by a professional testing laboratory selected by the Approving Authority. Such analysis shall test for the concentrations of salts of the heavy metals indicated in the table included in Section 3.03 of this Order. At the discretion of the Approving Authority, additional compliance testing may be required, or compliance testing may be performed by Approving Authority personnel. In the event additional testing is required, the Applicant will be required to pay all such additional costs. The applicant shall not be issued an industrial waste permit if the laboratory report shows violations of the limits established under Section 3.03 of this Order.

(5) If the applicant is subject to pretreatment standards, it must submit to the Approving Authority baseline reports and such other information as may be required by applicable pretreatment regulations or by the Approving Authority to determine compliance with pretreatment standards and requirements. At the discretion of the Approving Authority, additional compliance testing may be required, or compliance testing may be performed by Approving Authority personnel. In the event additional testing is required, the Applicant will be required to pay all such additional costs. The applicant shall not be issued an industrial waste permit if its discharge fails to meet applicable pretreatment standards and requirements.

B. Annual Report. A verified report, to be made upon a form provided by the Approving Authority, shall be filed annually by all users with industrial waste permits. The reports shall state that the applicant has not made any change in its operations that have, or will within the term of the permit, increase the strength, volume or any other characteristic of the permittee's discharge into the sanitary sewer system. If the permittee has made changes in its operations that have or will increase, during the term of the permit, the strength, volume or any other characteristic of the permittee's discharge into the sanitary sewer system, then the permittee shall describe the changes in operations that alter the strength, volume or other characteristic of the discharge.

C. Notification to Approving Authority Concerning Change of Industrial Process. A permittee holding an industrial waste permit, which proposes to change its industrial process in such a manner as to cause any change in the quantity or quality of its discharge of industrial waste into the sewer system, shall give the Approving Authority sixty (60) days' advance notice of such change.

D. Penalty for Unauthorized Discharge. It shall be unlawful for:

(1) Any industrial user required by this Section to obtain an industrial waste permit to be connected to the sewer system, unless said industrial user has obtained a valid industrial waste permit; or

(2) Any permittee holding an industrial waste permit hereunder to violate any provision included in its industrial waste permit.

Any person convicted under the provisions of this Section shall be guilty of a Class C misdemeanor and fined not more than **Five Thousand Dollars (\$5,000)**. Each day of violation of each permit parameter shall constitute a separate offense.

Any person determined by the Approving Authority to violate this Section may be terminated from service in accordance with Section 5.01.

Section 2.03. Permit Conditions.

A. All permits shall be expressly subject to all provisions of this Order and all other applicable ordinances or regulations. Permits may require, but are not limited to, the following:

(1) Unit charge or schedule of user charges and fees for the wastewater to be discharged to the sanitary sewer.

(2) The average and maximum strength, characteristics or constituents of the user's wastewater discharge.

(3) Limits on rate and time of discharge or requirements for flow regulation and equalization.

(4) Regulations for installation of inspection and sampling facilities which include requirements for Approving Authority access to such facilities.

(5) Regulations relating to pretreatment standards and requirements.

(6) Regulations for monitoring programs which may include sampling locations, frequency and method of sampling, number, types and standards of tests, and reporting schedule.

(7) Requirements for the submission of technical reports or discharge reports.

(8) Requirements for the maintenance of plant records relating to wastewater discharge and affording Approving Authority access thereto.

(9) Advance notice to the Approving Authority prior to release into the sewer system of batch discharges.

(10) Other conditions as deemed appropriate by the Approving Authority to ensure compliance with this Article.

B. The Approving Authority may change the conditions of any permit from time to time, as circumstances or laws or regulations enacted by the state or federal government may require.

C. Any change in wastewater strength or volume discharged shall be reported to the Approving Authority for determination of need to change the permit conditions.

D. It shall be unlawful for any permit holder to fail to report to the Approving Authority any change in wastewater strength or volume discharged in excess of those limits stated in any permit.

Section 2.04. Permit Suspension or Revocation.

A. The Approving Authority engineer is authorized to suspend or revoke a permit any time that the permittee:

- (1) Violates any of the provisions of this Order pertaining to sewage disposal into the public sewers; or
- (2) Fails or refuses to pay, when due, charges made by the District for such sewer service; or
- (3) Discharges waste in a quantity or of a quality violating the provisions of the permit or otherwise prohibited by this Order or other related orders or ordinances.

B. If a permittee violates any conditions of its permit, the permittee shall submit written notice to the Approving Authority engineer within fifteen (15) days of such violation outlining the steps which will be taken to effectuate correction of such violation. The violation shall be corrected within thirty (30) days after the occurrence of such violation, unless a different time schedule for correction is approved by the Approving Authority engineer.

C. If the Approving Authority discovers a violation of a permit condition, the Approving Authority will give written notice of such violation to the permittee, and the permittee shall within fifteen (15) days after receipt of such notice furnish the Approving Authority in writing with proposed action which will be taken to effectuate correction of such violation. The violation shall be corrected within thirty (30) days after the occurrence of such violation, unless a different time schedule for correction is approved by the Approving Authority engineer.

In the event such violation is not corrected as requested or if the violation is the second or more offense hereunder, the Approving Authority may discontinue water service until a rededication plan is submitted and approved by the Approving Authority.

Section 2.05. Special Agreements. No provision contained in this Order shall be deemed to prevent any contract authorized by the Approving Authority in the usual manner between the Approving Authority and any industrial waste discharger whereby an industrial waste of unusual strength or characteristic may be accepted by the Approving Authority for treatment which will not violate or cause the system to violate federal or state discharge standards, and which will not be harmful to the sanitary sewer system, the treatment process or the sewage lines; all as approved in advance by the Approving Authority engineer.

ARTICLE III.

Quantity and Quality Determinations

Section 3.01. Quantity Determination.

A. Unless otherwise provided, the quantity of waste delivered to the District's sewers by a producer will be construed as being the same as the water delivered to the producer by the District's water system. If it is ascertained that the water meter has inaccurately measured the amount of water delivered to the permittee, then and in that event the sanitary sewer charge established herein shall be adjusted in the same manner as adjustments are made to the water bill. In the event no meter is installed or the meter installed is inoperable, the quantity of water delivered to the permittee shall be as determined in accordance with the District's order regulating quantity of water delivered.

B. Should the producer evaporate or otherwise dispose of water delivered by the District's water system other than to the District's sewer system, it shall be the obligation of the permittee to install such meters or other devices to determine the portion or quantity delivered to the sewer system. Such

meters or devices shall be approved by the Approving Authority engineer and maintained and operated by the permittee.

C. After installation of the measuring equipment approved by the Approving Authority engineer, it shall be the obligation of the permittee to conduct a test on such measuring equipment at least once every twelve (12) months to determine its accuracy and the results thereof shall be furnished in writing to the Approving Authority engineer. It shall also be the permittee's responsibility to notify the Approving Authority within a reasonable time in advance so that the Approving Authority may, if it chooses, have a witness present during such test. If upon any such test the percentage of accuracy is found to be within the accuracy tolerance as established by the manufacturer's specifications, such measuring equipment shall be determined to have correctly measured the quantity delivered to the sewer system. If, however, upon any such test the percentage of accuracy is found to be in excess of the accuracy tolerance specified by the manufacturer's specifications, then such measuring equipment shall be immediately adjusted to register correctly the quantity delivered to the sewer system. The billings to such permittee shall be adjusted for a period extending back to the time when the inaccuracy began, if such time is ascertainable, or for a period extending back one-half of the period of time since the date of the last adjustment, if the time since the beginning of the inaccuracy is not ascertainable.

D. Any producer for which the water supply is from private wells shall install, operate, and maintain at its expense such meters or other devices necessary to determine quantity discharged to the sewer system. Such meters or other devices installed shall be approved by the Approving Authority's engineer.

E. All producers for which the water supply is from other suppliers of water shall furnish to the Approving Authority either a certified meter reading of water delivered to its plant or company, or a copy of the billing from the water supplier. In this event, the same conditions will apply as if the Approving Authority were the supplier of water to the permittee.

Section 3.02. Quality Determination.

A. Except for sampling which is required in connection with:

- (1) A permit application;
- (2) Demonstration of compliance after violations of any discharge standard; or
- (3) Permit requirements of a permittee which is subject to pretreatment standards;

determination of the average concentration or strength of the waste discharged shall be the obligation of the Approving Authority. Tests made on representative average samples collected by the Approving Authority shall be made at such intervals as the Approving Authority may designate, so long as samples are taken not less than annually. For purposes of subsection 3.02(a)(2) such sampling shall be at least three (3) consecutive tests demonstrating compliance, as determined by the Approving Authority engineer.

B. Samples may be taken and tests made at the Approving Authority's option without notice to the permittee, and such test results made by the Approving Authority shall fix the applicable user charge established, herein; provided, however, in the event the Approving Authority did not fix the applicable user charge using a composite sample secured and analyzed by an independent laboratory, a permittee may request in writing that its user charge be established pursuant to a composite sample

secured and analyzed by an independent laboratory approved by the Approving Authority. Such request must be approved in writing by the Approving Authority's engineer. If approved by the Approving Authority's engineer, all costs of such composite sampling and subsequent analyses shall be borne by the permittee, and shall be conducted at not less than three (3) month intervals. The Approving Authority's approval of sampling analyses performed by an independent laboratory does not prevent representatives of the Approving Authority from taking additional samples at its option without notice to the permittee or from splitting samples collected by the Approving Authority and performing concurrent tests.

C. Written notice from the Approving Authority's engineer approving sampling and analyses by an independent laboratory to establish user charges hereunder may be canceled by the Approving Authority's engineer by giving written notice of such cancellation to permittee.

D. Sampling shall be conducted according to customarily accepted methods. If, after receiving the permit applications the Approving Authority's engineer determines that the operations or characteristics of the producers industrial waste discharge require composite sampling, the Approving Authority's engineer may require same, which shall be provided by the producer on the basis of an average workday. Otherwise, the analysis will be made on the basis of grab samples. Guidelines for the examination and analyses of the characteristics will be as recommended in "Standard Methods." The Approving Authority may select an independent firm or laboratory to determine flow, oil and grease, BOD, COD and suspended solids at the permittee's expense.

E. The Approving Authority engineer may make periodic tests of waste being discharged into the District's sewer from the premises of permit holders under the provisions hereof. If at any time the industrial process changes or the quality of the industrial waste changes such that the additions, modification or alteration of pretreatment is required to meet standards required under this article, the District will then have the authority to require that approved pretreatment facilities be installed by the permit holder. Should any permit holder fail or refuse to install such facilities, or initiate their installation to the satisfaction and approval of the Approving Authority within thirty (30) days after receipt of written notice from the Approving Authority, the Approving Authority shall have the authority to suspend or revoke such permit and to terminate sewer service until permit holder has complied with the requirements hereof.

Section 3.03. Standard of Quality.

A. Unless otherwise required or approved, the delivery of all industrial waste from the producer to the District's sanitary sewer shall be at a reasonable uniform rate, as produced, without storage by the producer, except that storage which is necessary in the pretreatment plant of the producer and approved by the Approving Authority.

B. It shall be unlawful to discharge or cause to be discharged any subsurface drainage, storm or ground water, downspout or roof runoff, yard sprinklers, drains, fountains or ponds into any sanitary sewer. Water from swimming pools, boiler drains, blow-off pipes or cooling water from various equipment may be discharged into the sanitary sewer by an indirect connection whereby such discharge is cooled, if required, and flow into the sanitary sewer at a rate not to exceed the design capacity of the sanitary sewer, provided that the waste does not contain materials or substances in suspension of solutions in violation or the limits prescribed by this Order.

C. It shall be unlawful to discharge or cause to be discharged into the District's sewer any of the following described substances, materials, water, or wastes:

(1) Any liquid or vapor having a temperature higher than forty-five (45) degrees Centigrade [one hundred thirteen (113) degrees Fahrenheit] at the place of discharge into the sewer system or which causes the temperature of the influent reaching the Plant to be forty (40) degrees Centigrade [one hundred four (104) degrees Fahrenheit] or more.

(2) Any water or waste which contains wax, grease, oil, plastics or other substances that will solidify or become discernibly viscous at temperatures between sixty (60) to ninety (90) degrees Fahrenheit.

(3) Flammable or explosive liquids, solids or gas, such as gasoline, kerosene, benzene, naphtha, etc.

(4) Solids or viscous substances such as ashes, cinders, sand, mud, straw, shavings, metal, glass, rags, feathers, tar, plastics, wood, whole blood, paunch, manure, hair and fleshings, entrails, lime slurries, lime residues, slops, chemical residues, paint residues, fiberglass, or bulk solids.

(5) Waste from garbage grinders, except those wastes generated in the preparations of foods that are generally consumed on the premises, and not unless it has been properly comminuted or shredded to reduce all food scraps and like particles to three-sixteenths inch or less in greatest dimension. Garbage grinders shall not be used for grinding plastics, paper products, garden refuse, hospital or veterinarian refuse, or similar refuse for disposal into a sanitary sewer.

(6) Any noxious or malodorous substance which can form a gas; or which, either singly or by interaction with other wastes, is capable of causing objectionable odors or hazard to life and property; or which forms solids in concentrations exceeding limits established herein; or which creates any other condition deleterious to structures or treatment processes; or which requires unusual facilities, attention or expense to handle such materials.

D. Except in quantities or concentrations as herein authorized, it shall be unlawful for any individual, person, permittee, producer, or corporation to discharge waters or wastes to the sanitary sewer containing the following:

(1) Free or emulsified oil and grease, if such materials:

(i) Exceed on analysis an average of fifty (50) milligrams per liter (mg/l) of either or both or combination of free or emulsified oil and grease; or

(ii) Form a discernable layer floating on the surface of the discharge waters;
or

(iii) Overload the producers skimming and grease handling equipment; or

(iv) Are not amenable to biological treatment and will therefore pass to the receiving waters without being affected by normal sewage treatment processes; or,

(v) Have adverse effects on the treatment process due to the excessive quantities.

Provided, however, the Approving Authority's engineer may grant a permittee, by permit amendment, a variance with respect to paragraph (i) such that biodegradable detergents are excluded from

the calculation of oil and grease concentration. Permittee shall be responsible for providing a method of analysis acceptable to the Approving Authority's engineer.

- (2) BOD exceeding 200 parts per million for any 24-hour period.
- (3) COD exceeding 500 parts per million for any 24-hour period.
- (4) Suspended Solids exceeding 200 parts per million for any 24-hour period.
- (5) Acids or alkalies which attack or corrode sewers or sewage disposal structures or have a pH value lower than 6.0 or higher than 10.0, or which, due to contents, may be reduced or changed with age or by sewage, to produce acid or alkaline reactions.
- (6) Any salt of the following heavy metals, in solution or suspension, exceeding the concentration for each metal listed below, the analytical results to be expressed in terms of the element indicated:

Not to Exceed (mg/l)

<u>Metal</u>	<u>Average Quality mg/l</u>	<u>Daily Composite Quality mg/l</u>	<u>Grab Sample Quality mg/l</u>
Arsenic	0.1	0.2	0.3
Barium	1.0	2.0	4.0
Cadmium	0.05	0.1	0.2
Chromium	0.05	1.0	5.0
Copper	0.5	1.0	2.0
Lead	0.5	1.0	1.5
Manganese	1.0	2.0	3.0
Mercury	0.005	0.005	0.01
Nickel	1.0	2.0	3.0
Selenium	0.05	0.1	0.2
Silver	0.05	0.1	0.2
Zinc	1.0	2.0	6.0

Any discharge exceeding any value for any method of sample listed above is an unlawful discharge.

(7) Cyanides or cyanogen compounds capable of liberating hydrocyanic gas upon acidification in excess of two (2) milligrams per liter (mg/l) as CN in the wastes from any outlet into the public sewer.

(8) Radioactive materials exceeding the existing standards of the TCEQ.

(9) Any wastewater containing phenols in excess of ten (10.0) milligrams per liter (mg/l); or any wastewaters containing other taste producing substances in such concentrations as to produce odor or taste in the effluent as to affect the taste and odor of the receiving waters.

(10) Any substance which is not amenable to treatment or reduction by the wastewater treatment process employed, or are amenable to treatment only to such degree that the

wastewater treatment plant cannot meet the requirements of other agencies having jurisdiction over discharge to the receiving waters without first pretreating to a concentration acceptable to the Approving Authority.

(11) Materials which exert or cause excessive discoloration such as, but not limited to, dye wastes and tanning solutions, unless, by actual test, it is found that such discoloration will be removed by pretreatment and the existing treatment plant operated by or on behalf of the Approving Authority.

(12) Sulfides in concentrations greater than five mg/l.

(13) Any substance in violation of 40 CFR Part 403.

Section 3.04. Accidental Discharges.

A. Each permittee shall provide protection from accidental discharge of prohibited materials or other wastes regulated by this Order.

B. For counter measures to be taken by the Approving Authority to minimize damage to the sanitary sewer system and/or degradation of the receiving waters, permittee shall notify the Approving Authority immediately upon accidentally discharging wastes in violation of this Order. This notification shall be followed within fifteen (15) days of the date of occurrence by a detailed written statement describing the causes of the accidental discharge and the measures being taken to prevent future occurrence. Such notification will not relieve permittee of liability for any expense, loss, or damage to the sanitary sewer system, or for any fines imposed on enforcement action pursuant to this occurrence.

C. In order that officers, agents and employees of permittees will be informed of the Approving Authority's requirements, permittees shall make available to their employees copies of this Order, together with such other wastewater information and notices which may be furnished by the Approving Authority from time to time for the purpose of improving and making more effective water pollution control. A notice shall be furnished and permanently posted on the permittee's bulletin board advising officers, agents and employees who to call in case of an accidental discharge in excess of the limits authorized by the permit.

D. Any possible connection or entry point for hazardous and/or prohibited substances to the permittee's plumbing or drainage system shall be appropriately labeled to warn operating personnel against discharge of such substance in violation of this Order.

Section 3.05. Change of Ownership or Location of Discharge. Industrial waste permits may neither be assigned nor be transferred to a new discharge location. Whenever a person other than the permittee becomes the producer at a permitted establishment, or whenever there is a change in discharge location, a new application for a permit shall be made. A violation of this section shall be grounds for suspension or revocation of the subject permit by the Approving Authority's engineer.

Section 3.06. Pretreatment.

A. Pretreatment shall be required in the following instances, and the Approving Authority's engineer shall submit to the applicant pretreatment levels which must be obtained:

(1) If the Approving Authority's engineer determines upon the initial application for a permit under this article that the proposed industrial waste must be pretreated by the applicant to lower the level of any of the components of the industrial waste before discharge to the public sewer;

(2) If the Approving Authority must improve the discharge from its wastewater treatment plant to the receiving stream as a result of directives from federal or state regulatory agencies, orders or judgments from courts of competent jurisdiction, or changes in the discharge permit for the Approving Authority's wastewater treatment plant or plants, then and in that event the Approving Authority's engineer will require that a permit holder install or enlarge pretreatment facilities to lower the affected component of the permittee's industrial waste discharge;

(3) If any wastewater prohibited under the conditions of this Order is produced, such producer shall pretreat the wastewater to the extent required to comply with the standards established herein before discharging to any public sewer; or

(4) If the Approving Authority's engineer determines that a permittee, because of plant expansion and/or changes in plant operations, has increased either the strength or volume of the discharge, the Approving Authority's engineer may require additional pretreatment to lower the level of the volume and/or any components of the industrial waste before discharge unless such permittee has previously made application for reservation of additional industrial capacity pursuant to this Order.

Pretreatment facilities required under the foregoing provision of this section shall be provided, operated, and maintained at the permit holder's expense.

B. Any sludge or other material removed from the industrial waste by the pretreatment facility shall be disposed of in accordance with applicable federal, state, and local laws.

C. Except where expressly authorized by applicable pretreatment standard, no industrial user shall increase the use of process water or, in any other way, attempt to dilute its industrial waste discharge as a partial or complete substitute for adequate treatment to achieve compliance with the discharge standards established in accordance with this Order. The Approving Authority's engineer may impose mass limitations on industrial users which are using dilution to meet discharge standards.

One or more producers may upon application and approval by the Approving Authority combine industrial waste streams prior to discharge to the public sanitary sewer system if, and only if, such combination of industrial waste streams produces a combined discharge of better quality than the two (2) industrial waste streams would have been if discharged separately.

D. Detailed plans showing any other data demonstrating the capability of any pretreatment facilities shall be submitted to the Approving Authority's engineer and any applicable health officer for approval before construction of the facilities. The review or approval of such plans will in no way relieve such permit holders from the responsibility of modifying and operating the facilities to produce an effluent complying with the established conditions for the permit. Any subsequent, significant changes in the approved facilities or method of operation shall be reported to the Approving Authority's engineer and any applicable health officer and must be reviewed and approved by him as complying with the provisions herein established.

E. After the construction plans for such pretreatment plants have been approved and a permit issued, the plans shall be placed on file in permanent, reproducible form with the Approving Authority's engineer, without cost to the Approving Authority, before a permit will be issued.

Section 3.07. Inspection and Testing of Discharges.

A. The Approving Authority is authorized to send Approving Authority inspectors at any reasonable time to the property of any producer discharging, or proposing to discharge wastewater into the sewer system, for the purpose of inspecting any waste discharge or records required by the Approving Authority or other regulatory authorities. Approving Authority inspectors shall observe the establishment's rules and regulations concerning safety, internal security and fire protection; and if the property has management in residence, such inspectors shall notify management or the person in charge of their presence. Provided, however, if refused entry onto the premises, such inspectors shall procure a search warrant to inspect such waste discharge or records. Any expense incurred after refused entry shall be borne by the producer as part of the user charge.

B. All industrial users shall be required to install and maintain facilities at their own expense for the purpose of inspecting, observing, and sampling by the Approving Authority's representative. Each such manhole or inspection chamber shall be of such design and construction which will prevent infiltration by ground and surface waters or introduction of slugs of solids by installation of screens with maximum openings of one inch, but of such sufficient fineness to prevent the entrance of objectionable slugs or solids to the sanitary sewage system and shall be so maintained by such user so that any authorized representative or employee of the Approving Authority may readily and safely measure the volume and obtain samples of the flow at all times. Plans for the construction of control manholes, tamper proof boxes or vaults or inspection chambers, including such flow measuring devices as may or may not be required, shall be subject to approval by the Approving Authority's engineer prior to the beginning of construction.

Section 3.08. Trade Secrets. All information and data relating to a permittee obtained from reports, questionnaires, permit applications, permits, monitoring programs, and inspections shall be available to the public without restriction, unless the industrial user specifically requests and is able to demonstrate to the satisfaction of the Approving Authority that the release of information or processes of methods that would give a business advantage to competitors who do not otherwise have this information.

Provided, however, "effluent data" as that term is defined in 40 CFR Section 2.302(a), or any amendment thereto, shall be available to the public without restrictions.

ARTICLE IV
User Charges

Section 4.01. Established User Charges.

A. The user charges established herein shall be in addition to any other sanitary sewer service charges. By the adoption of this Order, the District's order regulating rates for water and sewer service shall continue to apply as in force from time to time except as required to implement the provisions of this Article IV.

B. The user charges are to provide for the reimbursement of costs to the Approving Authority; and to provide the control necessary by the Approving Authority to provide treatment for those wastes of quantity and strength produced by industrial processes, including wastes of characteristics difficult to treat for final disposal, but are accepted without pretreatment and the administration and enforcement of this Order.

C. These user charges are not in lieu of any sanitary sewer connection charges and/or industrial cost recovery charges established by the District.

D. All user charges established herein shall be an obligation of the permittee as a condition of keeping his permit valid.

E. As part of the user charges, and in addition to user charges calculated pursuant to Section 4.02 hereof, any permittee or producer shall reimburse the Approving Authority for any cost or expense associated with the enforcement of this Order, including, but not limited to, engineering fees, sampling costs, laboratory costs and attorney's fees.

Section 4.02. Computation of User Charges.

Industrial Waste Policy

Table of Non-Domestic Pollutant Utility Rate Multipliers

Industrial Waste Service Charge = Water Consumption Rate x (Multiplier Total/4)

BIOCHEMICAL OXYGEN DEMAND (5-day)

BOD5 (mg/l)	f(200)	Mult.
200	1.00	1.00
225	1.13	1.24
250	1.25	1.51
275	1.38	1.80
300	1.50	2.12
325	1.63	2.46
350	1.75	2.82
375	1.88	3.20
400	2.00	3.61
425	2.13	4.03
450	2.25	4.48
475	2.38	4.95
500	2.50	5.45
525	2.63	5.96
550	2.75	6.50
575	2.88	7.05
600	3.00	7.63

>600 [f(200)]²= Mult.
f(200)=Average samples(mg/l)/200

CHEMICAL OXYGEN DEMAND

COD (mg/l)	f(500)	Mult.
500	1.00	1.00
550	1.10	1.17

TOTAL SUSPENDED SOLIDS

TSS (mg/l)	f(200)	Mult.
200	1.00	1.00
225	1.13	1.24
250	1.25	1.51
275	1.38	1.80
300	1.50	2.12
325	1.63	2.46
350	1.75	2.82
375	1.88	3.20
400	2.00	3.61
425	2.13	4.03
450	2.25	4.48
475	2.38	4.95
500	2.50	5.45
525	2.63	5.96
550	2.75	6.50
575	2.88	7.05
600	3.00	7.63

>600 [f(200)]²=Mult.
f(200)=Average samples(mg/l)/200

OIL & GREASE

O&G (mg/l)	f(50)	Mult.
50	1.00	1.00
75	1.50	1.80

600	1.20	1.35	100	2.00	2.73
650	1.30	1.54	125	2.50	3.78
700	1.40	1.74	150	3.00	4.92
750	1.50	1.95	175	3.50	6.15
800	1.60	2.17	200	4.00	7.46
850	1.70	2.40	225	4.50	8.85
900	1.80	2.64	250	5.00	10.32
950	1.90	2.88	275	5.50	11.84
1000	2.00	3.14	300	6.00	13.44
1050	2.10	3.40	325	6.50	15.09
1100	2.20	3.67	350	7.00	16.80
1150	2.30	3.95	375	7.50	18.57
1200	2.40	4.24	400	8.00	20.39
1250	2.50	4.54	425	8.50	22.27
1300	2.60	4.84	450	9.00	24.19

>1300 [f(500)]^{1.85}=Mult.
f(500)=Average samples (mg/l)/500

>450 [f(50)]^{1.65}=Mult.
f(50)=Average samples (mg/l)/50

Section 4.03. User Charges With Installed Water Meters.

A. For producers with installed water meters, the charges established herein shall become effective from and after each producers first regular meter reading date after the issuance of the industrial waste permit. Producers who are required under the provisions of this Order to install water meters for the purpose of determining the charges established by this Order shall have thirty (30) days from the date of issuance of the industrial waste permit to install such meters as are required herein, and the installation will be at the producers expense. Such meters will be of a type and standard and in a location approved by the Approving Authority's engineer.

B. Any person required to install a water meter under the provisions hereof and who fails or refuses to do so in the time and manner required shall be charged as provided herein based on water usage estimated by the Approving Authority's engineer or operator.

ARTICLE V **Enforcement; Penalties**

Section 5.01. Enforcement.

A. Any or all of the following three (3) remedies may be employed by the Approving Authority to abate and prevent further violations of the provisions of this Order.

- (1) Discontinuance of water service.
- (2) Disconnection and sealing of sanitary sewer connection.

(3) The Approving Authority's attorney may, and is hereby authorized to, proceed in a court of competent jurisdiction to secure appropriate judicial relief from the violation by such producer of the provisions of this Order.

B. Upon the receipt of an application for a permit for the discharge of industrial waste into the Approving Authority's sewer system, the Approving Authority's engineer shall issue or deny such permit. If such permit is denied, the Approving Authority's engineer shall within forty-five (45) days notify the applicant of such denial and state the reasons for such denial in writing by certified mail. A copy of such notification shall be furnished to the District. Upon receipt of such notification of denial, the applicant shall immediately revise such application to comply with the reasons for denial stated in such notice, if the applicant desires to proceed under the provisions of this Order.

C. Representatives of the Approving Authority are authorized to issue citations charging the violation of any of the provisions of this Order.

Section 5.02. Penalty. Except as otherwise provided in this Order, violations of this article shall be punishable by a fine of not more than Five Thousand Dollars (\$5,000.00). Each day's violation of each permit parameter shall be and constitute a separate offense.

Section 5.03. Publication of Certain Violations. At least once a year the Approving Authority shall publish in the largest daily newspaper published in the county a list of industrial users, which during the previous twelve (12) months have been significantly violating the provisions of this article. A significant violation is one which:

- A. Remains uncorrected forty-five (45) days after notification of noncompliance; or
- B. Which is part of a pattern of noncompliance over a twelve-month period; or
- C. Which involves a failure to accurately report noncompliance; or
- D. Which requires the Approving Authority to seek a temporary injunction or a temporary restraining order to discontinue an industrial discharge which reasonably appears to endanger the health or welfare of persons, which presents a danger to the environment, or which threatens to interfere with the operation of the sewer system.

Section 5.04. Appeals.

A. The Approving Authority shall give ten (10) days' prior notice to any person whose utilities are to be terminated pursuant to the provisions of this article. Any such notice shall specify the reasons for the proposed termination and inform the affected person of the appeal procedure provided herein. If, within said ten-day period, the Approving Authority receives notice that such person requests a hearing, the effective date of termination shall be automatically delayed at least until the date set by the Approving Authority for a hearing. The Approving Authority shall select a hearing date, giving the person appealing the decision at least three (3) days' notice thereof.

B. Any person whose application for a permit is denied, or whose permit is suspended or revoked pursuant to this article, shall be given notice thereof. Any such notice shall specify the reasons for the decision and inform the affected person of the appeal procedure provided herein. If any such affected person desires a hearing, he shall file a notice of appeal with the Approving Authority no later than ten (10) days after his receipt of the Approving Authority's notice of decision.

C. The Approving Authority shall establish rules not inconsistent with this section governing hearing procedures.

D. The Approving Authority shall appoint a qualified individual to hear any appeal authorized by this section, and such individual shall be authorized to affirm, deny or modify the Approving Authority's initial decision. The Approving Authority shall not appoint an individual who has issued a denial letter to the person who is appealing the Approving Authority's decision.

E. To be effective under this Section, a notice shall be in writing and either:

(1) Be delivered in person to the person (or his agent) entitled to receive such notice; or

(2) Be sent by United States Certified mail, return receipt requested, to the person (or his agent) entitled to receive notice.

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