

AN ORDER AMENDING FISCAL YEAR 2012 BILLING CLASSIFICATIONS AND FIXING AND PRESCRIBING RULES, REGULATIONS, ADJUSTMENT PROCEDURES, FEES, DEPOSITS, MONTHLY RATES AND CHARGES AND PENALTIES FOR DISTRICT WATER, WASTEWATER AND WATER RECYCLING (REUSE) SERVICES AND FACILITIES, DETAILING PLUMBING INSPECTION FEES, MISCELLANEOUS DEPOSITS, FEES, AND CHARGES AND MAKING PROVISIONS RELATED AND APPLICABLE THERETO AS FOLLOWS:

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WHEREAS, the District is authorized and required to establish, revise, maintain and collect rates and charges for all District Water, Wastewater and Reuse services and facilities, used and useful, both in and outside of the District which will enable the District to timely pay all indebtedness of its Water and Wastewater System, provide for a reserve for emergencies and contingencies as authorized and required by the Texas Water Code and the covenants and conditions contained in the District's Orders which authorized the issuance and sale of its outstanding Water and Wastewater System Bonds; and

WHEREAS, the Board of Directors has reviewed its existing Water, Wastewater and Reuse System rules, regulations, rates, charges and penalties for late payment, and has determined to make certain revisions thereto, and to confirm, re-enact and continue all other matters relating thereto in order that all such matters be contained in a single Order; therefore,

BE IT ORDERED BY THE BOARD OF DIRECTORS OF THE LAKEWAY  
MUNICIPAL UTILITY DISTRICT:

1. That the recitation and findings in the Preamble hereof are incorporated herein and made a part of the Order. All prior Orders, Resolutions, or policies of the District in conflict with the provisions of this Order are repealed to the extent of any such conflict; otherwise, the same are confirmed, re-enacted and shall continue in full force and effect.

2. The hereinafter prescribed rules, regulations, rates, monthly charges, penalties for late payment and non-payment, fees and deposit requirements shall be effective and of full force as herein provided.

3. WATER, WASTEWATER, REUSE, AND OTHER CHARGES - Commencing with the OCT/NOV 2011 billing period and continuing for all subsequent billing periods thereafter, the District's monthly charges for water, wastewater, reuse service, taps and connection charges, plumbing inspection fees, miscellaneous deposits, fees and charges, both in and outside of the District, shall be computed in accordance with the rate schedule set forth in Exhibits A, A-1, B, C, D, E, & F attached hereto and made a part hereof for all purposes.

3-a. The District shall bill all of its water, wastewater and reuse accounts once every two (2) months. The billing shall be mailed on or before the first (1st) day of the month following the billing period.

3-a-1. Any single water service serving more than one (1) residential unit shall be billed at the appropriate equivalent base fee with the consumption being billed at the applicable volume rate(s).

3-a-2. Any single wastewater service serving more than one (1) residential unit shall be billed at the appropriate equivalent for base fees. Winter averaging for wastewater volumes shall be no less or no more than the number of units times minimum/maximum volumes per meter. (Example: 1 meter for 5 units would equal (5) (3,000/billing) or a minimum of 15,000 gallons per billing; maximum of (5) (30,000/billing) 150,000 gallons per billing.)

3-a-2a. The District's rate design utilizes a minimum volume usage of 1,500 gallons per month and a maximum volume usage of 15,000 gallons per month. Existing residential customers who have a consumption of less than 3,000 gallons for the current December/January or February/March billing will be charged the minimum of 1,500 gallons per month (3,000 gallons per billing) as stated in the District's Rate Manual under 'Volume Charge Wastewater'. If one billing month is zero, then the other billing month's gallons will be used to determine the winter average

3-a-2b. New residential customers will be assigned a volume of 6,000 gallons a month, until they have developed a history.

3-a-2c. Commercial customers will be charged on the basis of their water billing volume for each bi-monthly period but not less than 3,000 gallons per billing. To exclude irrigation (or other non-wastewater) volumes, a customer may, at its expense, install a separate water meter. Under no circumstances will an additional meter be set to subvert conservation tier rates. Under special circumstances, a wastewater flow meter can be installed, at customer expense.

3-a-2d. Commercial customers that generate wastewater strengths for BOD and TSS that are greater than 200TSS/200BOD mg/l may have a strength multiplier applied. This schedule is set forth in Exhibit A. Customers may request adjustments to the multiplier on the basis of test results obtained by methods approved by the District at the expense of the customer. Typically, this will require construction of a sampling station, a flow weighted composite sampler, multiple samples, and wastewater quality analysis for BOD and TSS. These adjustments can be made at intervals of six months or greater. Results may decrease or increase the multiplier.

3-a-3. Any customer who requires special handling for standard billing purposes or other activities outside of the general scope of District personnel duties will be charged a "Customer Special Activity Fee" as set forth in Exhibit D. This fee is specific but not limited to scheduling of appointments to read meters due to inaccessibility caused by any party other than the District, or estimation of usage due to inaccessibility of District meter caused by any party other than the District. Estimated usage shall be based on customer's historical high usage if available. If no history is available then the District shall use an average of like customer classifications for the previous years billing time frame.

3-a-4. In-District new construction billing for water and wastewater service will commence when the water meter is set. Out-of-District new construction, when wastewater service is approved, billing for water and wastewater service will commence when the water

meter is set. In-District existing home billing for water and wastewater service will commence when the water service starts whether or not the home is occupied. Out-of-District existing home, when wastewater service is approved, billing for wastewater service will commence when the plumbing permit is issued for wastewater service.

4. LATE PAYMENTS - The District hereby imposes the following charges for late payment of District billings, in or outside of the District:

4-a. For each two (2) month billing for water, wastewater and reuse service there shall be added thereto a ten percent (10%) service charge if payment is not received thereon by the twentieth (20th) day of the month following the ending month of the billing period. If the twentieth (20th) day of the month falls on a weekend or an official District holiday the penalty day shall be extended through the next full business day. On request, penalty waivers can be authorized at the discretion of the General Manager.

4-b. If the billing is not paid by 5:00 pm on the twenty-fifth (25th) day of the month following the ending month of the billing period a notice of intent to terminate service on the tenth (10th) day of the next month or any day thereafter will be mailed.

4-b-1. Service will be terminated anytime on the 10th day of the following month if full payment is not received by 5:00 pm on the 9<sup>th</sup> day of the month, unless the 10th day falls on a Friday, weekend or holiday, in which case, service will be terminated on the following business day. Customers have the right to a hearing regarding termination. The District's Hearing Officers are its Finance/Administration Manager and General Manager. If a customer desires a hearing, they must contact a Hearing Officer in person or by telephone. Decisions of the Hearing Officer may be appealed to the Board of Directors. However, to maintain service, full payment must be made pending the appeal.

4-b-2. At any time after the District's water, wastewater and reuse service has been terminated a notice of intent to file a lawsuit may be given not less than thirty (30) days prior to filing thereof, to collect delinquent charges, the service charges due, attorney's fees and court costs.

4-b-3. The District's delay in either terminating service or filing of a lawsuit shall not be deemed a waiver of either course of action not taken at that time, it being the express intent of the District that termination of service and suing for collection are cumulative remedies and not remedies upon which the District must make an election.

4-b-4. In both instances, notice shall be in writing mailed to the last known address by regular U.S. Mail, prepaid or by Certified or Registered Mail, if required by Statute, to the customer advising of the action to be taken and directing them to contact the District's General Manager, or his Agent, for any matters relating thereto.

4-b-5. The District shall, pursuant to its authority under Section 49.212(c), Texas Water Code, pursue the collection of taxes or any other charges owed to the District, that are more than six months in arrears, by termination of service. Action will be taken as noted in Sec. 4-b-3

above. The property owner must be given fifteen days notice before service is discontinued. Any occupants of the property, if not the owner, shall be apprised of the impending action. Services to a property, which are terminated under this section, shall be charged a non-payment/reconnection fee as set forth in Exhibit D prior to restoration of service.

5. **TERMINATED SERVICE** - The District hereby adopts the following procedures and imposes the following charges where water, wastewater and reuse service are terminated:

5-a. Service may be terminated at one location and any balance, if applicable, may be transferred to the new location, provided both locations are within the service area of this District.

5-a-1. For non-payment of account (i.e. payment not received by deadline), a non-payment/reconnection fee as set forth in Exhibit D (including security deposits) shall be paid as a part of the total amount due. The non-payment/reconnection fee applies whether or not the service is physically cut off.

5-a-2. If District personnel restore service after normal business hours an additional after-hours non-payment/reconnection fee as set forth in Exhibit D shall be paid.

5-b. If service is restored by anyone other than the District, prior to payment in full of the amount due, the meter shall be locked out and/or removed and a meter reset fee as set forth in Exhibit D shall be paid.

5-c. Service may be temporarily discontinued upon request in order to make repairs, replacements or similar circumstances. In this instance, a non-payment/reconnection fee will not be charged. However, tampering (turning on/off service) with the District's meter and/or appurtenances will result in an illegal usage fee as set forth in Exhibit D.

5-d. Except as provided in subsection (e) of this section, a utility may not alter, refuse, or discontinue service to, or discriminate against, the trustee or the debtor solely on the basis that a debt owed by the debtor to such utility for service rendered before the order for relief was not paid when due.

5-e. Such utility may alter, refuse, or discontinue service if neither the trustee nor the debtor, within 20 days after the date of the order for relief, furnishes adequate assurance of payment, in the form of a deposit or other security, for service after such date. On request of a party in interest and after notice and a hearing, the court may order reasonable modification of the amount of the deposit or other security necessary to provide adequate assurance of payment.

5-f. On request, non-payment/reconnection fee waivers can be authorized at the discretion of the General Manager.

6. **DEPOSITS**- The District hereby imposes the following charges, fixing and prescribing Security Deposits:

6-a. A non-interest bearing Security Deposit was established for all new service accounts on AUGUST 12, 1981. Paragraphs 6-a-1, 6-a-2, 6-a-3, and 6-a-7 were revised and Exhibit A-1 was added on JANUARY 10, 1990. Paragraph 6-c was added on JULY 1, 1998.

6-a-1. A fee as set forth in Exhibit D is required for each new service account or transfer. No deposit will be required if an account is being transferred from one location to another if the account has incurred no late payment penalty charge in the past twelve (12) months. The same applies to a new account if the customer has had previous service and a satisfactory credit history. A deposit will not be required if a new customer presents a letter from another utility company on its letterhead stating satisfactory credit history for the previous two years. The District reserves the right to increase the amount of the deposit for any existing account. The deposit will be based on current deposit requirements or the highest billing for the previous six (6) billings, whichever is larger.

6-a-2. A Customer is not required to increase his deposit for like service and meter size if the deposit required has increased from the time the deposit was originally paid. If the customer changes meter size, or if the scope of service is changed, the deposit shall be adjusted to the then established rate order.

6-a-3. Any organization qualifying with the Internal Revenue Service as a non-profit organization is exempt from initially providing a Security Deposit. The District reserves the right to require a deposit at any time payment is not received by deadline. The amount of deposit will be calculated as noted in 6-a-1.

6-a-4. In the event that the water, wastewater and reuse service is terminated for non-payment as prescribed henceforth, the deposit shall be applied as payment in part or in whole to the amount due including arrears and penalties.

6-a-5. If service is terminated for non-payment, where previously a Security Deposit was not required, a Security Deposit and payment of all other applicable fees will be required prior to the restoration of service.

6-a-6. Upon order for a final billing of an account, payment may be made in full or the Security Deposit may be applied against the amount due, with any balance of the deposit refunded, if applicable.

6-a-7. If the account has incurred no late payment penalty charge for thirty-six (36) months, the District will apply the deposit to the depositor's account. Provided, however, that the District shall require a new Security Deposit if service is terminated for non-payment as outlined in Section 6-a-1.

6-b. Where payments are guaranteed by an agreement with a Condominium Association, a Security Deposit will not be required on any unit covered under said agreement. Provided, however, the District reserves the right to terminate any such agreement if there is non-payment of any account included in the agreement.

6-b-1. In the event the water, wastewater and reuse service is terminated for non-payment of account or a violation of said agreement occurs, a Security Deposit, at the current amount, will be required of all units covered by said agreement and the billings will be sent directly to the individual owner, or agent of owner, and not to the Condominium Association or Rental Program for payment.

6-c. The District offers bank/credit card drafting to customers for convenience of payments. On a second occurrence of a bad "draft" within a year, a full deposit will be required to continue service. On a second occurrence of a bad bank draft/return check within a year, the customer will be required to make cash payments for one year. On a second occurrence of a bad credit card draft within a year, the customer will be removed from drafting for one year.

7. ADJUSTMENTS - The General Manager, or his designee, shall review all adjustment requests, and if it is determined that the request meets the following criteria may authorize same:

A. WATER

1. Consider an adjustment only if water usage for a billing period exceeds by 30,000 gallons the water used in the same period of the previous year and if said excessive usage is attributed to the malfunction of equipment on the customer's side of the meter.

2. Proof of malfunction and verification of repair must be presented to the General Manager. If the General Manager agrees that a malfunction did occur (as opposed to customer negligence) then the cost of the excess water used will be adjusted using current data in accordance with the following example:

- a) Usage in Apr./May 1988 = 60 M gal
- \*b) Usage in Apr./May 1987 = 20 M
- \*\*c) Usage in Apr./May 1986 = 30 M

Two Year Average      50 / 2      = 25 M gal

d) Excess usage/proven malfunction      = 35 M gal

e) Subtract \$1.25 cost of production from current volume rate and multiply by excess volume usage. In the above example it would be volume rate minus \$1.25 times 35 (vol. rate - \$1.25 x 35).

f) The higher volume charges will also be refunded if the average consumption is less than the established base volume where base volumes are exceeded.

g) The base charge is not adjustable.

h) Maximum adjustment by the General Manager is \$2,000; thereafter Board approval is required.

\* If no prior year's usage exists, the General Manager is to select base usage.

\*\* This is applied only if the customer has a two-year service record.

B. WASTEWATER - If circumstances arise which could distort individual volumes during the period, which determines "winter averaging" the following criteria is authorized:

1. If within twenty (20) days after receiving their February/March bill, a customer can demonstrate to the satisfaction of the District's General Manager that their water usage during the lower of this or the December/January billing period was at least fifty percent (50%) greater than in the previous years like billing period due to some malfunction in their system, and assuming that said malfunction was not the result of neglect, then the volume component of their wastewater rate will be based on the average usage in the Dec/Jan or Feb/Mar billing period of the previous two years or the last year if that is the only history.
2. Any residential customer who has a water leak adjustment for the December/January or February/March billing shall also have the wastewater volume adjusted based on the water leak adjustment calculation.

C. REUSE

1. Consider an adjustment only if reuse volume for a billing period exceeds by 50% of reuse gallons used in the same period of the previous year and if said excessive usage is attributed to the malfunction of equipment on the customer's side of the meter.
2. Adjustments will only be considered for the most recent billing. Proof of malfunction and verification of repair must be presented to the General Manager. If the General Manager agrees that a malfunction did occur (as opposed to customer negligence) then the cost of the excess reuse used will be adjusted using current data in accordance with the following example:

- a) Volume in Apr./May 2002 = 60 M gal
- \*b) Volume in Apr./May 2001 = 20 M
- \*\*c) Volume in Apr./May 2000 = 30 M

Two Year Average      50 / 2      = 25 M gal

- d) Excess usage/proven malfunction      = 35 M gal
- e) Subtract \$1.25 cost of production from current volume rate and multiply by excess volume usage. In the above example it would be volume rate minus \$1.25 times 35 (vol. rate - \$1.25 x 35).
- f) Maximum adjustment by the General Manager is \$2,000; thereafter Board approval is required.

\* If no prior year's usage exists, the General Manager is to select base usage.

\*\* This is applied only if the customer has a two-year service record.

8. PLUMBING INSPECTION FEES - The District hereby includes as Exhibit C plumbing inspection fees as approved and attached to its official Order Amending Plumbing Inspection Fees adopted September 15, 1993 for inclusion purposes only.

9. MISCELLANEOUS DEPOSITS, FEES & CHARGES - The District hereby imposes miscellaneous deposits, fees and charges for the following items.

- 9-a. Construction inspection and plan review fees as set forth in Exhibit D.
- 9-b. Easement Release request review fees as set forth in Exhibit D.
- 9-c. Certification of District records as adopted September 21, 1994 and as set forth in Exhibit D.
- 9-d. Unauthorized releases - Any wastes released into the District wastewater collection system without prior authorization will incur fees as set forth in Exhibit D.
- 9-e. Service fees in accordance with sections 3-a-3, 5-a-1, 5-a-2, 5-b and 6-a-1 as set forth in Exhibit D.
- 9-f. All copy fees of District records will be the maximum set by the General Services Commission rules and regulations, attached as Exhibit F.

10. TEMPORARY SERVICE - The District hereby imposes fees for temporary services rendered.

10-a. Cleaning - In the event temporary service is requested for an interim period, not to exceed three (3) calendar days, for purposes of cleaning only, fees will be charged as set forth in Exhibit A.

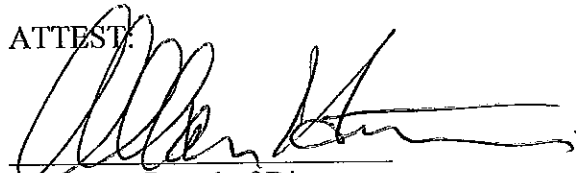
10-b. Fire Hydrant Use - In the event water service is requested through the use of a District fire hydrant for any purpose the District will require a refundable non-interest bearing deposit as set for in Exhibit A-1. Fees will be charged as set forth in Exhibit A.

10-c. Inactive accounts - In the event the water, wastewater and reuse service is discontinued for an interim period of the owner moving back into a residence or a renter moving into a residence, the account will become inactive with no charges applied for water and/or wastewater service while the service is discontinued.

The provisions of this Order shall apply to all services requested from and/or provided by the District from and after the date hereof. All provisions of Orders heretofore adopted which are in conflict herewith are repealed to the extent of any conflict, but any provisions which are re-enacted herein shall continue in full force and effective as of the date of their original adoption.

PASSED AND APPROVED on the 8<sup>th</sup> day of February 2012.

ATTEST:

  
Secretary, Board of Directors

  
President, Board of Directors

EXHIBIT- A

WATER/WASTEWATER/REUSE RATES AND CHARGES  
 TO THE DISTRICT'S ORDER DATED SEPTEMBER 28, 2011  
 EFFECTIVE WITH THE OCTOBER/NOVEMBER 2010 BILLING PERIOD

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1. The District's Charge for WATER, WASTEWATER AND REUSE service shall be as follows:

a. WATER RATES - In & Out of District

BASE RATE: Monthly

5/8" Meters		\$22.95
1" Meters	(Factor 1.7)	\$39.02
1½" Meters	(Factor 3.3)	\$75.74
2" Meters	(Factor 5.3)	\$121.64
4" Meters	(Factor 16.7)	\$383.27

VOLUME RATE: Bimonthly- Per 1,000 gallons

Residential- 0 - 15,000 Gallons	\$2.50
15,001 – 30,000 Gallons	\$3.25
30,001 – 50,000 Gallons	\$3.50
50,001 – 80,000 Gallons	\$4.00
80,001 – 100,000 Gallons	\$4.50
Over 100,000 Gallons	\$5.00

Commercial & Irrigation

0 – 100,000 Gallons	\$3.50
Over 100,000 Gallons	\$4.50

b. WASTEWATER RATES, IN-DISTRICT

BASE RATE: Monthly

5/8" Meters		\$18.17
1" Meters	(Factor 1.7)	\$30.89
1½" Meters	(Factor 3.3)	\$59.96
2" Meters	(Factor 5.3)	\$96.30
4" Meters	(Factor 16.7)	\$303.44

VOLUME RATE: Per 1,000 gallons**	\$2.50
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c. WASTEWATER RATES, OUT-OF-DISTRICT – Residential & Commercial

BASE RATE: Monthly

5/8" Meters		\$74.64
1" Meters	(Factor 1.7)	\$126.89
1½" Meters	(Factor 3.3)	\$246.31
2" Meters	(Factor 5.3)	\$395.59
4" Meters	(Factor 16.7)	\$1,246.49

VOLUME RATE: Per 1,000 gallons\*\*\* \$2.50

d. REUSE RATES - In & Out of District

VOLUME RATE: Per 1,000 gallons \$2.50  
 (except as per Reuse Rate Policy)

\*\* Wastewater volume for residential accounts will be established according to winter averaging methods described in the rate manual. Winter averaging will not apply to commercial accounts, which will use the water volume for the billing period as the wastewater volume. Some accounts may have separate wastewater flow meters.

\*\*\* For commercial wastewater accounts there can be a multiplier applied to the wastewater volume rate. This multiplier will be calculated as the product of the ratios of the measured BOD and TSS to the residential design value of 200 mg/l. The ratio used will not be less than 1. Restaurants will have a multiplier of two (2), unless a different ratio is determined.

2. The District's fee for TEMPORARY service for water, not to exceed 3 calendar days, for purpose of cleaning only as noted in Section 10-a. shall be as follows:

0 – 5,000 gallons	\$50.00 Fee
6,000 – 25,000 gallons	\$2.50/1,000 gallons
26,000 gallons and up	\$3.50/1,000 gallons

3. The District's Monthly fee for FIRE HYDRANT water usage as noted in Section 10-b. shall be as follows:

0 - 5,000 gallons	\$100.00 Fee
6,000 – 25,000 gallons	\$2.50/1,000 gallons
26,000 gallons and up	\$3.50/1,000 gallons

4. Commercial TSS and/or BOD strength test as noted in Section 7-B-6 shall be billed as incurred plus 15% for all services.

5. All restaurants and hotels will have a strength multiplier of two (2).

EXHIBIT A-1

SECURITY DEPOSIT SCHEDULE  
 TO THE DISTRICT'S ORDER DATED SEPTEMBER 28, 2011  
 EFFECTIVE OCTOBER 1, 1994

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	Meter Size				
	5/8"	1"	1 1/2"	2"	4"
In-District Service	\$ 200	\$350	\$700	\$1150	\$3650
Out-of-District Service:					
Water Only	\$150	\$250	\$500	\$800	\$2600
Water & Wastewater	\$400	\$700	\$1300	\$2100	\$6650
Fire Hydrant Meters	\$150	\$250	\$500	\$800	\$2600

A deposit will not be required if a new customer presents a letter from another utility company on its letterhead stating satisfactory credit history for the previous two years.

EXHIBIT-B

TAP FEE SCHEDULE  
 TO THE DISTRICT'S ORDER DATED SEPTEMBER 28, 2011  
 EFFECTIVE APRIL 9, 1998

The District's Charge for Water and Wastewater Taps and connections, both in District and out of District shall be as follows. If there is an existing tap then the following fees will apply. If no tap exists then the charge shall be the amount shown plus actual installation costs.

WATER

5/8" x 3/4" meter	\$1,200.00
1" x 1" meter	\$1,600.00
1 1/2" x 1 1/2" meter	\$3,500.00
2" x 2" meter	\$6,000.00
Larger meter (plus actual costs)	\$8,000.00

WASTEWATER

4" existing connection	\$1,200.00
6" existing connection	\$2,400.00

Requests for installation of a water meter larger than a standard 5/8" x 3/4" must receive prior approval of the District's General Manager. Provided however, that where a 5/8" x 3/4" meter exists and a larger meter is requested and approval given, the cost difference between the specific tap size fees of a 5/8" x 3/4" meter and the larger meter will be charged PLUS \$100.00 or actual costs to change the meters, whichever is greater.

Where a request for changing from a larger meter size to a meter of lessor size the cost shall be at least \$100.00 or actual cost, whichever is greater. The cost difference between the specific tap size fees will not be refunded. There shall be no refund for abandoned taps.

EXHIBIT - C

PLUMBING FEE SCHEDULE  
 TO THE DISTRICT'S ORDER DATED SEPTEMBER 28, 2011  
 EFFECTIVE SEPTEMBER 23, 2009

<b>WATER/WASTEWATER</b>	
Minimum ten (10) inspections	\$550.00
Each additional inspection over ten (10)	\$55.00
<b>SPRINKLER SYSTEM</b>	
Minimum two (2) S/S inspections	\$110.00
Each additional S/S inspection over two (2)	\$55.00
<b>SWIMMING POOL</b>	
Minimum two (2) inspections	\$110.00
Each additional inspection over two (2)	\$55.00
<b>REMODELS</b>	
Minimum three (3) inspections	\$165.00
Each additional inspection over three (3)	\$55.00
<b>PROPANE GAS &amp; WATER HEATER REPLACEMENT</b>	
Minimum one (1) inspection	\$55.00
Each additional inspection	\$55.00
<b>BACKFLOW PREVENTER RETESTING</b>	
Annual inspection (1)	Actual cost by subcontractor
<b>GRINDER PUMP</b>	
Design review	\$100.00
Plumbing/mechanical inspection	\$55.00
Electrical inspection	\$55.00
Start-up/Demonstration	\$55.00
<b>GREASE TRAP CLEANING</b>	
	Actual cost by subcontractor plus \$50 administrative fee
<b>BACKFLOW PREVENTER FOR SPRINKLER SYSTEM AND SWIMMING POOL</b>	
Minimum one (1) testing inspection	By others
Each additional inspection over one (1)	By others

EXHIBIT - D

MISCELLANEOUS DEPOSITS, FEES AND CHARGES SCHEDULE  
 TO THE DISTRICT'S ORDER DATED SEPTEMBER 28, 2011  
 EFFECTIVE MAY 8, 2002

SERVICE FEES

Customer Special Activity Fee	\$50.00
Meter Calibration	\$50.00
Meter resets – illegal usage/tampering	\$100.00
New service connections	\$50.00
Transfers	\$50.00
Non-payment/Reconnection fee	\$50.00
Non-payment/Reconnection fee - after hours	\$100.00

CONSTRUCTION INSPECTION/CONTRACT MANAGEMENT/PLAN REVIEW FEE

\$60.00/hr or actual billed + 10%  
 Actual billed + 10%

ADMINISTRATIVE FEE

Invoice Processing	Actual billed + 10% (w/cap of \$500)
Contract Administration (non-engineering)	Actual billed + 10%

EASEMENT RELEASE REQUEST FEE

\$50.00 Standard  
 \$50.00+\$60.00/hr Non Standard  
 or actual billed + 10%

CERTIFICATION OF DISTRICT RECORDS

\$5.00 each

RETURN CHECK FEE

\$25.00

UNAUTHORIZED WASTE RELEASE

\$1,000.00

LABOR COST

\$30.00 per hour

SUPERVISOR LABOR COST

\$50.00 per hour

MACHINERY

Service Truck	\$30.00 per hour
Dump Truck	\$30.00 per hour
Electric rodder	\$45.00 per hour
Mini jet	\$50.00 per hour
Back Hoe	\$90.00 per hour
Hydro jet	\$100.00 per hour
Vacuum machine	\$100.00 per hour

EXHIBIT- E

DEFINITIONS & BILLING CLASSIFICATIONS  
TO THE DISTRICT'S ORDER DATED SEPTEMBER 28, 2011

DEFINITIONS

**IN-DISTRICT:** All property located within the District boundaries, subject to taxation by the District.

**OUT-DISTRICT:** Any property served outside the District boundaries, not subject to taxation by the District.

**BOD:** **BIOCHEMICAL OXYGEN DEMAND:** a measure of the organic strength of wastewater, as defined and quantified in the latest edition of Standard Methods for the Examination of Water and Wastewater.

**TSS:** **TOTAL SUSPENDED SOLIDS:** a measure of the solid matter in wastewater as defined and quantified in the latest edition of Standard Methods for the Examination of Water and Wastewater.

**WASTEWATER MULTIPLIER:** a strength multiplier applied to commercial wastewater accounts. This multiplier is calculated as the product of the ratios of the measured BOD and TSS to the residential design value of 200 mg/l. The ratio used is not less than 1.

**BILLING PERIOD:** The billing period is the nominal two months of the billing cycle and uses the volume accumulated in the period between meter readings. The table below shows the billing periods, the billing cycle and the meter reading dates for each billing cycle. Meter reading for all meters in the District begins on or about the first business day of the month prior to a billing period and proceeds until complete with the objective of reading all meters before the 20<sup>th</sup> of that month. Each meter will be read approximately every 60 days.

Billing Period	Billing Cycle	Meter Reading Dates	
		Beginning Read Date	Ending Read Date
October/November	9/21 thru 11/20	September 1-20	November 1-20
December/January	11/21 thru 1/20	November 1-20	January 1-20
February/March	1/21 thru 3/20	January 1-20	March 1-20
April/May	3/21 thru 5/20	March 1-20	May 1-20
June/July	5/21 thru 7/20	May 1-20	July 1-20
August/September	7/21 thru 9/20	July 1-20	September 1-20

BILLING CLASSIFICATIONS

- CLASS A: SINGLE FAMILY DWELLINGS: Single family unit served with water and/or wastewater service, located on a single lot (structure may occupy two lots by being built over a common lot line).
- CLASS B CONDOMINIUM/DUPLEX: Cluster type single family dwelling units with water and/or wastewater service. Whether service is by individual or multi-unit, each unit will be considered as one.
- CLASS C: COMMERCIAL: Includes, but not limited to Lakeway Inn & Marina, World of Tennis Clubhouse, office building, service station, Tejas Country store, time share units, etc.; occupied full or part-time.
- CLASS D: IRRIGATION/SPRINKLER SYSTEM: Any metered water not used for residential or commercial purposes as listed in Class A through Class C above.

EXHIBIT F

COST OF COPIES OF PUBLIC INFORMATION  
 TO THE DISTRICT'S ORDER DATED SEPTEMBER 28, 2011  
 EFFECTIVE JULY 1, 1998

General Services Commission  
 Executive Administration Division  
 Effective Date: 12/3/97  
 Cost of Copies of Public Information  
 §111.61 - §111.70

§111.61 General

- (a) The General Services Commission ("the Commission") must:
  - (1) adopt rules for use by each governmental body in determining charges under Government Code, Chapter 552, Subchapter F, (the "Public Information Act");
  - (2) Prescribe the methods for computing the charges for copies of public information in paper, electronic, and other kinds of media; and
  - (3) Establish costs for various components of charges for public information that shall be used by each governmental body in providing copies of public information.
  
- (b) The cost of providing public information is not necessarily synonymous with the charges made for providing public information. Governmental bodies must use the charges established by these rules, unless:
  - (1) Other law provides for charges for specific kinds of public information;
  - (2) They are a governmental body other than a state agency, and their charges are within a 25 percent variance above the charges established by the Commission;
  - (3) They request and receive an exemption because their actual costs are higher; or
  - (4) They abide by §552.267 of the Public Information Act, which reads:
    - (A) A governmental body shall furnish a copy of public information without charge or at a reduced charge if the governmental body determines that waiver or reduction of the fee is in the public interest because furnishing the information primarily benefits the general public; or
    - (B) If the cost to the governmental body of processing the collection of a charge for a copy of public information will exceed the amount of the charge, the governmental body may waive the charge.

§111.62 Definitions

The following words and terms, when used in 1 T.A.C. §§111.61 - 111.70, shall have the following meanings unless the context clearly indicates otherwise.

Actual cost--The sum of all direct costs plus a proportional share of overhead or indirect costs. Actual cost should be determined in accordance with generally accepted methodologies. To determine actual costs, governmental bodies may utilize the cost methodology adopted by the Council on Competitive Government.

Client/Server System--A combination of two or more computers that serve a particular application through sharing processing, data storage, and end-user interface presentation. PC's located in a LAN environment containing file servers fall into this category as do applications running in an X-window environment where the server is a UNIX based system.

Governmental Body--As defined by §552.003 of the Public Information Act, means:

- (A) a board, commission, department, institution, agency, or office that is within or is created by the executive or legislative branch of state government and that is directed by one or more elected or appointed members;
- (B) a county commissioner's court in the state;
- (C) a municipal governing body in the state;
- (D) a deliberative body that has rulemaking or quasi-judicial power and that is classified as a department, agency, or political subdivision of a county or municipality;
- (E) a school district board of trustees;

- (F) a county board of school trustees;
- (G) a county board of education;
- (H) the governing board of a special district;
- (I) the governing body of a nonprofit corporation organized under Chapter 76, Acts of the 43rd Legislature, 1st Called Session, 1933 (Article 1434a, Vernon's Texas Civil Statutes), that provides a water supply or wastewater service, or both, and is exempt from ad valorem taxation under the Tax Code §11.30; and
- (J) the part, section, or portion of an organization, corporation, commission, committees, institution, or agency that spends or that is supported in whole or in part by public funds; and
- (K) does not include the judiciary.

Mainframe Computer--A computer located in a controlled environment and serving large applications and/or large numbers of users. These machines usually serve an entire organization or some group of organizations. These machines usually require an operating staff. IBM and UNISYS mainframes, and large Digital VAX 9000 and VAX Clusters fall into this category.

Midsized Computer--A computer smaller than a Mainframe Computer that is not necessarily located in a controlled environment. It usually serves a smaller organization or a sub-unit of an organization. IBM AS/400 and Digital VAX/VMS multi-user single-processor systems fall into this category.

Nonstandard copy--A copy of public information that is made available to a requestor in any format other than a standard paper copy. Microfiche, microfilm, diskettes, magnetic tapes, CD-ROM, are examples of nonstandard copies. Paper copies larger than 8 1/2 x 14 inches (legal size) are also considered nonstandard copies.

Standalone PC--An IBM compatible PC, Macintosh or Power PC based computer system operated without a connection to a network.

Standard paper copy--A printed impression on one side of a piece of paper that measures up to 8 1/2 by 14 inches. Each side of a piece of paper on which an impression is made is counted as a single copy. A piece of paper that is printed on both sides is counted as two copies.

#### §111.63 Charges for Providing Copies of Public Information

(a) The charges in this section to recover costs associated with providing copies of public information are based on estimated average costs to governmental bodies across the state. When actual costs are 25 percent higher than those used in these rules, governmental bodies other than agencies of the state, may request an exemption in accordance with §111.64 of this rule.

(b) Copy charge.

(1) Standard paper copy. The charge for standard paper copies reproduced by means of an office machine copier or a computer printer is \$.10 per page or part of a page. Each side that has a printed image is considered a page.

(2) Nonstandard copy. The charges for nonstandard copies are:

- (A) diskette--\$1.00;
- (B) magnetic tape--\$11.00 - \$13.50 (depending on width - see §111.70);
- (C) data cartridge--\$17.50 - \$35.00 (depending on series - see §111.70);
- (D) tape cartridge--\$38.00 - \$45.00 (depending on memory - see §111.70);
- (E) VHS video cassette--\$2.50;
- (F) audio cassette--\$1.00;
- (G) oversize paper copy (i.e.: 11" x 17", greenbar, bluebar)--\$.50;
- (H) Mylar--\$.85 - \$1.35/linear ft. (depending on thickness - see §111.70);
- (I) Blueprint/Blueline paper--\$.20/linear ft. (all widths).

(3) The charges in this subsection are to cover the cost of materials onto which information is copied and do not reflect any additional charges that may be associated with a particular request.

(c) Programming personnel. If a particular request requires the services of a programmer in order to execute an existing program or to create a new program so that requested information may be accessed and copied, the governmental body may charge for the programmer's time.

(1) The hourly charge for a programmer is \$26.00 an hour, including fringe benefits. Only programming services shall be charged at this hourly rate.

(2) Governmental bodies that do not have in-house programming capabilities shall comply with requests in accordance with §552.231 of the Public Information Act.

(3) If the charge for providing a copy of public information includes costs of labor, a governmental body shall comply with the requirements of Government Code, Chapter 552, §552.261(b).

(d) Other Personnel charge.

(1) The charge for other personnel costs, incurred in processing a request for public information is \$15.00 an hour, including fringe benefits. Where applicable, the other personnel charge may include the actual time to locate, compile, and reproduce the requested information.

(2) An other personnel charge shall not be billed in connection with complying with requests that are for 50 or fewer pages of paper records, unless the documents to be copied are located in:

- (A) more than one building; or
- (B) a remote storage facility.

(3) Other Personnel time shall not be recovered for any time spent by an attorney, legal assistant, or any other person who reviews the requested information:

- (A) to determine whether the governmental body will raise any exceptions to disclosure of the requested information under Subchapter C of the Public Information Act; or
- (B) to research or prepare a request for a ruling by the attorney general's office pursuant to §552.301 of the Public Information Act.

(4) When confidential information is mixed with public information in the same page, personnel time may be recovered for time spent to obliterate, blackout, or otherwise obscure confidential information in order to release the public information.

(5) If the charge for providing a copy of public information includes costs of labor, a governmental body shall comply with the requirements of Government Code, Chapter 552, §552.261 (b).

(e) Overhead charge.

(1) Whenever any personnel charge is applicable to a request, a governmental body may include in the charges direct and indirect costs, in addition to the specific personnel charge. This overhead charge would cover such costs as depreciation of capital assets, rent, maintenance and repair, utilities, and administrative overhead. If a governmental body chooses to recover such costs, a charge shall be made in accordance with the methodology described in paragraph (3) of this subsection. Although an exact calculation of costs will vary, the use of a standard charge will avoid complication in calculating such costs and will provide uniformity for charges made statewide.

(2) An overhead charge shall not be made for requests for copies of 50 pages or fewer of standard paper records.

(3) The overhead charge shall be computed at 20% of the charge made to cover any personnel costs associated with a particular request.

Example: if one hour of personnel (programming, other personnel or a combination of both) is used for a particular request, the formula would be as follows:

\$15.00	x	.20	=	\$3.00	or
\$26.00	x	.20	=	\$5.20	or
\$41.00	x	.20	=	\$8.20	

(f) Microfiche and microfilm charge.

(1) If a governmental body already has information that exists on microfiche or microfilm and has copies available for sale or distribution, the charge for a copy must not exceed the cost of its reproduction. If no copies of the requested microfiche or microfilm are available and the information on the microfiche or microfilm can be released in its entirety, the governmental body should make a copy of the microfiche or microfilm. The charge for a copy shall not exceed the cost of its reproduction. The Texas State Library and Archives Commission has the capacity to reproduce microfiche and microfilm for state agencies. Governmental bodies that do not have in-house capability to reproduce microfiche or microfilm may charge the actual costs of having the reproduction made commercially.

(2) If only a master copy of information in microform is maintained, the charge is \$.10 per page for standard size paper copies, plus any applicable personnel and overhead charge for more than 50 copies.

(g) Remote document retrieval Charge.

(1) Due to limited on-site capacity of storage of documents, it is frequently necessary to store information that is not in current use in remote storage locations. Every effort should be made by governmental bodies to store

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current records on-site. State agencies are encouraged to store inactive or non-current records with the Texas State Library and Archives Commission. To the extent that the retrieval of documents results in a charge to comply with a request, it is permissible to recover costs of such services.

(2) If a governmental body has a contract with a commercial records storage company, whereby the private company charges a fee to locate, retrieve, deliver, and return to storage the needed record(s), no additional personnel charge shall be factored in for time spent locating documents at the storage location by the private company's personnel. If after delivery to the governmental body, the boxes must still be searched for records that are responsive to the request, a personnel charge is allowed in accordance with subsection (d)(1) of this section.

(h) Computer resource charge.

(1) The computer resource charge is a utilization charge for computers based on the amortized cost of acquisition, lease, operation, and maintenance of computer resources, which might include, but is not limited to, some or all of the following: central processing units (CPUs), servers, disk drives, local area networks (LANs), printers; tape drives, other peripheral devices, communications devices, software, and system utilities.

(2) These computer resource charges are not intended to substitute for cost recovery methodologies or charges, made for purposes other than responding to public information requests.

(3) The charges in this subsection are averages based on a survey of governmental bodies with a broad range of computer capabilities. Each governmental body using this cost recovery charge, shall determine which category(ies) of computer system(s) used to fulfill the public information request most closely fits its existing system(s), and set its charge accordingly.

Type of System	Rate
Mainframe	\$10.00 per minute
Midsize	\$1.50 per minute
Client/Server	\$2.20 per hour
PC or LAN	\$1.00 per hour

(4) The charge made to recover the computer utilization cost is the actual time the computer takes to execute a particular program times the applicable rate. The CPU charge is not meant to apply to programming or printing time; rather, it is solely to recover costs associated with the actual time required by the computer to execute a program. This time, called CPU time, can be read directly from the CPU clock, and most frequently will be a matter of seconds. If programming is required to comply with a particular request, the appropriate charge that may be recovered for programming time is set forth in subsection (d). No charge should be made for computer print-out time.

Example: If a mainframe computer is used, and the processing time is 20 seconds, the charges would be as follows:

$$\begin{array}{rclcl}
 \$10.00 & / & 3 & = & \$3.33 & \text{or} \\
 \$10.00/60 & \times & 20 & = & \$3.33 & 
 \end{array}$$

(5) A governmental body that does not have in-house computer capabilities shall comply with requests in accordance with §552.231, Chapter 552, Government Code, Public Information Act.

(i) Miscellaneous supplies. The actual cost of miscellaneous supplies, such as labels, boxes, and other supplies used to produce the requested information, may be added to the total charge for public information.

(j) Postal and shipping charges. Governmental bodies may add any related postal or shipping expenses which are necessary to transmit the reproduced information to the requesting party.

(k) Sales tax. Sales tax shall not be added on charges for public information.

(l) The commission shall reevaluate and update these charges as necessary.

§111.64 Requesting an Exemption

(a) Pursuant to §552.262(c) of the Public Information Act, a governmental body may request that it be exempt

from part or of these rules.

(b) State agencies must request an exemption if their charges to recover costs are higher than those established by these rules.

(c) Governmental bodies, other than agencies of the state, must request an exemption before seeking to recover costs that are more than 25 percent higher than the charges established by these rules.

(d) An exemption request must be made in writing, and must contain the following elements:

- (1) A statement identifying the subsection(s) of these rules for which an exemption is sought;
- (2) The reason(s) the exemption is requested;
- (3) A copy of the proposed charges;
- (4) The methodology and figures used to calculate/compute the proposed charges;
- (5) Any supporting documentation, such as invoices, contracts, etc.; and
- (6) The name, title, work address, and phone number of a contact person at the governmental body.

(e) The contact person shall provide sufficient information and answer in writing any questions necessary to process the request for exemption.

(f) If there is good cause to grant the exemption, because the request is duly documented, reasonable, and in accordance with generally accepted accounting principles, the exemption shall be granted. The name of the governmental body shall be added to a list to be published annually in the Texas Register.

(g) If the request is not duly documented and/or the charges are beyond cost recovery, the request for exemption shall be denied. The letter of denial shall:

- (1) Explain the reason(s) the exemption cannot be granted; and
- (2) Whenever possible, propose alternative charges.

(h) All determinations to grant or deny a request for exemption shall be completed promptly, but shall not exceed 90 days from receipt of the request by the General Services Commission.

§111.65 Access to Information Where Copies Are Not Requested

(a) Access to information in standard paper form. A governmental body shall not charge for making available for inspection information maintained in standard paper form. Charges are permitted only where the governmental body is asked to provide, for inspection, information that contains confidential information and public information. When such is the case, the governmental body may charge to make a copy of the page from which information must be edited. No other charges are allowed.

(b) Access to information in other than standard form. In response to requests for access, for purposes of inspection only, to information that is maintained in other than standard form, a governmental body may not charge the requesting party the cost of preparing and making available such information, unless complying with the request will require programming or manipulation of data. If programming or manipulation of data is needed to access the information, the governmental body shall inform the requestor before assembling the information, and shall provide the requestor with an estimate of charges.

§111.66 Format for Copies of Public Information

(a) If a requesting party asks that information be provided on a diskette or other computer-compatible media, and the requested information is electronically stored, the governmental body shall provide the information on computer-compatible media.

(b) The extent to which a requestor can be accommodated will depend largely on the technological capability of the governmental body to which the request is made.

(c) A governmental body is not required to purchase any hardware, software or programming capabilities that

it does not already possess to accommodate a particular kind of request.

(d) Provision of a copy of public information in the requested medium shall not violate the terms of any copyright agreement between the governmental body and a third party.

(e) If the governmental body does not have the required technological capabilities to comply with the request in the format preferred by the requestor, the governmental body shall proceed in accordance with §552.228(c) of the Public Information Act.

(f) If a governmental body receives a request requiring programming or manipulation of data, the governmental body should proceed in accordance with §552.231 of the Public Information Act. Manipulation of data under §552.231 applies only to information stored in electronic format.

#### §111.67 Estimates and Waivers of Public Information Charges

(a) A party requesting copies of public information will not always be aware of the amount of time and cost that may be involved in complying with a particular request. Where a particular request will involve considerable time and resources to process, it is advisable that governmental bodies inform requestors of the anticipated completion date and potential resulting charges. When a governmental body charges for public information, a detailed statement of the charges should be made available to the requestor.

(b) A governmental body that cannot produce the public information for inspection and/or duplication within 10 business days after the date the information is requested, shall certify to that fact in writing, and set a date and hour within a reasonable time when the information will be available.

(c) A deposit or a bond may be required in the amount of the estimated charges if such charges exceed \$100.

#### §111.68 Processing Complaints of Overcharges

(a) Pursuant to §552.269(a) of the Public Information Act, a requestor who believes he/she has been overcharged for a copy of public information may complain to the Commission.

(b) The complaint must be in writing, and must:

- (1) set forth the reason(s) the person believes the charges are excessive; and
- (2) be received by the General Services Commission within 10 working days after the person knows of the occurrence of the alleged overcharge

(c) The General Services Commission shall address written questions to the governmental body, regarding the methodology and figures used in the calculation of the charges which are the subject of the complaint.

(d) The governmental body shall respond in writing to the questions within 10 days from receipt of the questions.

(e) If the General Services Commission determines that the governmental body "overcharged" for requested public information, the governmental body shall adjust its charges in accordance with the determination, and shall refund the difference between what was charged and what was determined to be appropriate charges.

(f) The General Services Commission shall send a copy of the determination to the complainant and to the governmental body.

(g) Pursuant to §552.269(b) of the Public Information Act, a requestor who overpays because a governmental body refuses or fails to follow the charges established by the Commission, is entitled to recover three times the amount of the overcharge if the governmental body did not act in good faith in computing the charges.

(h) The General Services Commission does not have the authority to determine whether or not a governmental body acted in good faith in computing charges.

§111.69 Examples of Charges for Copies of Public Information

(a) The following tables present a few examples of the calculations of charges for information:

TABLE 1

Fewer than 50 pages of paper records:  
 \$. 10 per copy x number of copies (standard-size paper copies)  
 + Personnel charge (if applicable)  
 + Overhead charge (if applicable)  
 + Document retrieval charge (if applicable)  
 + Postage and shipping (if applicable)  
 \$ TOTAL CHARGE

TABLE 2

More than 50 pages of paper records or nonstandard copies:  
 \$. 10 per copy x number of copies (standard-size paper copies), or  
 cost of nonstandard copy (e.g., diskette, oversized paper, etc.)  
 + Personnel charge (if applicable)  
 + Overhead charge (if applicable)  
 + Document retrieval charge (if applicable)  
 + Actual cost of miscellaneous supplies (if applicable)  
 + Postage and shipping (if applicable)  
 \$ TOTAL CHARGE

TABLE 3

Information that Requires Programming or Manipulation of Data:  
 Cost of copy (standard or nonstandard, whichever applies)  
 + Personnel charge  
 + Overhead charge  
 + Computer resource charge  
 + Programming time (if applicable)  
 + Document retrieval charge (if applicable)  
 + Actual cost of miscellaneous supplies (if applicable)  
 + Postage and shipping (if applicable)  
 \$ TOTAL CHARGE

§111.70 The General Services Commission Charge Schedule.

The following is a summary of the charges for copies of public information that have been adopted by the commission.

	Service Rendered	Charge
(1)	Standard paper copy	\$ .10 per page
(2)	Nonstandard-size copy	
	(A) Diskette	\$1.00 each
	(B) Magnetic tape	
	4 mm.	\$13.50 each
	8 mm.	\$12.00 each
	9-track	\$11.00 each
	(C) Data Cartridge	
	2000 Series	\$17.50 each
	3000 Series	\$20.00 each
	6000 Series	\$25.00 each
	9000 Series	\$35.00 each
	600A	\$20.00 each
	(D) Tape Cartridge	
	250 MB	\$38.00 each
	525 MB	\$45.00 each
	(E) VHS video cassette	\$2.50 each
	(F) Audio cassette	\$1.00 each
	(G) Oversized Paper copy	\$.50 each
	(H) Mylar (36", 42", and 48"	
	3 mil.	\$.85//linear foot
	4 mil.	\$1.10/linear foot
	5 mil.	\$1.35/linear foot
	(I) Blue/line/blueprint paper (all widths)	\$.20/linear foot
	(J) Other	Actual cost
(3)	Personnel charge	
	(A) Programming personnel	\$26.00 per hour
	(B) Other personnel	\$15.00 per hour
(4)	Overhead charge	20% of personnel charge
(5)	Microfiche or microfilm charge	
	(A) Paper copy	\$ .10 per page
	(B) Fiche or film copy	Actual cost
(6)	Remote document retrieval charge	Actual cost
(7)	Computer resource charge	
	(A) Mainframe	\$10.00 per minute
	(B) Midsize	\$1.50 per minute
	(C) Client/Server	\$2.20 per hour
	(D) PC or LAN	\$1.00 per hour
(8)	Miscellaneous supplies	Actual cost
(9)	Postage and shipping charge	Actual cost
(10)	Photographs	Actual cost
(11)	Other costs	Actual cost
(12)	Outsourced/Contracted Services	Actual cost
(13)	No Sales Tax	No Sales Tax shall be applied to copies of public information