

CYPRESS CREEK UTILITY DISTRICT

Resolution for Adoption of Order
Establishing Policy and Rates
for Water and Sewer Service

The Board of Directors ("Board") of Cypress Creek Utility District ("District") met at the Board's regular meeting place on September 12, 2019, with a quorum of directors present, as follows:

A. Glenn Land, President
Robert Jackson, Vice President
Harvey W. Roensch, Secretary
Robert C. Nixon, Director
Theresa Dildy, Director

and the following absent:

none.

when the following business was transacted:

The order set out below ("Order") was introduced for consideration of the Board. It was duly moved and seconded that said Order be adopted; and, after due discussion, said motion carried by the following vote:

Ayes: All directors present.

Noes: None.

The Order thus adopted is as follows:

Any order and amendments thereto, heretofore adopted by the Board of Directors, providing for policy or rates for water and sewer service for customers within the District, is hereby revoked upon the effective date of this Order.

The Order hereinafter set forth shall become effective as of September 12, 2019.

ORDER ESTABLISHING POLICY AND SETTING
RATES FOR WATER AND SEWER SERVICE

ARTICLE I

General Provisions

Section 1.1 Definitions

For purposes of this Order, the following words or terms shall have the following meanings:

a) “Commercial Consumers” 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; apartments; churches; schools; and any and all establishments not generally considered a single-family residence.

b) “Consumer” shall mean the occupant of a residential, commercial or industrial structure within the area of the District, whether the owner, renter or lessee thereof.

c) “Cross Connection” shall mean a physical connection or other arrangement through which a potable water system may be contaminated by back siphonage or backflow.

d) “Delinquent bill” shall mean a bill for water and/or sewer service which has not been paid within fifteen (15) days after the date of the bill for the preceding month’s service.

e) “Fee Schedule” shall mean the District’s Order for Adoption of Schedule of Water and Waste Collection and Disposal Service Fees and Rates, as may be amended from time to time.

f) “Grease Trap” shall mean a facility connected to a Consumer’s sanitary sewer line in a manner and form approved by the District’s operator, which is designed to trap grease, oil, or other harmful residue prior to discharge into the District’s sanitary sewer collection line.

g) “Nontaxable Entity” shall mean an entity which is exempt from ad valorem taxation under Chapter 11, Texas Tax Code, as amended.

h) “Operator” shall mean the person, firm, corporation, municipal corporation or political subdivision with which the District has contracted for operation and maintenance of the plants and lines of the District’s system.

i) “Residential connection” shall mean and include any single family residence, townhouse, or multiplex (other than apartments), when such is separately metered.

j) “Separate connection” shall mean each residential unit occupied by a separate

family or person, including separate apartments within a single building, and each business unit occupied by a separate business, including separate establishments within a single building.

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

l) "Unacceptable plumbing practices" shall mean practices not accepted by or which are in violation of the Southern Standard Plumbing Code, the Uniform Plumbing Code or the National Standard Plumbing Code.

m) "Unauthorized Usage" shall mean the intentional or unintentional receiving of water and/or sewer service from the District without making prior application, as required herein; or the reestablishment of water or sewer service by someone other than a duly authorized District representative.

Section 1.2 Consumers not entitled to specific quantity or pressure of water

Water Consumers are not guaranteed a specific quantity or pressure of water for any purpose whatever, and it is understood that District is only to furnish a connection with its water system and is in no case to be liable for failure or refusal to furnish water or any particular amount or pressure of water. Further, the District may limit the quantity of water provided to any Consumer or connection as it determines, in its sole discretion, is necessary for the District to maintain compliance with applicable State and/or federal regulations.

Section 1.3 Water connections generally

No person, other than the properly authorized agents of the District, shall be permitted to tap or make any connection with the mains or distributing pipes of the District's water system, or make any repairs or additions to or alterations in any tap, pipe, cock, or other fixture connected with the service-water pipe.

Section 1.4 Unauthorized practices

a) Potable water-supply piping, water discharge outlets, backflow-prevention devices or similar equipment shall not be located so as to make possible their submergence in any contaminated or polluted liquid or substance.

b) The Operator or other duly authorized representative of the District shall be authorized, after providing reasonable notice to the landowner in advance, to enter upon any tract within the District to inspect individual water facilities prior to providing service and periodically thereafter to prevent possible cross-connections between the potable water system and any non-potable water. All water Consumers shall allow their property to be inspected for possible cross-connections and other Unacceptable Plumbing Practices. The District shall notify the Consumer in writing of any cross-connection or other unacceptable plumbing practice which has been identified during an initial inspection or any periodic reinspection. The Consumer shall immediately correct any unacceptable plumbing practice on its premises.

c) Continuous efforts shall be made by the District to locate unauthorized connections or taps, possible interconnections between privately owned water systems and the public water system, and other Unacceptable Plumbing Practices. As Unacceptable Plumbing Practices are located, they shall be eliminated so as to prevent possible contamination of the water supplied by the District.

d) The District shall consider the existence of a health hazard as identified in 30 Texas Administrative Code § 290.47 (f), or other serious threat to the integrity of the water supplied by the District, to be sufficient grounds for immediate termination of water service to Consumers who may be vulnerable to possible water supply contamination. If terminated under such circumstances, water service shall be restored by the District when it determines that such health hazard or other source of potential contamination no longer exists, or when the health hazard or other contamination source has been isolated from the District's water supply system in accordance with 30 Texas Administrative Code § 290.44 (h). The District is not required to follow the provisions of Section 2.3 when terminating water service under this Section 1.4d).

e) The District may invoke the procedure described in Section 2.3 of this Order to discontinue water service to a Consumer in the event such Consumer either (1) refuses to permit an inspection pursuant to this Section, or (2) fails, within a reasonable time after receiving written notice issued by the Board, to correct or remove any unauthorized connection, tap, plumbing or other condition found to be contributing to or causing contamination of the District's water supply.

f) All tampering with District meters, taps or other District facilities, Unauthorized Usage of water or sewer service, and illegal discharges into the District's sanitary or storm sewer

systems are prohibited. In addition to any of the foregoing, the District may bill and collect from any Consumer who violates the terms of this section any costs or expenses incurred by the District as a result of such violation. Any fees or penalties assessed pursuant to this section shall be in addition to the fees required for the restoration of service.

Section 1.5 Plumbing restrictions

The following Unacceptable Plumbing Practices are prohibited by State regulations and the District:

- a) No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by an air-gap or an appropriate backflow prevention device.
- b) No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the installation of an air-gap or a reduced pressure-zone backflow prevention device.
- c) No connection which allows water to be returned to the public drinking water supply is permitted.
- d) No pipe or pipe fitting which contains more than 0.25% lead, or such other minimum standard as may established by the EPA or TCEQ, 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, or such other minimum standard as may established by the EPA or TCEQ, can be used for the installation or repair of plumbing at any connection which provides water for human use.
- f) No plumbing fixture shall be installed which is not in compliance with a State approved plumbing code.
- g) To ensure that neither cross-connections nor other Unacceptable Plumbing Practices are permitted, each new Consumer and each Consumer whose service has been suspended or terminated and is proposed for reconnection must sign a copy of the Service Agreement attached hereto as Exhibit "A" prior to commencement of service by the District.

Section 1.6 Plumbing material restrictions; Customer Service Inspection Certifications

No new connections to the District's water system shall be made unless (a) a customer service inspection has been made by a qualified inspector and (b) a Customer Service Inspection Certification in the form attached hereto as Exhibit "B" has been completed and submitted to the District. Such an inspection and certification also shall be required at any existing service location when the District has reason to believe that cross-connections or other Unacceptable Plumbing Practices exist, or after any material improvement, correction or addition to the private plumbing facilities. The District shall recognize only the individuals specified in 30 Texas Administrative Code §290.46(j)(1) as capable of conducting customer service inspection certifications, and shall retain copies of properly completed certifications on file for a minimum of ten (10) years. If the Consumer requests the Operator to conduct the service inspection, the Consumer shall be charged a fee pursuant to the Fee Schedule per inspection. The District will accept properly completed customer service inspection certificates performed by qualified persons who are not employed by the Operator, but shall charge an administration fee pursuant to the Fee Schedule for each such certification, whether for residential or commercial construction. If a customer service inspection is made at the District's direction because the District has reason to believe that Unacceptable Plumbing Practices exist, the Consumer shall not be charged for the inspection unless Unacceptable Plumbing Practices are found. Customer service inspection certifications for new construction shall be submitted to the District before continuous service to the connection is provided, preferably at the same time that the tap fee is paid, and the District shall not transfer the account from the builder to the initial occupant until it has received the certificate. Certifications for inspections in all other instances (when the District has reason to believe Unacceptable Plumbing Practices exist or after a material change to private plumbing facilities has been made) shall be submitted to the District no later than ten (10) days after the inspection has been completed.

Section 1.7 Backflow Prevention Devices

a) In the event that the District, in its sole discretion, requires a Consumer to install a backflow prevention device in order to prevent possible contamination of the District's water supply, the Consumer shall, at its own expense, properly install, test and maintain according to Commission rules such backflow prevention device, and shall provide all testing and

maintenance records to the District. If the Consumer fails to comply with the requirements of this Section, the District may, at its option, either terminate service in accordance with the provisions of Section 2.3 of this Order, or, the District may properly install, test and maintain such backflow prevention device and bill the Consumer all expenses relating thereto.

b) All backflow prevention assemblies that are required according to 30 Texas Administrative Code §§ 290.44 (h) and 290.47 (f) shall be tested upon installation by a recognized backflow prevention assembly tester and shall be certified to be operating within specifications. Further, backflow prevention assemblies installed to provide protection against health hazards as defined in 30 Texas Administrative Code § 290.38 must be tested and certified at least annually by a recognized backflow prevention assembly tester. If tested by the Operator, the District shall charge the Consumer the District's actual costs incurred for each backflow prevention assembly tested. For each assembly tested, a signed and dated original Test Report in the form attached hereto as Exhibit "C" must be completed by the recognized backflow prevention assembly tester and submitted to the District.

c) The District must retain for a minimum of three (3) years such test reports and maintenance records submitted to it under subsections a) and b) of this section.

Section 1.8 Plumbing code

The District hereby adopts by reference as the District's plumbing code the Uniform Plumbing Code, a nationally recognized set of rules governing plumbing practices.

Section 1.9 Monitoring Plan

a) Legal Authority and Purpose The District shall implement a chemical and microbiological monitoring plan (the "Monitoring Plan") in accordance with the requirements of 30 Texas Administrative Code, Chapter 290, Subchapter F, Drinking Water Standards Governing Drinking Water Quality and Reporting Requirements for Public Water Supply Systems, effective September 13, 2001 ("Subchapter F"); the federal Safe Drinking Water Act, 42 United States Code § 300f et. seq.; and the Primary Drinking Water Regulations promulgated by the United States Environmental Protection Agency.

b) Monitoring Plan

(1) The District's operator is authorized and directed to prepare and carry out

the Monitoring Plan as required by the applicable rules and regulations of the Texas Commission on Environmental Quality ("Commission") or any successor governmental agency thereof.

(2) In accordance with 30 Texas Administrative Code § 290.121 (b), the Monitoring Plan shall identify all sampling locations, describe the sampling frequency, and specify the analytical procedures and laboratories that the District will use to comply with the monitoring requirements of Subchapter F.

(3) The Operator shall maintain a copy of the current Monitoring Plan at each treatment plant and at a central location and shall update the Monitoring Plan in accordance with the rules of the Commission.

(4) Public water systems such as the District that treat groundwater that is not under the direct influence of surface water or that purchase treated water from a wholesaler must submit a copy of their Monitoring Plan to the Commission's public drinking water program upon the request of the Commission's Executive Director. Failure to maintain an up-to-date Monitoring Plan is a monitoring violation.

Section 1.10. Water and Wastewater Service Lines and Connections

Pursuant to 30 Texas Administrative Code, Section 293.111, the District hereby adopts and incorporates by reference the regulations governing the construction of commercial and/or household service lines and connections set forth in the most current edition of the Uniform Plumbing Code. The District's operator shall establish and maintain an inspection program to ensure that all new commercial and household service lines and connections are made in accordance with such regulations.

ARTICLE II

Commencement and Termination of Service

Section 2.1 Connection to District's system

Each structure within the District may be connected to the system of the District as soon as the District has made available to such structure plant and line capacity to serve same. If both water and sewer services do not become available at the same time, the Consumer may connect to the water system at the time water service becomes available and to the sewer system at the time sewer service becomes available.

Section 2.2 Termination of service upon request of Consumer

Whenever a Consumer of District water temporarily or permanently abandons the structure being served and no longer wishes to be furnished with water, he shall notify the District's operator at least two (2) days prior to the time he desires such service discontinued. A charge pursuant to the Fee Schedule shall be made for discontinuing and a charge pursuant to the Fee Schedule for restoring water service where such service is discontinued or restored at the request of the Consumer and he is not delinquent in the payment of any bill at the time of either request.

Section 2.3 Termination of service upon initiative of District

a) The District may terminate utility service to a tract or Consumer:

(1) at any time after a Consumer's bill becomes delinquent as defined in Subsection 1.1d) above; or

(2) upon the occurrence of an event described in Subsection 1.4d) or Section 1.7a) of this Order;

(3) to prevent or discontinue conduct which interferes with the orderly provision of utility service by the District or the implementation of any provision or requirement of this Order; or

(4) to abate any condition in connection with the District's facilities which in the opinion of the Board is harmful to the health, safety or welfare of District Consumers or the public; or

(5) in accordance with Texas Water Code Section 49.212.

b) Except for termination of service in accordance with Texas Water Code Section 49.212 or upon the occurrence of an event described in Subsections 1.4d) or 5.1b) of this Order, notice to the Consumer shall be made as follows:

(1) At least ten (10) days prior to termination of a Consumer's service pursuant to this Section, a notice shall be delivered to the Consumer advising the Consumer of termination of service pursuant to this Section.

(2) Delivery of the notice shall be considered complete upon deposit of the notice in the United States mail, by means of a certified mailing addressed to the Consumer at his last known mailing address.

(3) The notice shall include:

(a) a statement that service will be terminated;

(b) the date of termination; and

(c) the reason for termination. In the event the termination is based upon failure to pay a delinquent bill, then the notice shall also include:

(d) a statement that in the event the Consumer desires to object to a delinquent bill on account of clerical error or other billing irregularity, then the Consumer must notify the designated representative of the District of such objection; and the notice shall contain the name, mailing address and telephone number of the designated representative. Such statement shall read as follows:

You are advised that the District's utility operator (Operator's name, address and telephone number) may make an adjustment of a utility bill if there is a clerical error or other billing irregularity. If your bill contains an error, notify the operator at once.

If the operator is unable to adjust your bill, your service will not be terminated until the District's Board considers the matter. You will be notified of the time, date, and place of the meeting at which the matter will be considered. You may present your objection to the Board at that time.

(4) A charge pursuant to the Fee Schedule, in addition to all other charges due for delinquent bills and penalties, shall be assessed against the Consumer to cover the costs of notifying the Consumer of the District's intent to discontinue service.

c) Adjustment of bill by designated representative:

(1) The District's designated representative for purposes of this Section is Water, Environmental & Technical Services, Inc., or such other utility service company as the Board may designate.

(2) The designated representative is authorized to receive and consider Consumer objections presented in accordance with Subsection 2.3b)(3)(d) and to make adjustments in a Consumer's billing to correct clerical errors or other billing irregularities.

(3) The designated representative is not required to make an adjustment in any particular case; any Consumer objection received pursuant to this Section and not adjusted by the designated representative to the satisfaction of the Consumer shall be referred for a hearing in a meeting of the Board of District.

d) Hearing before Board of District:

(1) In the event a Consumer objection is referred to the Board pursuant to Subsection 2.3c)(3), the termination of service shall be held in abeyance until further order of the Board.

(2) The Consumer shall be given notice, at least seventy-two (72) hours in advance, of the time, date, and place of the meeting at which the Board will consider the Consumer objection.

(3) At such meeting, the Board shall consider all matters set forth by the Consumer and take such action, including termination of service, as it deems advisable.

e) A charge pursuant to the Fee Schedule shall be made to any customer who receives a door hanger notice from the District's operator, for a late bill notice or any other violation of this rate order, or for collection of delinquent taxes.

f) A reconnection charge pursuant to the Fee Schedule, together with any delinquent bills, shall be paid by a Consumer in advance of next day restoration of service when service has been terminated the first time pursuant to this Section. An additional charge pursuant to the Fee Schedule, together with any delinquent bills, shall be paid by a Consumer in advance of any requested same day restoration of service when service has been terminated pursuant to this Section. Additionally the Consumer will be required to pay the deposit set forth in Section 2.7 hereof if not previously paid. For subsequent terminations pursuant to this section the reconnection charge is \$100.00 plus an additional \$100.00 to be held as part of the deposit as well as any additional fee for same day restoration of service. If service has been terminated under Subsection 2.3 a)(5), then a charge as outlined in the Fee Scheduled shall be paid prior to restoration of service.

Section 2.4 Application for installation of water meter with two-inch or less connection

Every person desiring the installation of a water meter with a connection of two inches or less shall be required to sign and execute an application for installing a meter before the District will make such installation.

The installation of water meters with connections of more than two inches shall be covered by separate agreements.

Section 2.5 Request for residential sewer service

Every person requesting sewer service from the District shall so notify the District's operator. After the notification, the person requesting said service shall have a plumber make the tap on the District's sewer line. After the tap has been completed, the applicant shall notify the District's operator, who shall make an inspection of the tap before sewer service is commenced.

Section 2.6 Transfer fee

A non-refundable fee pursuant to the Fee Schedule shall be charged by the District to cover the expense to the District of the transfer of water and sewer service from the builder of any housing unit to its initial occupant and to each subsequent occupant. A non-refundable fee pursuant to the Fee Schedule shall be charged by the District to cover the expense to the District in the transfer of water and sewer service from the builder of any commercial unit to its initial occupant and to each subsequent occupant. This fee shall cover the establishment of an account to provide service to the new occupant. The transfer fee shall be billed to each new occupant as an item on that customer's first monthly bill for water and/or sewer service.

Section 2.7 Initial Deposit to secure payment

a) The District's Operator is hereby given authority to require persons requesting water and/or sewer service from the District to serve an owner-occupied residence to post a deposit pursuant to the Fee Schedule for each connection to the District's system prior to the initiation of service. Consumers requesting water and/or sewer service from the District to serve a residence being rented or leased to a third party (not occupied by the owner) shall be required to post a deposit with the District pursuant to the Fee Schedule for each connection to the District's system prior to the initiation of service. Such deposit is solely to secure the

payment of charges established by this Order. Upon termination of service, the District shall apply the deposit on hand to the unpaid service charges of the Consumer, and the excess, if any, will be paid to the Consumer. No interest will be paid by the District on such deposit. Notwithstanding the foregoing, however, if a Consumer establishes a good payment and credit record with the District for a period of five years such security deposit may be refunded to the Consumer, without interest, upon written request of Consumer.

b) the District's Operator is hereby given authority to require persons requesting water and/or sewer service from the District to post a deposit with the District pursuant to the Fee Schedule for each commercial connection to the District's system. Such deposit is solely to secure the payment of charges established by this Order. Upon termination of service, the District shall apply the deposit on hand to the unpaid service charges of the Commercial Consumer, and the excess, if any, will be paid to the Commercial Consumer. No interest will be paid by the District on such deposit.

Section 2.8 Facility inspections

a) Prior to starting any construction or improvement on a lot or tract in the District, the builder shall contact the Operator to arrange an inspection ("Pre-Construction Inspection") to verify the location and condition of District facilities on and in the vicinity of the lot or tract on which the construction or improvement will be built. At the time of the Pre-Construction Inspection, if any District facility has been damaged or cannot be located, the Operator will make necessary repairs to or locate such facilities at the expense of the District. A copy of the Pre-Construction Inspection report will be given to the builder. After the Pre-Construction Inspection has been performed and any necessary work has been completed, the builder will then be responsible for paying the costs of all damages, adjustments, relocations and repairs found during the inspections described in b) below.

b) After construction has been completed on the lot or tract, but before service is transferred to or initiated for a Consumer, the Operator will conduct an inspection ("Post-Construction Inspection") to verify the location and condition of District facilities on and in the vicinity of the lot or tract on which the construction or improvement has been built. The builder will be held responsible for any damages or adjustments to or relocations of District facilities found to be necessary as a result of the Post-Construction Inspection and shall pay the

cost of repairing, adjusting or relocating the facilities before service will be transferred to or initiated for a Consumer. The Operator may conduct any re-inspections as necessary to ensure that the District's facilities are repaired, adjusted or relocated, and the builder shall pay the fee for any such re-inspections before service will be transferred to or initiated for a Consumer. The District may withhold service to the lot or tract or to other property owned by any builder who has failed to pay the District for any other repairs, adjustments, relocations or re-inspection fees, including specifically the provision of additional taps to such builder.

c) The total fee for the Pre-Construction and Post-Construction Inspections described in Section 2.7 a) and b) shall be charged pursuant to the Fee Schedule, which is due at the time the tap fee is paid. If any re-inspections are required, a fee pursuant to the Fee Schedule shall be paid for each such re-inspection.

Section 2.9 Buy-Out Inspections

Harris County is purchasing houses in the District that flooded for the purpose of demolition. The District's Operator is required to inspect the purchased lots to confirm the status of District meters and manholes, and to confirm that the County or its contractor has satisfactorily plugged the District's sanitary sewer line. The County will be charged a fee for such inspection in accordance with the Fee Schedule.

ARTICLE III

Tap Charges

Section 3.1 Residential water tap charges

a) The following charge shall be made for every residential (including duplex) tap or connection up to and including a 3/4-inch connection, to the District's water distribution system, which charge shall include the meter and meter box and the installation thereof pursuant to the Fee Schedule.

b) For connections of over 3/4 inch, the District will establish tap charges pursuant to the Fee Schedule.

c) All tap charges shown above shall be paid when application for the tap or connection is made, and the request for service shall be held in abeyance until such charges have been paid.

Section 3.2 Residential sewer tap inspection fee

After the completion of a sewer tap as provided in Section 2.5, and the inspection thereof by the District's operator, the person requesting such sewer tap shall pay an inspection fee pursuant to the Fee Schedule per sewer tap.

Section 3.3 Commercial and non-taxable water and sewer tap charges

a) The following charge shall be made for every commercial tap or connection to the District's water, sanitary sewer or drainage facilities, other than a tap or connection for a Consumer which is a Nontaxable Entity pursuant to the Fee Schedule.

b) The following charge shall be made for every tap or connection to the District's water, sanitary sewer or drainage facilities by a Consumer which is a Nontaxable Entity pursuant to the Fee Schedule. In addition, the District may charge to any Consumer which is a Nontaxable Entity an amount not to exceed the costs for all facilities that are necessary to provide District services to such Nontaxable Entity and that are financed or are to be financed in whole or in part by tax-supported bonds of the District.

c) A deposit in the amount of the estimated costs of construction, installation and inspection of the tap or connection shall be paid when application for the tap or connection is made. The balance of the tap charges in Sections 3.3a) or b) above, as appropriate, shall be paid prior to commencement of service at the tap or connection, and the request for service shall be held in abeyance until such charges have been paid.

ARTICLE IV

Rates for Service

Section 4.1 Monthly rates for water service

a) The rates per month shall be charged pursuant to the Fee Schedule for water service furnished by the District through meters to each separate connection in every instance in which a different charge is not expressly and clearly provided for elsewhere herein.

b) The minimum monthly charge shall be pursuant to the Fee Schedule for residential customers for which 6,000 gallons of water may be used; pursuant to the Fee

Schedule for commercial customers for which 6,000 gallons may be used; pursuant to the Fee Schedule for sprinkler systems for which 6,000 gallons may be used. Until a meter is installed, the minimum amount shall be charged each month. The District requires a deposit pursuant to the Fee Schedule and a monthly charge pursuant to the Fee Schedule per 1,000 gallons for water service provided to tank trucks.

c) The rate for commercial customers provided in a) above for water service shall be applicable to each occupied commercial business unit regardless of the number and size of the units existing in any one building.

Section 4.2 Monthly rates for waste collection service

a) Rates per month, calculated by water consumption, shall be charged pursuant to the Fee Schedule for waste collection service furnished by the District in every instance in which a different charge is not expressly and clearly provided.

b) The minimum monthly charge for residential waste collection with solid waste collection shall be pursuant to the Fee Schedule plus Prevailing Garbage Charge for residential customers; the minimum monthly charge for residential waste collection without solid waste collection shall be pursuant to the Fee Schedule for residential customers; the minimum monthly charge shall be pursuant to the Fee Schedule for commercial customers for which 10,000 gallons of water may be used. Until a meter is installed, the minimum amount shall be charged each month.

Section 4.3 Prevailing Garbage Charge

The Prevailing Garbage Charge shall mean the monthly rate per residence charged for solid waste services by a third party contractor pursuant to an agreement with such contractor which is in effect during the month that sewer services are provided to the Consumer, plus an additional charge pursuant to the Fee Schedule.

Section 4.4 Texas Commission on Environmental Quality regulatory assessment

The District shall assess and collect from each customer that receives retail water and/or sewer service from the District a regulatory assessment equal to 0.5% of the District's charges for such water and/or sewer service. The District shall not list the regulatory assessment as a

separate item on customer utility bills. The District shall instead deduct the amount of such regulatory assessments from the water and sewer service revenues assessed and collected pursuant to this Order for utility bills. The District shall remit such regulatory assessments to the Texas Commission on Environmental Quality in the manner required by law.

Section 4.5 Meter Readings

If meter readings cannot be obtained for any month for any account, the bill for that account will be computed based on the arithmetic average of the prior three (3) months' average consumption and adjusted as necessary.

Section 4.6 No reduced rates or free service

All Consumers receiving either water or sewer service, or both, 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 such Consumer.

Section 4.7 Penalty for failure to pay bill before delinquent

A charge pursuant to the Fee Schedule of the amount of the Consumer's bill shall be added thereto when such bill has become delinquent as "delinquent" is defined in Subsection 1.1d) of this Order.

Section 4.8 Returned checks

If a Consumer's check is returned unpaid by the bank, the Consumer's bill paid by such check shall be considered unpaid and subject to the penalty defined in Section 4.7. A processing fee pursuant to the Fee Schedule shall also be charged to the Consumer. If the check was in payment of a delinquent bill as defined in Section 1.1 d) and a termination notification as specified in Section 2.3 has been previously delivered, the Consumer shall be required to pay in full all charges on the Consumer's account by cash, cashier's check or money order.

Section 4.9 Customer Backcharges.

a) The District recognizes that operation and maintenance of the District's water system and sanitary sewer system requires service calls, investigation and repairs, including

excavation, throughout the area of the District. The District further recognizes that District Customers observe and report conditions such as water leaks, sewer stoppages and the like, which indicate possible problems with District water or sewer facilities. Customers are encouraged to report such conditions to the District Operator.

b) The cost of any repairs to District water lines or sanitary sewer lines, including the cost of service calls made in response to Customer reports, shall be borne by the District.

c) As outlined in the Fee Schedule, the cost of the service call plus the cost of repairs, if any, incurred as a result of a leak or other malfunction of a Customer water service line or Customer sewer service line plus an administrative charge shall be billed to the Customer..

d) As outlined in the Fee Schedule, the cost of any repairs to District facilities which are damaged by any person plus an administrative charge shall be billed to the person causing the damage.

e) An acknowledgment of the District's Policy for Customer Backcharges is to be executed by District customers at the time of any such requested service call and/or repair and is attached hereto and incorporated herein as Exhibit "D."

Section 4.10 Additional fees for North Harris County Regional Water Authority.

The Harris-Galveston Coastal Subsidence District recently disincentive fees based on well pumpage to encourage water users in north Harris County to convert from groundwater supplies to surface water supplies. The North Harris County Regional Water Authority was created by the 1999 Texas Legislature pursuant to House Bill 2965 in order to assist water districts located within its boundaries to reduce groundwater usage and/or convert to surface water supplies. The North Harris County Regional Water Authority is authorized by state law to assess fees to water well owners, including the District, based on the amount of groundwater withdrawn from their wells and/or surface water delivered. In addition to the changes set forth herein and as outlined in the Fee Schedule, the District shall assess to its customers an additional fee per 1,000 gallons used equal to the most recent water fee per 1,000 gallons assessed by the North Harris County Regional Water Authority, plus ten percent (10%) thereof.

Section 4.11 Failure to Repair a Controllable Leak.

The District recognizes the importance of water conservation and reduction of water waste, whenever possible. The District shall notify the Consumer in writing of any controllable leak which has been identified on Consumer's property. If Consumer fails, within a reasonable time after receiving written notice issued by the District, to repair the controllable leak, the District may either (1) enter upon the Consumer's property, make the necessary repairs and bill the Consumer in accordance with Section 4.11(c) or (2) invoke the procedure described in Section 2.3 of this Order to discontinue water service to the Consumer.

ARTICLE V

Meters

Section 5.1 Title, tampering, maintenance, setting

- a) Title to all water meters and appurtenances, including the meter boxes enclosing same, shall vest in the District.
- b) No person other than a duly authorized agent of the District shall open the meter box or tamper or in any way interfere with the 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 Consumer whose meter has been tampered with, to assess repair charges to such Consumer plus a damage fee pursuant to the Fee Schedule, and, pursuant to Section 7.1 below, to impose a penalty.
- c) The District will maintain, repair and replace all meters and appurtenances in connection therewith at its cost.
- d) All meters shall be set by employees or agents of the District.

Section 5.2 Meters and boxes to be free from rubbish and obstructions

After a meter has been set, the Consumer shall at all times keep the space occupied by the water and the box free from rubbish or obstructions of any kind.

ARTICLE VI

Grease Traps

Section 6.1 Grease trap inspections

a) The operator or other duly authorized representative of the District shall be authorized, after providing reasonable notice to the landowner in advance, to enter upon any tract within the District to determine the necessity for a grease trap as defined in Section 1.1e) of this Order.

b) Any person who is responsible for a discharge into the District's sanitary sewer system for which, in the sole opinion of the District and its operator, a grease trap is required and who does not have an approved grease trap in place shall have 60 days from the date of notice by the District within which to construct and install the required grease trap and secure necessary approvals thereof.

c) The operator or other duly authorized representative of the District shall be authorized to conduct periodic inspections of all grease traps within the District that are subject to this Order to ensure that grease traps are being maintained in effective operating condition, and that all necessary manholes, inspection chambers and related facilities are being maintained and are fully operational.

d) In the event a grease trap or any related facilities are found in an unserviceable condition or in need of cleaning or maintenance, the operator or other duly authorized representative of the District shall give written notice to the person responsible for the discharge for which the grease trap is required advising such person of the deficiencies and requesting prompt attention to the matter. The operator shall conduct such follow-up inspections as may be necessary until the grease trap is in effective operating condition.

e) The District may invoke the procedure described in Section 2.3 of this Order to discontinue water service to a tract or establishment in the event the owner or proprietor of said tract or establishment either (1) refuses to permit an inspection pursuant to this Section, or (2) fails, within seven days after receiving written notice issued by the operator, the board of directors or other duly authorized representative of the District, to correct any condition found to be in violation of the District's requirements for installation, maintenance and operation of the grease traps. In addition, the District may assess a fine of \$100.00 per day to any party that fails, within seven days after receiving written notice of violation, to correct the condition prompting

the notice.

Section 6.2 Grease trap fee

Consumers requesting a grease trap from the District shall be required to pay an initial grease trap inspection fee pursuant to the Fee Schedule. A monthly charge pursuant to the Fee Schedule shall be made against each person responsible for maintenance of a grease trap pursuant to this Order. The charge (monthly grease trap fee) shall defray the District's expenses of periodic inspections of grease traps as provided in this Order.

ARTICLE VII

Enforcement

Section 7.1 Penalties

Pursuant to the authority granted by §§ 49.004 and 54.205, Texas Water Code, as amended, it is hereby declared and ordered that the Board may levy reasonable civil penalties, payable to the District, for the breach or violation of any requirement or rule herein stated, which penalties shall not exceed the jurisdiction of a justice court as provided in § 27.031, Texas Gov't Code, currently, up to \$10,000.00, for each violation or each day of a continuing violation. The District may bring an action to recover the penalty in a district court in the county where the violation occurred. Such penalties shall be in addition to any other penalties provided by the laws of the State of Texas. Further, in any suit to enforce its rules, the District shall seek to recover reasonable fees for attorneys, expert witnesses and other costs incurred by the District before the court. Notice of the rules and penalties set forth herein shall be published once a week for two (2) consecutive weeks in one or more newspapers with general circulation in the area in which the District is located.

ARTICLE VIII

Miscellaneous

Section 8.1 Savings

If any word, phrase, clause, paragraph, sentence, part, portion or provision of this Order or the application thereof to any person or circumstance shall ever be held by a court of competent jurisdiction to be invalid or unconstitutional, the remainder of this Order shall nevertheless be valid, and the Board declares that this Order would have been adopted without such invalid or unconstitutional word, phrase, clause, paragraph, sentence, part, portion or provision.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

The President or Vice President is authorized to execute and the Secretary or Assistant Secretary to attest this Order on behalf of the Board and the District.

Passed and adopted, this September 12, 2019.

A. GLENN LAND

President

ATTEST:

HARVEY W. ROENSCH

Secretary

[SEAL]

EXHIBIT "A"

CYPRESS CREEK UTILITY DISTRICT RETAIL SERVICE AGREEMENT

I. **PURPOSE.** Cypress Creek Utility District (the "District") is responsible for protecting the drinking water supply from contamination or pollution which could result from improper system construction or configuration on the retail connection owner's side of the meter. The purpose of this service agreement is to notify each customer of the restrictions which are in place to provide this protection. The District enforces these restrictions to ensure the public health and welfare. Each retail customer must sign this agreement before the District will begin service. In addition, when service to an existing retail connection has been suspended or terminated, the District will not re-establish service unless it has a signed copy of this agreement.

II. **RESTRICTIONS.** The following unacceptable practices are prohibited by State regulations.

A. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by an air-gap or an appropriate backflow prevention device.

B. No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the installation of an air-gap or a reduced pressure-zone backflow prevention device.

C. No connection which allows water to be returned to the public drinking water supply is permitted.

D. No pipe or pipe fitting which contains more than 0.25% lead, or such other minimum standard as may established by the EPA or TCEQ, 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, or such other minimum standard as may established by the EPA or TCEQ, can be used for the installation or repair of plumbing at any connection which provides water for human use.

III. **SERVICE AGREEMENT.** The following are the terms of the service agreement between the District and the undersigned (the "Customer").

A. The District will maintain a copy of this agreement as long as the Customer and/or the premises is connected to the District's water system.

B. The Customer shall allow his property to be inspected for possible cross-connections and other potential contamination hazards. These inspections shall be conducted by the District or its designated agent prior to initiating new service; when there is reason to believe that cross-connections or other potential contamination hazards exist; or after any major changes to the private water distribution facilities. The 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 potential contamination hazard which has been identified during the initial inspection or the periodic reinspection.

D. The Customer shall immediately remove or adequately isolate any potential cross-connections or other potential contamination hazards on his 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.

IV. ENFORCEMENT. If the Customer fails to comply with the terms of the 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 agreement shall be billed to the Customer.

DATE: _____

CUSTOMER'S SIGNATURE

Name: _____

Address: _____

Telephone No.: _____

EXHIBIT "B"

Customer Service Inspection Certificate

Name of PWS _____

PWS I.D. # _____

Location of Service _____

Reason for Inspection:

New Construction ☐Existing service where contaminant hazards are suspected ☐Major renovation or expansion of distribution facilities ☐

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

Compliance	Non-Compliance		
<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 after January 4, 2014 bears the expected labeling indicating $\leq 0.25\%$ 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 ☐ Copper ☐ PVC ☐ Other ☐
 Solder Lead ☐ Lead Free ☐ Solvent Weld ☐ Other ☐

I recognize that this document shall become a permanent record of the aforementioned Public Water System and that I am legally responsible for the validity of the information I have provided.

Remarks: _____

 Signature of Inspector

 License Number

 Printed Name of Inspector

 License Type

 Title of Inspector

 Date/Time of Inspection

A Customer Service Inspection Certificate should be on file for each connection in a public water system to document compliance with 30 TAC §290.444(h)/290.46 (j)

EXHIBIT "C"

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

BACKFLOW PREVENTION ASSEMBLY TEST AND MAINTENANCE REPORT

NAME OF PWS: _____
PWS I.D. #: _____
PWS MAILING ADDRESS: _____
PWS CONTACT PERSON: _____
LOCATION 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) |
| <input type="checkbox"/> Double Check Valve (DCVA) | <input type="checkbox"/> Double Check-Detector (DCVA-D) |
| <input type="checkbox"/> Pressure Vacuum Breaker (PVA) | <input type="checkbox"/> Spill-Resistant Pressure Vacuum Breaker (SVB) |

Manufacturer _____ Size: _____
Model Number _____ BPA Located At _____
Serial Number _____ BPA Serves: _____

Reason for test: New ☐ Existing ☐ Replacement ☐ Old Model/Serial # _____

Is the assembly installed in accordance with manufacturer recommendations and/or local codes? _____

Is the assembly installed on a non-potable water supply (auxiliary)? _____

TEST RESULTS PASS <input type="checkbox"/> FAIL <input type="checkbox"/>	Reduced Pressure Principle Assembly (RPBA)			PVB & SVB	
	DCVA		Relief Valve	Air Inlet	Check Valve
	1st Check	2nd Check***		Opened at _____ psid	Held at _____ psid
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 not Open <input type="checkbox"/> Did it fully open (Yes <input type="checkbox"/> / No <input type="checkbox"/>)	Leaked <input type="checkbox"/>
Repairs and Materials Used**					
Test After Repair Date: Time:	Held at _____ psid Closed Tight <input type="checkbox"/>	Held at _____ psid Closed Tight <input type="checkbox"/>	Opened at _____ psid	Opened at _____ psid	Held at _____ psid

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

Differential pressure gauge used: _____ Potable: ☐ Non-Potable: ☐
Make/Model _____ SN: _____ Tested for Accuracy Date: _____

Remarks: _____

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

Company Name _____ Licensed Tester Name (print) _____

Company Address _____ Licensed Tester (signature) _____

BPAT License # _____

Company Phone # _____ License Expiration Date: _____

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

** USE ONLY MANUFACTURER'S REPLACEMENT PARTS

EXHIBIT "D"

**CYPRESS CREEK UTILITY DISTRICT
POLICY FOR CUSTOMER BACKCHARGES**

The following is the Cypress Creek Utility District ("District") policy regarding customer backcharges:

The District recognizes that operation and maintenance of the District's water system and sanitary sewer system requires service calls, investigation and repairs, including excavation, throughout the area of the District. The District further recognizes that District Customers observe and report conditions such as water leaks, sewer stoppages and the like, which indicate possible problems with District water or sewer facilities. Customers are encouraged to report such conditions to the District Operator.

The cost of any repairs to District water lines or sanitary sewer lines, including the cost of service calls made in response to Customer reports, shall be borne by the District. The cost of the service call plus the cost of repairs, if any, incurred as a result of a leak or other malfunction of a Customer water service line or Customer sewer service line shall be billed to the Customer.

I have read and understand the District's policy regarding customer backcharges and I agree to pay the cost of a service call and the cost of repairs, if any, incurred as a result of a leak or other malfunction of my water service line or sewer service line.

Signature of Customer

Customer Address:

I, the undersigned Secretary of the Board of Directors of Cypress Creek Utility District, hereby certify that the foregoing is a true and correct copy of the Order establishing policy and rates for water and sewer service for the District, adopted by said Board at its regular meeting of September 12, 2019, together with excerpts from the minutes of said Board's meeting on that date showing the adoption of said Order, as same appear of record in the official minutes of the Board, on file in the District's office.

I further certify that said meeting was open to the public, and that notice thereof was posted in compliance with the provisions of Tex. Gov't. Code Ann. § 551.001 et seq.

Witness my hand and the official seal of said District, this September 12, 2019.

Harvey Roensch
Secretary

