

CERTIFICATE FOR ORDER ADOPTING 2021 RATE ORDER CHANGES AS FOLLOWS:
Article I, Section 2.04, Article II Section 3.01, 3.03, 3.04, Article IV Section 4.02, Article IX, Appendix A Article IV, Exhibit 3, 4, 6, Article II Section 2.01B, Article VII Section 7.01

THE STATE OF TEXAS

COUNTY OF POLK

POLK COUNTY FRESH WATER SUPPLY DISTRICT NO. 2

I, the undersigned Secretary of the Board of Directors (the "Board") of Polk County Fresh Water Supply District No. 2 (the "District"), hereby certify as follows:

1. The Board convened in regular session, open to the public, on the 24th day of June, 2021, at the regular meeting place thereof, and the roll call was called of the members of the Board, to-wit:

Fred Alderman
J.R. Jones
Johnny Burke
Patti Johnson
Royce Newport

President
Vice President/Treasurer
Secretary
Director
Director

All members of the Board were present except the following: Royce Newport

ORDER ADOPTING CONSOLIDATED RATE ORDER AND RULES AND REGULATIONS;
CERTIFICATE FOR ORDER ADOPTING 2021 RATE ORDER CHANGES AS FOLLOWS;
Article I, Section 2.04, Article II Section 3.01, 3.03, 3.04, Article IV Section 4.02, Article IX, Appendix A Article IV, Exhibit 3, 4, 6 Article II Section 2.01B, Article VII Section 7.01

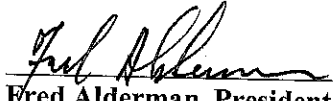
was duly introduced for the consideration of the Board. It was then duly moved and seconded that such Order be adopted; and, after due discussion, such motion, carrying with it the adoption of said Order, prevailed and carried by the following vote:

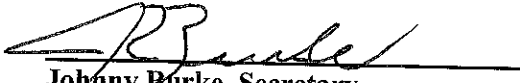
AYES: 4

NOES: 0

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 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 THE 24th DAY OF JUNE 2021.


Fred Alderman, President


Johnny Burke, Secretary

THE STATE OF TEXAS

COUNTY OF POLK

POLK COUNTY FRESH WATER SUPPLY DISTRICT NO. 2

WHEREAS, the Board of Directors of Polk County Fresh Water Supply District No. 2 (the "District") has from time to time adopted certain orders ("Rate Order") and Rules and Regulations establishing the rates and conditions under which sanitary sewer service would be provided; and

WHEREAS, the Board of the District has determined that it is in the best interest of the District to amend and restate its Rate Order;

IT IS, THEREFORE ORDERED BY THE BOARD OF DIRECTORS OF POLK COUNTY FRESH WATER SUPPLY DISTRICT NO. 2 THAT:

**ARTICLE I
DEFINITIONS**

For the purpose of interpreting this Ordinance, the following terms shall have the meaning set out hereafter:

- A. Capital Charge - shall mean that portion of the total wastewater service charge that is levied for local capital costs, local investment in plant facilities and other local costs excluding operation, maintenance and replacement costs.
- B. Commercial Customer - Any structure within the District designed for business purposes, including, but not limited to office buildings, hotels, retail stores, warehouses, service stations, churches, restaurants and all other establishments not generally considered as residential structures or defined herein as a residential structure.

- C. Connection Charge - A one time charge made for tapping the Sanitary Sewer System and placement of a District-owned connection point for the customer.
- D. Customer - A person who connects to the Sanitary Sewage System for the purpose of discharge of wastewater.
- E. Deposit - A payment in advance of User Charge and Standby Fee.
- F. District - The Polk County Fresh Water Supply District No. 2, including its governing and operative bodies.
- G. Domestic Waste - Liquid carried sanitary sewage discharge which is normally discharged from residential food preparation and bathroom facilities.
- H. Grease Trap - A device to trap grease.
- I. Inspection Fee - A fee paid to obtain a sewer inspection for any dwelling.
- J. Multi-family Residential Connection - shall mean all multiplex residential connections which are served by a master meter.
- K. Multi-family Units - shall mean the individual dwelling units served through the Multi-family Residential Connection's master meter and shall include condominiums and all individual dwelling units served by a master meter.
- L. Non-taxable - shall mean any entity not subject to property taxation pursuant to the provisions of the Texas Property Tax Code.
- M. Operator - The person, company or corporation which is under contract with the District to operate the District's sewer system, reports monthly to the District on the operations of the District's System and performs any additional services set out in its contract with the District.
- N. Person - Any and all individuals, natural or artificial, include any firm, company, industry, municipal or private corporation, association, society, governmental agency or other entity and agents, servants of employees.
- O. Property - Any real estate holding, regardless of size.
- P. Rules and Regulations - shall mean the Amended and Restated Rules and Regulations Governing Sanitary Sewer Facilities, Service Lines, and Connections attached to this Order as Appendix "A" and incorporated herein for all purposes.
- Q. Schools - Any structure designed for the education, instruction or training of students.
- R. Separate Connection - Each residential unit designed for occupancy by a separate family, including each separate unit located within a single multi-unit building, and each commercial unit designed for use by a separate business, including separate establishments within a single building, regardless of whether or not each residential or commercial unit is separately metered.

- S. Septic Tank Disposal System - A wastewater treatment facility incorporating the use of a septic tank for anaerobic treatment and field lines for the disposal of wastewater.
- T. Sewage Disposal Facilities - Wastewater collection devices for the collection of wastewater at structures and the transport of that wastewater to connection points.
- U. Shall - Mandatory as opposed to permissive.
- V. Single-family Residential - shall mean any single-family structure within the District designed for occupation as a residence whether by the owner or by a renter or lessee, including any single-family residence, townhouse, multiplex, apartment building, or other structure generally considered to be and used solely for residential purposes and which is separately metered.
- W. Structure - A manmade improvement placed upon property.
- X. System - Sanitary sewer facilities of the District and all extensions and additions thereto, whether now in place or hereafter constructed.
- Y. User Charge - A monthly charge made by the District to cover expenses for operation and maintenance costs, which include, but is not limited to administration, debt service and betterment charges. User Charges will vary with class of user.
- Z. Waste - Rejected, unutilized or superfluous substances in liquids, gaseous or solid form resulting from domestic, commercial, agricultural or industrial activities.
- AA. Wastewater/Sewage - A combination of the water carried waste from structures.

**ARTICLE II
INSPECTION FEES AND CONNECTION POLICY**

Section 2.01. Initiation of Sanitary Sewer Connections. Each person desiring a sanitary sewer service connection to the District's System shall be required to pay such fees as set forth in this Order. No service shall be established or re-established until such fees are paid. All service connections are subject to the provisions of the District's Rules and Regulations and all other rules, regulations, and policies of the District.

- A. Wastewater Discharge Regulations. All persons owning property in the District upon which is located a structure which through its use may generate wastewater must provide sewage disposal facilities in or at the structure to handle wastewater generated therein.
- B. Required Connection. All persons owning or leasing property which is recognized as a divided or platted lot, on which is situated a structure requiring wastewater discharge and the boundary of said property, at any point, is situated within three hundred feet (300') of the sanitary sewer system shall connect the sewage facility of the structure to the sanitary sewer system within thirty (30) days after the system is placed into operation or shall connect the facility to the system within thirty (30) days after any future extensions of the sanitary sewer system is constructed within three hundred feet (300') of said property line.

Persons owning or leasing property which is defined as acreage and which is located within 300' of the sanitary sewer system at any point may connect to the sanitary sewer system at any time. If the structure itself is located within three hundred feet (300') of the sanitary sewer system they shall connect as provided above.

Section 2.02. Policies Governing Initial Connections.

- C. Certification of System. Connections shall not be made to the District's System or portions of the System until the District's engineer has certified that the System or applicable portion thereof is operable.
- D. Availability of Access/Obstructions. By application for connection to the District's 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 the District's 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.

Section 2.03 Connections by Licensed Plumber. All connections to the District's sewer system shall be made by a licensed plumber or an agent approved by and in accordance with the District's Rules and Regulations. No person except the District's Operator or his authorized agent shall be permitted to make any repairs or additions to or alterations in any manhole, main, truck or appurtenance of the District's System, unless otherwise specified by the Board of Directors of the District, the District's Engineer, or the District's Operator.

Section 2.04. Inspections and Fees.

- A. Sewer Inspection and Fees. Sewer connections and service lines shall be inspected by the District's Operator for compliance with the Rules and Regulations. An inspection fee of \$135.00 shall be charged for all Single-Family Residential connections. An inspection fee of \$350.00 shall be charged for all Commercial inspections, such fee to cover the cost of the District's Engineer to review the plans and drawings required by Section 2.03 of the Rules and Regulations and the cost to inspect the Commercial connection. Installations which fail to conform at any time to the Rules and Regulations shall be disconnected. Any Customer whose connection is disconnected for such failure shall be notified as to the basis for such disconnection. After noted deficiencies have been corrected, a re-inspection shall be made upon payment to the District of a re-inspection fee of \$35.00 for Single-Family Residential connections and a re-inspection fee of \$85.00 for Commercial connections. If subsequent re-inspections are required before the sewer connection and service lines are in compliance with the Rules and Regulations, a re-inspection fee of \$35.00

for Single-Family Residential connections and a re-inspection fee of \$85.00 for Commercial connections shall be charged for each such re-inspection.

- B. Customer Service Inspection. The Customer Service Inspection for water service shall be performed by the Water Supply System.
- C. Final Builder Inspection and Fees. Upon receipt of instruction from a builder to transfer an account to an initial Customer, the District's Operator shall make a final inspection of the property and make note of the condition of all District facilities. The District's Operator will repair any damaged District facilities, and the builder will be held responsible for all costs incurred. A fee of \$135.00 shall be charged by the District to cover the cost of such inspection and will be collected at the time application for connection to the District's System is made.
- D. Disconnect Fees. A disconnect fee of \$50.00 shall be charged to a Customer that is disconnected for non-payment of a delinquent bill. All reconnect fees, the delinquent bill and any and all outstanding fees owed to the District must be paid prior to service being restored.
- E. Reconnect Fees: A reconnect fee of \$50.00 shall be charged by the District to a Customer whose water is disconnected for non-payment of a delinquent bill. All reconnect fees, the delinquent bill and any and all outstanding fees owed to the District and water company must be paid prior to water and sewer service being restored.
- F. Any Customer who has had service disconnected for non-payment shall be required to make a security deposit in the amount required by Section 4.01 hereof if such deposit is not already in place, prior to the service being restored.
- G. Voluntary Disconnect A Customer of the District may disconnect from the Required Connection provided in District Rules and Regulations, in the event that the structure connected to the system becomes vacant and ceases to consume any fresh water, either from a fresh water supply company or private water well.
 - 1. Customer requiring a disconnection and discontinuance of service as herein above provided shall, prior to disconnection by the District:
 - 2. Request disconnection in writing, signed by the Customer; and;
 - 3. Be current on all fees and charges owed the District.
- H. Payment of fees and charges under this Section 2.04 must be in the form of cash, check, cashier's check, money order or credit card.
- I. In the event an unauthorized connection is made to the District's System, the connection fee shall be \$500.00 in each instance to cover the District's expense in correcting such connection plus all lost revenue will be calculated based on date water service was turned on, plus any lost revenues and any cost incurred in correcting the connection. In addition, legal action will be filed for theft of services, which is a felony.

J. In the event the Customer is required to meter his source of water, the meters will be available and installed only through the District. When the meter is installed, user shall notify the District monthly with the previous month's water meter reading. The District reserves the right to read such meters at its discretion.

Section 2.05. Builders and Developers Deposit. Each builder of a residence, commercial building or other structure shall, at the time an application for sewer service is made, pay a deposit of \$500.00 for the first lot for which a tap has been requested and \$100.00 for each additional lot thereafter. The deposit shall be refunded within ninety (90) days after the builder certifies that the sale of its last residence, commercial building or other structure within the District, less any amounts forfeited as provided herein. The District shall deduct from the deposit the cost to repair any damage caused to the District's property by the builder or the builder's employees, contractors, subcontractors or agents and shall deduct any sewer service bills of the builder. In the event any amounts are so deducted from the builder's deposit, it will be incumbent on the builder to reinstate the original amount of the deposit, and failure to do so will result in the suspension of any additional sewer service taps for the builder.

Section 2.06. Service to Out of District Customers. All requests for sewer service from parties located outside the boundaries of the District shall be considered on a case by case basis and governed by either (i) the out-of-district service agreement attached hereto as Appendix B (Out-of-District Service Agreement) entered into between the District and such Customer, or in the absence of such an agreement, (ii) this Rate Order.

Section 2.07. Title to Facilities. Title to all sewer taps, and all other appurtenances shall lie in the District.

ARTICLE III

SERVICE RATES Effective 1-01-19

Section 3.01 Sewer Rates, Fees And Assessments: The following rates for the collection and disposal of sewage shall be in effect for each Separate Connection within the District from the effective date hereof until such time as the Board of Directors amends said rates.

<u>User Type</u>	<u>Monthly Charge</u>		
	<u>User Charge</u>	<u>Capital Charge</u>	<u>* Total</u>
<u>Residential User</u>	\$29.41	\$2.43	\$31.84
<u>Commercial User</u>			
To 4000 gallons per month usage	\$29.41	\$2.43	\$31.84
4001+ gallons per month/per thousand	\$ 5.70	\$0.51	\$ 6.21
Water Volumes measured, in arrears			

*A State Regulatory Assessment equal to one-half percent (0.5%) of the charge for retail sewer service shall be collected from each customer. All sewer service billings will appear on the Polk County Fresh Water Supply District No. 2 County Fresh Water Supply District monthly billing and late fees will be applied after the 15th of each month at a rate of ten percent (10%) per month.

Installation of Pressure System: \$4,050.00 (Includes tap and 50' 2' line)

Installation of Gravity and Pressure Taps (up to 10') \$1,100.00 Deeper Taps Customer pays cost plus 5%

Construction of Road Bores: 0-20' \$650.00; 20-30' \$1,050.00; 30-50' \$1,650.00 Directional Bores and/or major highways cost plus 5%

Installation of 2" sewer line \$5.00 per linear foot

Installation of 4" sewer line \$10.00 per linear foot Over 12 foot in depth cost plus 5%
\$135.00 Permit Fee-Residential
\$350.00 Permit Fee-Commercial
\$35.00 Re-inspection Fee-Residential
\$85.00 Re-inspection Fee-Commercial
\$35.00 Inspection-Grease Traps
\$50.00 Disconnect Fee-Involuntary-Non-payment or Health Violation
\$50.00 Reconnect Fee- Involuntary-Non-payment or Health Violation
\$150.00 Charge for holding tank pump-out (wastewater only) \$225.00 After 3:30. No septic can be pumped under any circumstance. (\$75.00) Credit for first time call, if FOG Training Class completed within ten (10) days.
\$150.00 Charge for jetting customer lateral line \$225.00 After 3:30 with a (\$75.00) Credit for first time call, if FOG Training Class completed within ten (10) days.
\$30.00 Returned Check Charge
10% late payment penalty - \$2.00 minimum
\$12.00 Certified Letter Fee – Letters for Non-payment or Violations

Section 3.02. Customer Deposit: \$150.00 Residential; Commercial Deposit determined by Office Manager.

Section 3.03 Ad Valorem Tax: The 2020 rate is \$0.3350 per \$100 evaluation, minus deductions allowed for Disabled and Homesteaded/Over 65. Appraisals are performed by Polk Central Appraisal District and taxes are collected by Polk County Tax Assessor/Collector.

Section 3.04 Capital Charge. Customers to pay to the District monthly a portion of the total wastewater service charge that is levied for local capital costs, local investment in plant facilities and other local costs excluding operation, maintenance and replacement costs.

Section 3.05 Sewer Service (out of District). The following monthly rates for the collection and disposal of sewage shall be in effect for each Separate Connection located outside the boundaries of the District from the effective date hereof until such time as the Board amends said rates:

1. Customer Entering into Out-of-District Service Agreement with the District. The sewer rates charged such Customer shall be governed by the terms of such written agreement.
2. Customer Not Entering into Out-of-District Service. The sewer rates and security deposits charged such Customer shall be three (3) times the rates charged a comparable in-District Customer, as such rates may be established by the Board from time to time.

Section 3.06 Regulatory Assessment. Pursuant to Section 5.235, Texas Water Code, as amended, the District shall pay a regulatory assessment to the Texas Commission on Environmental Quality (the "TCEQ") annually in the amount required by law on the total charges for retail sewer service billed to its Customers quarterly. The District shall list the regulatory assessment on the Customer's bill as a separate line item and shall collect the regulatory assessment in addition to other charges.

At the end of each year, the District shall prepare a written statement indicating (i) the total charges for retail sewer service for the quarter and (ii) the regulatory assessment due and payable to the TCEQ.

Section 3.07 No reduced Rates or Free Service. All Customers receiving sewer service 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 from establishing reasonable classifications of Customers for which rates differing from the rates stated herein may be adopted.

Section 3.08 Rental Accounts. All rental property owners will sign an alternate billing agreement, whereupon the property owner assumes responsibility for all sewer charges.

Section 3.09 Annual Review of Charges. The District shall review not less often than every one (1) year the wastewater contribution of users and user classes, the total costs of operation and maintenance of the District's System, and its approved user charge system. The District shall revise the charges for users or user classes to accomplish the following:

- A. Maintain the proportionate distribution of operation and maintenance costs among users and user classes as required by 40 C.F.R. 35-929-2;
- B. Generate sufficient revenue to pay the total operation and maintenance costs necessary to the proper operation and maintenance (including replacement) of the System; and
- C. Apply excess revenues collected from a class of users to the costs of operation and maintenance attributable to that class for the next year and adjust the rate accordingly.

ARTICLE IV **SERVICE POLICY**

Section 4.01 Security Deposits. Security deposits shall be required as follows:

- A. For purposes of this Article IV, "Customer" shall mean any person, partnership, corporation, non-profit corporation, trust or other legal entity served by the District's System with sewer service to a residence, business establishment owned or occupied by such person, partnership, corporation, non-profit corporation, trust or legal entity.
- B. Each Customer establishing an account, and each Customer re-establishing an account that has been late three (3) times in a twelve (12) month period, shall be required to make a security deposit equal to six (6) months charges per Separate Connection before the District shall provide or restore such service.
- C. Service shall be initiated upon payment of the security deposit and all other fees and charges.
- D. Following payment of the final bill and payment of all charges, the balance of the security deposit, if any, shall be refunded by check mailed to the Customer, if said refund is over \$2.00. The security deposit may be applied to the Customer's account for final payment of all charges. Deposit is non-interest bearing and will be refunded when customer is no longer a consumer of services from the Polk County Fresh Water Supply District No. 2 or credited to the customer's account after a period of two (2) years of timely payments, not late more than three (3) times in a twelve (12) month period.
- E. The District may discontinue any or all facilities or services to prevent an abuse or to enforce payment of an unpaid charge, fee, or rental due the District (including taxes that have been

delinquent for not less than six (6) months upon observance of the procedure appropriate to the circumstances.

Section 4.02 BILLING PROCEDURES All accounts shall be billed in accordance with the following procedures:

- A. Due Date and Delinquency. Payment shall be due on or before the due date shown on the bill. After such date, a late charge of ten percent (10%) will be assessed on the unpaid balance of the sewer bill. A Customer who is delinquent in payment shall be sent a notice on the day after the due date of the delinquent bill that his service will be discontinued on the fifteenth (15th) day after the post date of such notice unless payment in full (including arrears and current bill) is received by such day. If service is discontinued, it shall be reinstated only upon payment in full of all amounts due, by cash, check, cashier's check, money order or credit card, including any late and/or bad check charges, collection costs (including collection agency fees) payment on reinstatement of the security deposit set forth in Section 4.01 hereof, and a reconnection fee as set forth in Section 2.04 hereof.
- B. Notice and Appeal. Prior to termination of service, a Customer who is delinquent in payment shall be sent a notice that service will be discontinued unless payment in full is received. Notice shall be sent by first class United States mail and will provide the Customer with an opportunity to appear in person or by written correspondence at a scheduled meeting of the Board of the District to contest, explain, or correct the charges, services or disconnection. Service shall not be disconnected where a Customer has informed the District of his or her desire to contest or explain his bill and all past due fees have been paid. If the Customer appears before the Board, in person or written correspondence, the Board shall hear and consider the matter and inform the Customer of the Board's determination by sending written notice to the Customer by first class United States mail stating whether service will be continued or disconnected and if any credits will be issued to the account. If service is discontinued, it shall be reinstated only upon payment in full of all amounts due, including any late charges, the security deposit as set in Section 4.01 hereof, and a reconnection fee as set forth in Article 2 hereof.
- C. Returned Checks: A \$30.00 charge will be charged to Customer's account for any check returned by a bank. If a check used for payment of a Customer's account is returned by a bank for any reason, service shall be discontinued until all amounts due the District, including late and/or bad check charges and any other fees or penalties designated in this Rate Order, are paid in cash, cashier's check, or money order.
- D. The District utilizes a collection agency to collect any amounts deemed by the District to be uncollectible. The District will file a lien upon property that has unpaid standby fees, through December 2016, in addition to sending the account to the collection agency. The District will charge \$50.00 collection fees to all accounts sent to a collection agency, plus a 10% penalty. The District will add collection agency fees, in addition to any other fees, prior to filing Release of Lien.
- E. Any Customer of the District who desires sanitary sewer service to be temporarily disconnected may request such disconnection by giving at least ten (10) days prior notice, providing that the requesting Customer's account is not delinquent and current fees are paid. The Customer must complete and sign the application providing for voluntary disconnection of sewer service and reconnect form.
- F. A Customer who is temporarily disconnected must not be connected to a Water Supply System. If the Customer is using fresh water service, penalties set forth in Section 4.05 hereof apply. The Customer

must complete and sign the application providing for reconnection of sewer service when the water is turned on.

Section 4.03 Entitlement Customers are not guaranteed a specific capacity in sewer facilities for any purpose whatsoever; furthermore, in no instance shall the District be liable for failure or refusal to provide capacity in sewer facilities.

Section 4.04 Unauthorized and Extraordinary Waste The rates established herein are applicable for Domestic Waste as defined herein. Customers proposing to generate other types of waste will be assessed additional charges as established by the District.

Section 4.05 Damage to District Facilities

- A. Damage to Meter and Appurtenances. No person other than a duly authorized agent of the District shall tamper with or in any way interferes with a service line or other sewer system appurtenance.
- B. Right to Repair. The District reserves the right to repair damage to the District's System and appurtenances without prior notice, and to assess against any Customer such penalties as are provided by law and such penalties provided for in this Rate Order in addition to those charges necessary to repair the portion of the system so damaged. A Customer is not allowed to make any repair to the District's System without prior authorization and approval of the Board of Directors, the District's Engineer, or the District's Operators.
- C. Obstructions. The Customer shall at all times keep the area in, around and upon the District's easements and property under Customer's control free from rubbish or obstructions of any kind. Failure to keep the District's easements and property under Customer's control free from rubbish or obstructions of other kind shall result in disconnection of service and/or the assessment of charges necessary to remove said obstructions. Customers are prohibited from introducing material into the District's 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 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 costs incurred by the District for removal of the obstruction, plus a District administration fee of 50% of said costs, shall be assessed to the Customer.

ARTICLE V
ADOPTION OF RULES AND REGULATIONS CONCERNING
SANITARY SEWER SYSTEM

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 Sanitary Sewer Facilities, Service Lines, and Connections attached hereto as Appendix "A" and incorporated herein for all purposes.

ARTICLE VI
ENFORCEMENT/CIVIL PENALTIES

Section 6.01 Enforcement.

- E. Civil Penalties. The Board hereby imposes the following civil penalties for breach of any rule of the District: The violator shall pay the District twice the costs the District has sustained due to the violation up to \$5000. 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 attorney's fees shall be fixed by the court.
- F. 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 by reason of such violation, and enforcement thereof shall be in accordance with Section 6.01(A) of this Order and Article X of the Rules and Regulations.
- G. Customer Clean-Outs. Any person found to have removed the cap from his clean-out line will be subject to a fine imposed by the District in the amount of \$250.00 per day per violation (each day is a separate violation). If the fine is not paid within ten (10) days of the date the fine is imposed, sewer service will be terminated to the Customer and the Customer will be responsible for the reconnect fees as described in Section 2.04.D. described in this Order.

Section 6.02 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.

Section 6.03 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 provide the Customer with information regarding appeals and hearing procedures upon the Customer's request.

ARTICLE VII **MISCELLANEOUS**

Section 8.01 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.

Section 8.02 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.

Section 8.03 Ownership of Mains

- A. Ownership of Mains. All connections to the District's Systems shall become the property of the District. All connections of the District's System shall be made in accordance with the District's Rules and Regulations.
- B. Main Locations and Size. All connections must be constructed and located with a right-of-way dedicated to the public or an easement to the public filed for record with the County Clerk at the expense of the Customer. The District specifically reserves the right to determine the size, quality and location of all connections. The Customer shall be responsible for the maintenance of sewer lines from the point of connection to the District's System to include the expense of clearing any stoppage in the sewer stub-out from the main connection.
- C. Availability of Funds. In no event shall the District be obligated to proceed under the terms of this Order if funds are not available or if in the discretion of the District, the construction or extension of mains is not in the interest of public health and/or safety.

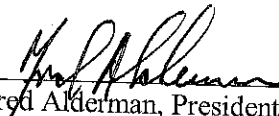
ARTICLE VIII
REPEAL OF PREVIOUS ORDERS AND ORDINANCES

All previous orders adopted by the Board of Directors pertaining to the subject matter hereof are each hereby repealed in their entirety as of the effective date hereof.

ARTICLE IX
EFFECTIVE DATE

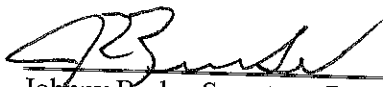
This Order shall be effective as of June 24th 2021.

The President or Vice President is authorized to execute and the 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 as of the 24th day of June 2021.



Fred Alderman, President, Board of Directors

ATTEST:



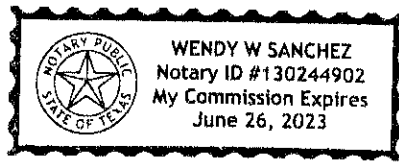
Johnny Burke, Secretary, Board of Directors

(DISTRICT SEAL)

THE STATE OF TEXAS
THE COUNTY OF POLK

BEFORE ME, the undersigned authority, on this day personally appeared Fred Alderman and Johnny Burke, who being duly sworn stated on oath that he is a board of director of Polk County Fresh Water Supply District #2 and that the foregoing instrument is within his personal knowledge just and true and is an act and deed of said Polk County Fresh Water Supply District #2.

SUBSCRIBED AND SWORN TO BEFORE ME ON THIS THE 24th DAY OF June, 2021.



Wendy Sanchez
Notary Public

APPENDIX "A"

LIST OF APPENDICES AND EXHIBITS

- Amended and Restated Rules and Regulations Governing Sanitary Sewer Facilities, Service Lines, and Connections

- Exhibit 1 - Customer Service Agreement
- Exhibit 2 - Alternate Billing Agreement
- Exhibit 3 - Voluntary Disconnect/Reconnect
- Exhibit 4 - Credit Application
- Exhibit 5 - ACH Debit Authorization Form
- Exhibit 6 - Application for New Service Permit

APPENDIX A

AMENDED AND RESTATED RULES AND REGULATIONS

**GOVERNING SANITARY SEWER FACILITIES,
SERVICE LINES AND CONNECTIONS**

THE STATE OF TEXAS

COUNTY OF POLK

POLK COUNTY FRESH WATER SUPPLY DISTRICT NO. 2

ARTICLE I

PURPOSE

The following Amended and Restated Rules and Regulations Governing 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 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 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 sewer services to a residence or business establishment.
- B. Engineer is the person, company or corporation which is under contract with the District to design the District's Sanitary Sewer Collection System and performs any additional services as set forth in the contract with the District.
- C. High 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 fresh water supplies located in the District.
- D. Rate Order shall mean the District's Order Adopting Consolidated Rate Order and Rules and Regulations; Establishing a Wastewater Control Order; and Providing Penalties for Violation Thereof which may be amended from time to time.
- E. 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 truck 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.
- F. 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. The portion of the line located within the Customer's property will be maintained by the Customer up to the property line or the District's easement. The District shall maintain the remaining portion of such line extending from the property line or easement to the point of connection to the District's Sanitary Sewer Collection System.
- G. Sewer Tap is the physical connection between the Sanitary Sewer Service Line and the District's Sanitary Sewer Collection System.
- H. Sewer 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.
- I. 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.

- J. Inspection Fee is the fee paid to the District to obtain a sewer inspection for any dwelling. The amount of the Inspection Fee shall be established in the District's Rate Order and may be modified or changed at any time.
- K. Utility Easement is an interest in land, granted by dedication, to public utility entities, including the District, to install and maintain utilities across, over, and 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.
- L. Water Supply System is composed of all water lines, valve boxes, flushing valves, blow-off valves, water meters, water meter service lines, and meter boxes located within public right-of-way or easements owned or leased and operated by the fresh water suppliers.

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

- 3. was first connected to the District's Sanitary Sewer Collection System prior to January 26, 1976
- 4. 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
- 5. Is not required to be platted and written certification to that effect, in accordance with Section 212.0115(e), has been presented to the District's Operator.

Section 2.03 Approval of Plans and Specifications. Submission of plans for all Commercial and Residential connections to be served must be submitted to the District for approval. The cost of service lines or facilities other than a gravity sewer system shall be at the sole expense of the Customer. All operations and maintenance costs of service lines or facilities used to provide sanitary sewer service to a Commercial and Residential connection shall be at the sole expense of the Customer. Each applicant for a sewer connection shall, within thirty (30) days prior to applying for service and the payment of inspection fee for initial service and any other charges due, submit to the District, the following information:

- 6. Drawings which are drawn to scale and which indicate details of building plumbing materials to be used and the location, size and number of proposed connections to the District System;
- 7. The size of the gross land area to be serviced by the District's System; and
- 8. A general description of the type of proposed Residential or Commercial 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 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 for service, or request that further information be submitted prior to approval of the application. The Customer shall be notified in writing as to the basis for rejection of the 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 made, the District shall not be held responsible for delays in the installation of the sanitary sewer connection or the provision of other District services. Payment of all applicable fees to the District prior to the approval of plans shall not be considered approval of said plans or approval for connection as set forth herein. Any unauthorized

connections may be removed at the expense of the person or firm causing such connection or connections to be made.

ARTICLE III
PLUMBING MATERIAL PROHIBITIONS

Section 3.01 Prohibited Materials. The use of the following materials is prohibited for the installation and repair of any private plumbing facilities:

9. any pipe or pipe fitting which contains more than 8.0% lead; and
10. 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.

Section 3.02 Application for Service. An application for Service, a copy of which is attached hereto as Exhibit 3, must be filed with the District's office. The Customer must pay to the District's Office all inspections fees, deposits and other charges due, as described in the District's Rate Order.

Section 3.03 Customer Service Agreements.

- H. The District is responsible for properly operating and maintaining its Sanitary Sewer Collection System. To this end, the District has adopted plumbing restrictions to provide protection to the District's Sanitary Sewer Collection 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 Exhibit 1 attached hereto, before the District will begin service. In addition, when service to an existing connection has been suspended or terminated, the District will not re-establish service unless it has a signed copy of a Customer Service Agreement.

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

- I. The Customer shall allow his/her property to be inspected for unacceptable plumbing practices. These inspections shall be conducted by the District or its designated agent prior to initiating new service; when there is reason to believe that 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.
- J. The District shall notify the Customer in writing of any unacceptable plumbing practices which have been identified during the initial inspection or the periodic re-inspection.
- K. The Customer shall immediately correct any undesirable plumbing practice on his/her premises.
- L. If a Customer fails to comply with the terms of the Customer Service Agreement, the District shall have the option to terminate service. 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 maximum of one (1) Sanitary Sewer Service Line connections to the District's Sanitary Sewer Collection System is permitted for each residence. A maximum of one (1) Sanitary Sewer Service Line connection to the District's sanitary sewer Collection System is permitted for each 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.

- M. No opening in the District's Sanitary Sewer Collection System will be allowed to remain open overnight or during rain.
- N. 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.
- O. All Sanitary Sewer Service Lines should be run from wyes or stacks directly to the houses and shall be kept as free from bends as conditions will permit.

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.

- 11. Poly-vinyl-chloride PSM (PVC) pipe conforming to ASTM Specification D3034 or ASTM specification F789 (with UL listing) and installed according to ASTM D2321. Acceptable types of pipe include: SDR-26, SDR-35, Schedule 40 and Schedule 80.

Section 4.03 Size and Grade of Sanitary Sewer Service Lines - Gravity

- 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 - - - one foot drop per hundred feet (1%);
 - 2. 6 inch pipe - - - six inch drop per hundred feet (0.5%);
 - 3. 8 inch pipe - - - four inch drop per hundred feet (0.33%).
- 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%);
 - 3. 8 inch pipe - - - one foot drop per hundred feet (1%).

Section 4.04 Sewer Lines - Pressure. A "Pressure" type sewer collection system is defined as one which requires mechanical devices to introduce sewage into the collection system. Such mechanical devices are owned, maintained and situated on the property where in is situated the sewer producing facility.

An area is deemed to have a "Pressure" sewer collection system if that system requires its Customers to install sump pumps, grinder pumps or any other mechanical devices, other than gravity, to introduce waste products into the collection system of a subdivision.

- A. Each sewer producing facility, residential, commercial, or industrial shall be required to comply with all ordinances, orders, rules and/or regulations promulgated by this District.
- B. Each such "Pressure" system located within the boundaries of this District shall be subject to the same charges and fees as are all other users of this District, regardless of the type system installed.
- C. At such point in time as such collection systems are dedicated to this District, District acquires permanent easements for property on which such collection lines are situated, District shall assume complete ownership, control and maintenance responsibilities for such collection lines.
- D. Collection lines are those lines, regardless of size, which accept sewage, etc., at the property line of each sewer producing facility. These lines are further defined for maintenance purposes as including only those collection lines to which this District owns "fee simple" title to easements through which such lines pass.
- E. It shall be the Customers responsibility to install, maintain, replace and/or repair all lines and/or equipment situated on the Customer side of the property line of such sewer producing facility. Such shall include, but not be limited to, check valves, (non-return valves), lines, sump pumps, grinder pumps, containers, electrical facilities necessary to accommodate such equipment, etc.
- F. Each sewer producing facility located within a "pressure" type system shall be required to connect as required by District Rules, Regulations and Orders, which applies to all residents of this District regardless of the nature of the collection system installed adjacent to their property.
- G. Each sewer producing facility located within an area serviced by a "pressure" type collection shall provide the minimum installed equipment.
 - 1. Sufficient PVC 40, minimum 1 1/4" lateral collection lines.
 - 2. A check valve (non-return valve) at point of entry into system.
 - 3. Adequate collection basin(s) or container(s) to accumulate waste prior to its introduction into District lines.
 - 4. Sump or grinder pump(s) to deliver waste to District collection lines.
 - 5. Necessary electrical equipment to facilitate operation of necessary pump(s).
 - 6. Customer shall be responsible for stoppages occurring between property lines and sewer producing facility.
 - 7. Each connection must include a locking valve system and a sewer meter box.
 - 8. Each connection must have an approved type alarm system.
- H. Each lateral installation, including line, pump, valves, etc., shall be inspected by the District Operator prior to covering and connection to the District sewer collection system.

Section 4.05 Fittings and Cleanouts.

- P. No bends or turns at any point will be greater than forty-five degrees (45°).

- Q. Each horizontal Sanitary Sewer Service Line will be provided with a clean out at its upper terminal; and each such run of piping which is more than fifty (50) feet or fraction thereof in the length will be provided with a clean out for each fifty (50) feet or fraction thereof in the length of such piping.
- R. Each clean out 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. Cleanouts shall not be left open and uncapped. A Customer must replace a missing or damaged clean out plug.
- S. Cleanouts will be made with air-tight mechanical plug.
- T. Cleanouts will be installed at the Customer's property line or within the District's sanitary sewer easement.

Section 4.06 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 such as restaurants, food processing facilities, car washes, commercial laundries and all other facilities that PCFWSD#2 deem necessary are to install and maintain a grease or grit trap.
- E. Grease and Grit Traps. As grease is a substance prohibited from discharge into the District's System, grease traps, grit traps and sampling wells or other acceptable restraining devices must be used in any user situation where there is a possibility that grease may be discharged in the District's System. Such grease traps, grit traps, sampling wells or other such devices must be maintained in proper working order and cleaned on a regular basis. Installation, maintenance, and replacement requirements may be imposed by the District's Operator in situations where grease traps, grit traps, sampling wells or other such devices may be necessary or where such facilities are not functioning properly. The District's Operator will inspect a user facility quarterly to insure proper maintenance and the user shall pay a fee of \$35.00 per inspection. In the event the facility fails an inspection, the District's Operator shall notify the Customer and re-inspect the facility in ten (10) days. If the facility fails the re-inspection, the District's Operator shall notify the Customer and re-inspect in one (1) week. If the facility again fails the re-inspection, the District's Operator shall notify the Customer and re-inspect the facility daily until the facility passes inspection. The fee for each re-inspection shall be \$35.00. At each inspection, the Customer shall provide the District's Operator with a copy of the manifest from the company cleaning the grease trap, grit traps, sampling well or other similar facility and disposing of the grease.

Section 4.07 Installation of Sewer Taps and Issuance of Permits.

- U. Sanitary Sewer Service Lines which cross or parallel any Water Service Lines must be installed in accordance with Chapter 290 of the TCEQ Rules and Regulations for Public Water Systems. The District's Operator and the water supply company will inspect the lines.
- V. Excavation for Sewer Taps shall be water tamped in all areas within five (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.
- W. All stacks shall be installed in locations shown on the plans. Stacks shall be capped and the cap lightly cemented in place.
- X. An application for Service (a copy of which is attached as Exhibit 4) must be filed with the District's office prior to approval of construction of any Sanitary Sewer Service Line, and the Sewer Inspection fee as established in the District's most current Rate Order should accompany the application. (Application forms are available from the District's office.) 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 or District's Operator.
- Y. 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 re-inspections) shall be made to the District office at least twenty-four (24) hours in advance of the inspection.
- Z. 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.
- AA. 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.
- BB. 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.
- CC. During inspection of the Sanitary Sewer Service Line, the District's Operator will examine all District facilities, such as manholes, cleanouts, and sewer lines, etc. on and adjacent to the lot. Sewer service will not be granted until any damage to these facilities has been repaired.
- DD. The District's Operator will complete the Sanitary Sewer Inspection Form and file it for record with the Application.

- EE. Sewer Service will not be approved until after the Sewer Inspection is performed and the District's Operator confirms that all requirements of these Rules and Regulations have been met.
- FF. Connection permits which are rejected for any deficiency shall be promptly corrected and a re-inspection requested. A re-inspection fee as set forth in the District's Rate Order shall be paid at the time the re-inspection is requested.

ARTICLE V
FEEES 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 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, down spouts and yard or area drains.
- C. Swimming pool and/or spa connections will not be made to the District's Sanitary Sewer Collection System.
- D. No Septic Systems will be permitted to be connected to the District's Sanitary Sewer facilities without running a new lateral line that by-passes existing septic system.

ARTICLE VII
PRIVATE WELLS/TANKS

Section 7.01 Septic Tank Permits None allowed. All persons owning or leasing property within 300' from the sanitary sewer system must make application to and connect to the sewer disposal facility.

Section 7.02 Private Water Wells. For Customers charged on a water volume basis, with private water wells, the user, at his/her expense, shall install a water meter on user's water line, in a location accessible to District personnel. When the meter is installed, user shall notify the District monthly with the previous month's water meter reading. The District reserves the right to read such meters at its discretion.

ARTICLE VIII
AVAILABILITY OF ACCESS/OBSTRUCTION

By application for connection to the District's Sanitary Sewer Collection 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 inspection 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 SANITARY SEWER COLLECTION SYSTEM

- A. Damage to the District's 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.
- GG. 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.
- HH. 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 Sanitary Sewer Collection System.
- II. 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 Sanitary Sewer Collection System any debris or foreign substance that would interfere with the proper and routine functioning thereof.

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.

- 12. Discontinuance of water service.
- 13. Disconnection and sealing of sanitary sewer connection.

14. The Board hereby imposes the following civil penalties for breach of any rule or regulation of the District: The violator shall pay the District twice the costs the District has sustained due to the violation up to \$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.
15. 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.
16. 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.

EXHIBIT 1
CUSTOMER SERVICE AGREEMENT

SECTION I. PURPOSE. Polk County Fresh Water Supply District No. 2 (the District) is responsible for properly operating and maintaining its Sanitary Sewer Collection System. The purpose of this Service Agreement is to notify each Customer of the plumbing restrictions which are in place. 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. In addition, when service to an existing connection has been suspended or terminated, the District will not re-establish service unless it has a signed copy of this Customer Service Agreement.

SECTION II PLUMBING RESTRICTION. The following unacceptable plumbing practices are prohibited by State Regulations:

- A. No direct connection between the 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 Water Supply System and a private water system is permitted. These potential threats to the 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 Water Supply System is permitted.

- D. No pipe or pipe fitting which contains more than 8.0% lead may be used for the installation or repair of plumbing at any connection which provides water for human use.
- E. No solder or flux which contains more than 0.20% 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 Polk County Fresh Water Supply District No. 2 (the District) and _____ (Name) _____ (the Customer):

- JJ. The District will maintain a copy of this Customer Service Agreement as long as the Customer and/or the premises are connected to the District.
- KK. The District shall have the right to access a private water well meter if Customer is not provided water service by a water supply company. The District shall have access to its property and equipment located upon Customer's premises at all times for any purpose connected with or in the furtherance of its business operations, and upon discontinuance of service, shall have the right to remove any of its property from Customer's premises.
- LL. The Customer shall allow his/her property to be inspected for possible unacceptable plumbing practices. These inspections shall be conducted by the District or its designated agent prior to initiating service; when there is reason to believe that 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.
- MM. The District shall notify the Customer in writing of any unacceptable plumbing practice on his/her premises.
- NN. The Customer shall immediately correct any unacceptable plumbing practice on his/her premises.
- OO. The Customer's plumber must provide a one (1) year warranty or guarantee for all work done within the District's easement or right-of-way.

SECTION IV ENFORCEMENT. If the Customer fails to comply with the terms of this Service Agreement, the District shall have the option to terminate service. 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 adopted by the district. 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.

Account # _____

EXHIBIT 2)

ALTERNATE BILLING AGREEMENT FOR RENTAL/OWNER FINANCED ACCOUNTS

Account #: _____ Property Description _____

Property Owner: _____

Address: _____

Home Phone: _____ Work Phone: _____

E-mail address: _____

I hereby Authorize Polk County Fresh Water Supply District #2 to send all billings on my account to the person (s) and address below until further written notice:

Name: _____

Address: _____

Home Phone: _____ Work Phone: _____

I understand that under this agreement that I will be given notice by Polk County Fresh Water Supply District #2 of all delinquencies on the account prior to disconnection of service.

I understand that I am responsible to see that this account balance is kept current. Should this account remain delinquent, sewer service will be subject to termination under the Ordinances of the District, and shall not be reinstated until all debt on the account has been retired.

I understand that I must sign a new Alternate Billing Agreement each time that I want the billing changed. If the person authorized to receive the billing notifies the District, the billing will automatically revert back to me.

Signature of Property Owner: _____

Date: _____

Account # _____

EXHIBIT 3

APPLICATION PROVIDING FOR VOLUNTARY DISCONNECTION OF SEWER SERVICE

A Customer of the District may disconnect from the required connection in the event that the structure connected becomes vacant and ceases to generate any wastewater/sewage.

Prior to Disconnection a Customer will request the disconnect in writing, signed by the Customer, and be current on all fees and charges owed to the District

Prior to the Reconnect a Customer shall request a reconnect in writing signed by the Customer. No reconnect shall be made for any Customer who has past due balances owed to the District. Physical Reconnect shall be performed at the Districts direction and covered only after having been inspected and approved by the District.

Any person who shall violate any provisions of this Rate Order or who shall fail to comply with any provision hereof shall be guilty of a misdemeanor and upon conviction shall be subject to a fine not to exceed \$500.00 and each day that such violation continues shall constitute a separate offense.

IT IS CONSIDERED THEFT OF SERVICE TO TURN ON THE WATER SERVICE TO A DISCONNECTED ACCOUNT WITHOUT NOTIFYING POLK COUNTY FRESH WATER SUPPLY DISTRICT NO. 2. THESE CASES WILL BE PROSECUTED.

Property description of where service is to be disconnected / reconnected:

Subdivision _____ Section _____ Block _____ Lot _____

Signature of Customer _____ Date: _____

<p>Water Service Disconnected: _____</p> <p>Water Service Reconnected: _____</p> <p>Rate Code: _____</p>
--

EXHIBIT 4

CREDIT APPLICATION FOR POLK COUNTY FRESH WATER SUPPLY DISTRICT NO. 2

2619 FM 3459
P.O. Box 2250
Onalaska, TX 77360
Phone: 936-646-5977
Fax No. 936-646-7044
pcfwsd2@eastex.net
polkcountyfreshwater.com

Account No. _____
Amount of Deposit _____ Deposit Receipt No. _____
Tax ID# _____ Taxes Owed _____

ALL BLANKS MUST BE COMPLETED BEFORE APPLICATION WILL BE ACCEPTED

****If no source of income, applicant will be required to have a co-signer with good standing credit with the district and a current ID. (See below)****

Full Name of Applicant _____ Turn on Date _____

Subdivision _____ Service Address: Sec _____ Block _____ Lot _____

Home Phone _____ Billing Address _____

911 Address _____ E-mail address _____

Date of Birth _____ S/S Number _____ TX I.D. or current License _____

(Copy of ID required)

Place of Employment _____ Work Phone _____

Address of Employer _____ City & Zip _____

If a second adult is to reside in same household, please fill in the following information:

Full Name of Spouse or other Responsible Adult _____

Date of Birth _____ S/S Number _____ TX I.D. or current License _____

(Copy of ID required)

Place of Employment _____ Work Phone _____

Address of Employer _____ City & Zip _____

Name of Previous Owner _____ Renting _____ Owner Finance _____

Previous Owner's Address: _____ Phone Number _____

Homesteaded: Yes ___ No ___ Number of Lots Home on _____

CO-SIGNER INFORMATION

Full Name of Applicant _____ Turn on Date _____

Subdivision _____ Service Address Sec _____ Block _____ Lot _____

Billing Address _____

Date of Birth _____ S/S Number _____ TX I.D. or current License _____

(Copy of ID required)

Place of Employment _____ Work Phone _____

Address of Employer _____ City & Zip _____

I, as co-signer of this credit application, agree to accept full financial responsibility for payment on this account should the balance due become more than 60 days delinquent.

Signature of Co-Signer Date

THE FOLLOWING SERVICE OPTIONS ARE AVAILABLE TO QUALIFYING CUSTOMERS

AUTOMATIC BILL PAYMENT THROUGH BANK DRAFTING OPTION

Automatic bill payment service is available through bank drafting. (See attached sheet for more detail.)

CONFIDENTIALITY OPTION

According to State Law, the information on your account is open to the public unless you request confidentiality. All customers are eligible for this option. This will keep all personal information, such as address, phone number and social security number confidential from the general public.

<input type="checkbox"/>	I <u>Do Not</u> request that my account information be kept confidential.
--------------------------	--

<input type="checkbox"/>	I request that my account information be kept confidential.
--------------------------	---

NOTICE TO PROPERTY OWNERS: Payment of Municipal Utility District property tax is required to obtain water service. Failure to keep property tax payments current will lead to discontinuance of **water service**.

NON-PAYMENT OF FEES: Polk County Fresh Water Supply District #2 has an agreement with the water supply companies to disconnect water service for non-payment of sewer fees. All past due accounts are turned over to a collection agency for collection. All collection agency fees and collection costs are charged back to customers.

APPLICATION AGREEMENT: I have read and understand the terms, conditions, and restrictions of the service agreement. I further acknowledge failure to abide by said restrictions shall, at a minimum, lead to discontinuance of **water service**.

I hereby apply for sewer service at the above address to be furnished at the standard rates and under terms and conditions of said District as from time to time established for such class of service. The deposit will be held until Applicant discontinues service, or until a period of two years of on time payments, to guarantee the payment of bill of whatever nature that may be due. When service has been discontinued that deposit will be applied to the **final** bill. If any deposit, greater than \$2.00 is left, it will be refunded. I understand that failure to render payment within time prescribed on the bill will mean discontinuance of **water service**. Further, if the District incurs additional expense for past due collections, I agree to pay all costs of collections.

APPLICANT'S SIGNATURE
(I have read the conditions of attached application agreement.)

DATE OF APPLICATION

ACCEPTED AND APPROVED: _____

District Representative

EXHIBIT 5

F9 _____	F10 _____
Tax Roll _____	
Rate Code: _____	
Initials: _____	
<i>For Office Use Only</i>	

Polk County Fresh Water Supply District #2
P.O. BOX 2250
Onalaska, TX 77360-2250
936-646-5977
FAX 936-646-7044

Debit Authorization

I (we) hereby authorize Polk County Fresh Water Supply District #2, to initiate debit entries to my (our) account indicated below and the financial institution named below, hereinafter called FINANCIAL INSTITUTION, to debit the same to each account for (application). I, (we) acknowledge that the origination of ACH transactions to my (our) account must comply with the provisions of U.S. law.

(Financial Institution Name) _____
(Branch)

(Address) _____
(City/State) _____
(Zip Code)

(Routing Number) _____
(Bank Account Number)

Type of Account Checking Savings

This authority is to remain in full force and effect until Polk County Fresh Water Supply District #2 has received **written** notification from me (or either of us) of its termination in such time and manner as to afford Polk County Fresh Water Supply District #2 and FINANCIAL INSTITUTION a reasonable opportunity to act on it.

District Account No: _____

Date to begin ACH Draft: _____ (Customer's Initials)

Date customer requests to stop ACH Draft: _____ (Employee's Initials)

(Print Name) _____
(Signature) _____
(Date)

**PLEASE ATTACH A VOIDED CHECK TO THIS FORM
ACH PAYMENTS ARE DRAFTED
ON THE 5TH OF EVERY MONTEXHIBIT 6
APPLICATION FOR NEW SERVICE PERMIT**

Account # _____

Subdivision Name: _____ Section _____ Block: _____ Lot(s): _____

Name of Applicant: _____

Street Address: _____

City: _____ State: _____ Zip _____ Telephone _____

Type of Service: Residential _____ Commercial _____

***IF SERVICE TO A COMMERCIAL SERVICE IS REQUESTED, A GREASE TRAP IS REQUIRED**

Yes: _____ No: _____

Installation to be performed by: _____

Plumber or Sub-Contractor: _____ Telephone No. _____

By signing below, I understand that the tap install fee is only an estimate and that once digging begins additional fees may be applicable if the depth of the tap exceeds 10 feet. If an additional fee is required, I understand that a District representative will notify me and the additional amount will be charged to the above referenced account.

Applicants Signature: _____ **Date:** _____
(Signature)

Applicant to attach a drawing of proposed improvements and proposed location of sewer service line:

Cost to Install Tap	_____
Cost to do Road Bore	_____
Cost for Lateral Lines	_____
Cost for Pressure System	_____
Misc. Cost	_____
Total Cost	_____

Paid Check No. _____

For District Use Only

Date Application Received: _____

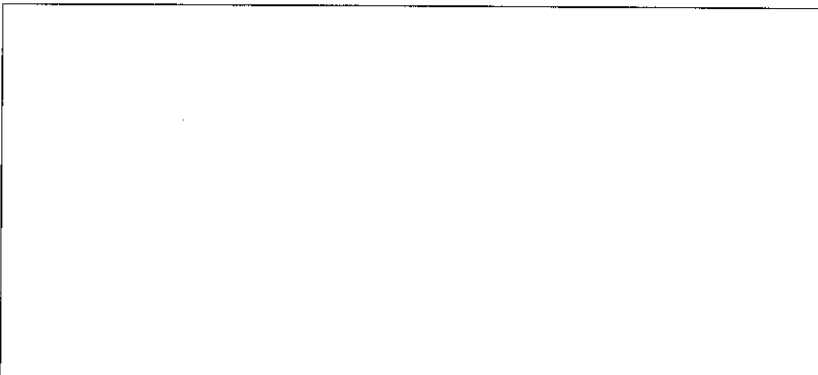
Date Construction Authorized: _____ Construction Approved BY: _____

Connection Information: _____

Approved by: _____
District Representative

***If Grease or Grit Trap is required, all establishments serving food, car washes, Laundromats, or any other establishment capable of producing grease, oil, etc. must have a quarterly inspection.**

FIBERGLASS TANKS ARE THE ONLY APPROVED TANK FOR PRESSURE SYSTEMS



What side of the house is sewer line proposed to come out?

Description of the house and line layout.

