CERTIFICATE FOR ORDER

THE STATE OF TEXAS

COUNTY OF MONTGOMERY

EAST MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 5

We, the undersigned President and Secretary of the Board of Directors (the "Board") of East Montgomery County Municipal Utility District No. 5 (the "District"), hereby certify as follows:

1. The Board convened in special session, open to the public, on the 24th day of January, 2023, at a designated meeting place outside the boundaries of the District, and the roll was called of the members of the Board, to wit:

John Patterson	×	President
Larry Kijewski	æ	Vice President
B. Layne Mashburn	-	Secretary
Charles Prause	-	Assistant Secretary

All members of the Board were present, except ______, thus constituting a quorum. Whereupon, among other business, the following was transacted at such meeting:

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

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

AYES: All Present

NOES: None

2. A true, full, and correct copy of the aforesaid Order adopted at the meeting described in the above and foregoing paragraph is attached to and follows this Certificate; such Order has been duly recorded in said Board's minutes of such meeting; the above and foregoing paragraph is a true, full, and correct excerpt from the Board's minutes of such meeting pertaining to the adoption of such Order; the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of the Board as indicated therein; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance of the time, place, and purpose of such meeting and that such Order would be introduced and considered for adoption at such meeting and each of such officers and members consented, in advance, to the holding of such meeting for such purpose; such meeting was open to the public, as required by law, and public notice of the time, place and purpose of such meeting was given as required by the Texas Government Code, Section 551.043, as amended.

SIGNED AND SEALED the 24th day of January, 2023. resident, Board of Directors Secretary, Board of Director (SEAL) 006093.000001\4874-7412-2316.v

ORDER SETTING WATER AND SEWER TAP FEES AND SERVICE RATES

THE STATE OF TEXAS	§
COUNTY OF MONTGOMERY	§
EAST MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 5	§

WHEREAS, the Board of Directors (the "Board") of East Montgomery County Municipal Utility District No. 5 (the "District") has determined that it is in the best interest of the District to adopt an Order and Rules and Regulations establishing the rates and conditions under which water and sanitary sewer service will be provided (the "Rate Order").

IT IS, THEREFORE, ORDERED BY THE BOARD OF DIRECTORS OF EAST MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 5 THAT:

ARTICLE I. DEFINITIONS

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

a. "<u>Commercial</u>" - shall mean any structure used for business purposes including office buildings, hotels, retail stores, warehouses, service stations, churches, schools, recreational centers and all other establishments not generally considered as residential structures or defined herein as a residential structure.

b. "<u>Customer</u>" shall mean any person, partnership, corporation, non-profit corporation, trust or other legal entity served by the District's System with water and/or sewer services to a residence, business establishment owned or occupied by such person, partnership, corporation, non-profit corporation, trust or legal entity.

c. "<u>Domestic Waste</u>" - liquid carried sanitary sewage which is normally discharged from residential food preparation and bathroom facilities.

d. "<u>Non-Taxable User</u> - means a user of the District's water and sewer system that is exempt from ad valorem taxation by the District under the Property Tax Code, including, but not limited to, churches and schools.

e. "<u>Operator</u>" - the person, company or corporation which is under contract with the District to operate the District's water and sewer system, collects amounts owed to the District for such services, reports monthly to the District on the operations of the District's System (hereinafter defined) and performs any additional services set out in said contract.

f. "<u>Public Space User</u>" - means any user of the District's system to serve areas open to all members of the public, all residents of the District including, but not limited to esplanades, lakes, recreational areas or green spaces ("Public Spaces").

g. "<u>Residential</u>" - any 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 for residential purposes.

h. "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.

i. "<u>System</u>" - the water and/or sanitary sewer facilities of the District and all extensions and additions thereto, whether now in place or hereafter constructed.

ARTICLE II. TAP FEES AND CONNECTION POLICY

Section 2.01. <u>Application for Water and Sanitary Sewer Connections</u>. Each person desiring initial water and sanitary sewer service connections to the District's System shall be required to sign and complete an application for such service and to pay such fees as are established by this Order. No service shall be rendered until such fees are paid.

Section 2.02. Policies Governing Initial Connections.

(a) <u>Certification</u>. 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.

(b) <u>Availability of Access</u>. Upon application for initial connection, the applicant shall grant an easement 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 necessary. 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 and debris or the work area is not completed to finish grade. When sidewalks, driveways or other improvements have been constructed prior to application for service, such application shall be construed and accepted as a waiver of a claim for damages to such improvements resulting from the reasonable actions of the District's Operator in installation of the Customer's connection.

Section 2.03. <u>Connections by District Operator</u>. All connections to the District's water system shall be made by the District's Operator unless specified otherwise by the Board of the District. All connections to the District's sewer system shall be made in accordance with the District's "Rules and Regulations Governing Waterworks and Sanitary Sewer System", a copy of which is attached hereto as Exhibit "A." No person, other than the properly authorized agents of the District, shall be permitted to tap or make any connection with the mains or distribution piping of the District's water system, except for emergency fire-fighting purposes, or make any repairs or additions to or alterations in any meter, box, tap, pipe, cock or other fixture connected with the water service or any manhole, main, trunk or appurtenance of the District's sanitary sewer system except by the written permission of the Board of Directors of the District. Section 2.04. Inspections. A \$60.00 fee will be charged by the District for each Residential sewer inspection and a fee of the actual cost plus 50% will be charged for each Commercial sewer inspection. Sewer connections and house service lines shall be inspected for strict compliance with the District's "Rules and Regulations Governing Waterworks and Sanitary Sewer System." Installations which fail to conform to said rules will be disconnected. Any Customer whose connection is disconnected for failure to conform to said rules shall be notified in writing as to the basis for such rejection. After noted deficiencies have been corrected, a reinspection shall be made upon payment to the District of a reinspection fee of \$60.00. If subsequent reinspections are required before the sewer connection and service lines are found in compliance with the District's rules, a reinspection fee of \$60.00 shall be charged for each such reinspection.

Section 2.05. Inspections and Fees Applicable to Builders and Others Making Improvements and Starting Construction. Any person or entity proposing to make improvements or start construction on property within the District must notify the District's Operator prior to commencing any improvement or construction if such improvement, construction, or equipment used in the construction will be within easements, rights-of-way or property where District facilities are located. The District's Operator shall conduct an inspection prior to the commencement of construction to verify the condition of the District's facilities. The District's Operator shall conduct another inspection after completion of construction to again verify the condition of the District's facilities. If the Operator finds that the facilities have been damaged as a result of the construction, the builder or other responsible party must reimburse the District for the costs of the repair before the District will initiate permanent service to the affected property. A fee of \$55.00 shall be charged by the District to cover the cost of each inspection. The inspection fees will be collected at the time the tap fee is paid.

Section 2.06 <u>Customer Service Inspection Fees</u>. If the District's Operator performs the inspection and completes the Customer Service Inspection Certification required by the "Rules and Regulations Governing Waterworks and Sanitary Sewer System", the District shall charge the Customer a fee of \$100.00 to cover the costs of such inspection and certification.

Section 2.07. Plumbing Material Restrictions.

a. Prohibition on Use of Specified Materials. The use of the following plumbing materials are prohibited in any and all improvements connected to the District's water system after the date of this Order:

(1) Any pipe or pipe fitting which contains more than 0.25% lead; and

(2) Any solder or flux which contains more than 0.2% lead.

b. Certification of Compliance with Prohibition. After the date of this Order, no new connections to the District's water system shall be made unless a state licensed plumber first submits in writing to the District a certificate of compliance, a copy of which is attached hereto as Exhibits "1" and "2" specifying that the new connection complies with the plumbing material prohibition contained in Section 2.06a above. The certificate of compliance shall be signed by the licensed plumber and submitted to the District at the same time that the tap fee is paid. The District shall not accept any tap fee that is not accompanied by a certificate of compliance.

Section 2.08. <u>Water Taps</u>. The following charges for the tap of water lines shall be in effect within the District from and after the effective date hereof until amended by the Board of Directors of the District:

a. Residential taps: 5/8 inch will be charged \$945.00 per connection and 1 inch will be charged on an individual basis but in no event shall the cost exceed three (3) times the District's actual and reasonable costs.

b. All other water taps: Three (3) times the District's actual and reasonable costs.

Section 2.09. <u>Sewer Taps</u>. The charge for all taps of sewer lines within the District shall be equal to the cost to the District for making such connection, including the inspection fees charged the District by its Operator as stated in Section 2.04 of this Order.

Section 2.10. <u>Title</u>. Title to all water meters, water and sewer taps, and all other appurtenances, including meter boxes, shall vest in the District.

Section 2.11. Swimming Pools. Every Customer who plans to construct or install a swimming pool within the District shall notify the District's operator in writing prior to commencing construction of the pool. Upon notification by the Customer of the intention to construct or install a swimming pool, the Customer shall pay an inspection fee of \$120.00. After the notification is received, the District's operator shall require that all drains and backwash from the swimming pool, or other equipment or facility by installed connecting to the sanitary sewer system and otherwise in accordance with the City of Houston plumbing code as it relates to the swimming pools, and that the proper backflow prevention devices are installed. After the drains have been installed, the User shall notify the District's operator, who shall make an inspection of all swimming pool drains and backflow prevention devices to verify that the proper connections are made, before service is authorized for said swimming pool. The District may discontinue service to any Customer that fails to follow the procedures in this section.

Section 2.12 <u>Inspection of Yard and Other Drains</u>. Yard and roof drains shall be inspected for strict compliance with the District's Rules and Regulations. No yard drains or roof drains shall be connected to the District's sanitary sewer system. An inspection fee of \$50.00 shall be charged for each residential and commercial inspection. Installations which fail to conform to said Rules and Regulations will be disconnected. Any Customer whose connection is disconnected for such failure shall be notified in writing as to the basis for such disconnection. After noted deficiencies have been corrected, a reinspection shall be made upon payment to the District of a re-inspection fee of \$50.00. If subsequent reinspections are required before the connection is found in compliance with the District's Rules and Regulations, a re-inspection fee of \$25.00 shall be charged for each such re-inspection.

Section 2.13. Temporary Water Service.

(a) <u>Temporary Connections</u>. The District's Operator shall be authored to make a temporary connection to any fire hydrant or flushing valve upon request for temporary water service. All temporary service shall be metered and billed to the temporary Customer as provided herein. All unauthorized withdrawal of water from flushing valves, fire hydrants, or other appurtenances of the District's System without prior approval of the District, except for emergency fire-fighting purposes, is prohibited. The user shall post with the District's

Operator a security deposit based on the best estimate of the water to be used during the period of the temporary connection. The District's Operator will calculate and collect the deposit prior to issuing the temporary meter. The District's Operator shall read the temporary meter each month and issue a bill to the user for the metered water usage. The User shall pay the amount owed to the District under the same terms and conditions as all other users and customers of the District as specified by the Rate Order. Failure to pay the monthly water bill to the District as specified by the Rate Order will result in the confiscation of the temporary meter and forfeiture of the user's security deposit.

- (b) <u>Application and Deposit</u>. Each temporary Customer desiring temporary water service shall be required to execute an application for such temporary service and shall provide a security deposit of \$500.00. The deposit shall be made by cashier's check or money order payable to the District. The deposit shall be used by the District to secure the payment for temporary water supplied by the District, the installation fee, and the cost of repair of any damages caused by the temporary Customer. The balance of the security deposit, if any, shall be refunded after disconnection from the District's System.
- (c) <u>Fees and Rates</u>. Each Temporary Customer will be charged the cost to install the meter plus ten percent (10%) but in no even less than \$50.00. In addition, each Temporary Customer shall be charged for water at the residential rate.

ARTICLE III. SERVICE RATES

Section 3.01. <u>Water Service Rates</u>. The following monthly rates for the sale of water 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:

TYPE OF CONNECTION	GALLONS USED	RATE
Residential	Up to 5,000 gallons 5,001 to 10,000 gallons 10,001 to 15,000 gallons 15,001 to 20,000 gallons 20,001 to 30,000 gallons All over 30,000 gallons	\$12.00 \$2.50 per 1,000 gallons \$2.70 per 1,000 gallons \$2.90 per 1,000 gallons \$3.05 per 1,000 gallons \$4.00 per 1,000 gallons
Commercial	Up to 10,000 gallons 10,000 to 20,000 gallons 20,000 to 35,000 gallons All over 35,000 gallons	\$20.00 \$3.00 per 1,000 gallons \$4.00 per 1,000 gallons \$5.00 per 1,000 gallons.
Public Space User	Any amount	\$0.50 per \$1,000 gallons

In the case of a multi-unit Residential structure or Residential structure where each Separate Connection is not individually metered, the Customer shall be billed the total of (1) \$10.00 plus (2) \$2.50

per 1,000 gallons for each 1,000 gallons used by the occupants of such structure in excess of the product obtained by multiplying the number of Separate Connections in such structure or structures by 10,000 gallons.

Section 3.02. <u>Sewer Service Rates</u>. The following monthly 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:

TYPE OF <u>CONNECTION</u>	GALLONS USED	RATE
Residential	Up to 10,000 gallons All over 10,000 gallons	\$20.00 \$2.25 per 1,000 gallons
Commercial	Up to 50,000 gallon All over 50,000 gallons	\$ 85.00 \$ 2.25 per 1,000 gallons

In the case of a multi-unit Residential structure or Residential structure where each Separate Connection is not individually metered, the Customer shall be billed the minimum charge for each Residential Separate Connection as specified above.

Section 3.03. <u>Regulatory Assessment</u>. Pursuant to Section 5.35 Texas Water Code, as amended, and 30 T.A.C. 291.76, the District shall pay by January 31 of each year a regulatory assessment to the TCEQ the amount required by law based on the total charges for retail water and sewer service collected from its retail customers in the prior twelve months.

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

Section 3.04. Lone Star Groundwater Conservation District Regulatory Assessment. Pursuant to the assessment imposed by the Lone Star Groundwater Conservation District ("LSGCD"), the District shall pay on each January 31, April 30, July 31, and October 31 the regulatory assessment to the LSGCD in the amount assessed by the LSGCD based on the total water pumped in the prior quarter.

At the end of each calendar quarter, the Operator shall prepare a written statement indicating the (i) the total water pumped by the District for calendar quarter; and (ii) the regulatory assessment due and payable to the LSGCD. The Operator shall deliver the written statement to the District's Bookkeeper for payment by the District.

The Regulatory Assessment shall be added on the Customer's bill as a separate line item. To cover water that is not billed to customers, such as water lost through leaks, construction, flushing and

other uses, the District will add ten per cent (10%) to the Regulatory Assessment charged to Customers. The Operator shall collect the Regulatory Assessment in addition to other charges.

Section 3.05. <u>San Jacinto River Authority ("SJRA")</u> Fees. The District is required to pay a monthly fee to the SJRA based on the total amount of ground water pumped at the District's water wells and/or the total amount of surface water delivered to the District by the SJRA.

In order to collect from the District's Customers sufficient funds to pay the SJRA fee, the District shall add to each Customer's bill the SJRA fee plus a ten (10) percent administrative fee. The SJRA fee is subject to change, and the charge to each Customer shall automatically adjust therewith. Failure by a customer to pay such SJRA Fee and administrative fee will result in the termination of water service as set forth in this Order.

At the end of each month, the Operator shall prepare a written statement indicating the total pumpage at each of the District's water wells and/or the surface water delivered to the District by the Water Authority for the month, and the amount due to the Water Authority. The Operator shall deliver the written statement to the District's Bookkeeper for payment.

Section 3.06. <u>Grease Traps</u>. As grease is a substance prohibited from discharge into the District's sewer system pursuant to Section 4.04 hereof, grease traps 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 sewer system. Such grease traps or 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 or devices may be necessary or where such facilities are not functioning properly.

The District's Operator will inspect a user facility to insure proper maintenance and the user shall pay a fee of \$100.00 per inspection.

Section 3.07. <u>Service To Out of District Customers</u>. Unless otherwise expressly contracted for in writing between the District and an Out-of-District Customer, customers whose establishments lie outside the taxing jurisdiction of the District shall be charged water and sanitary sewer fees equal to two and one-half (2-1/2) times the rates that would otherwise be charged if the customer's establishment was within the taxing jurisdiction of the District.

Section 3.08. Non-Taxable Users.

(1) Unless otherwise expressly contracted for in writing between the District and a Non-Taxable User, Non-Taxable Users shall pay a tap fee equal to the District's actual cost of installing the tap, meter and any necessary service lines and the cost of repairing or restoring any yards, sidewalks, streets or other improvements affected by the installation (as determined by the District's operator) plus the User's pro rata share of the District's actual cost of the facilities to provide District services to the Non-Taxable User including Master District Connection Fees that are financed or are to be fully or partially financed by the District's tax bonds (as determined by the District's consultants and approved by the Board of Directors) (the "Installation Costs").

(2) The District's operator, together with the District's consultants, will produce an estimate of the Installation Costs, which will then be approved by the Board of Directors and be sent to the User. The User shall pay the estimated Installation Costs prior to installation of the tap. If the actual Installation Costs are greater than the estimated Installation Costs paid by the User, the difference must be paid by the User before the District will provide service to the User. If the actual Installation Costs are less than the estimated Installation Costs are greater to the User. If the actual Installation Costs are less than the estimated Installation Costs are less than the estimated Installation Costs paid by the User.

Section 3.09. <u>Public Space User</u>. All Public Space Users shall be required to have meters installed, which shall be installed by the District's operator.

Section 3.10. <u>No Reduced Rates or Free Service</u>. All Customers receiving 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 such 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 3.11 Law Enforcement Service and Fees. To enhance overall security within the District and to add security for its facilities, the District contracts with the City of Roman Forest to obtain law enforcement services on a fee basis within the geographical area covered by the District and around the perimeter of the District. To recover the balance of the District's cost, the District hereby assesses each active residential connection a monthly Law Enforcement Fee of \$13.00, and each non-residential connection a monthly Law Enforcement Fee of \$25.00. The Operator shall list the Law Enforcement Fee on each customer's bill as a separate line item and shall collect the Law Enforcement fee in addition to other charges. Such fee shall be applicable to each separately metered residential, apartment or commercial structure that is physically connected to the District's water and sewer system, whether occupied, vacant or under construction and shall not apply to homeowners' associations, recreation centers or irrigation meters.

ARTICLE IV. SERVICE POLICY

Section 4.01. <u>Security Deposits</u>. Security deposits shall be required as follows:

a. Each Builder shall be required to pay, prior to the District providing service, a security deposit of \$1,000.00, which amount shall be used to secure all bills for water and sewer service as well as to secure payment by the builder of any damage done by the builder to District facilities.

b. Each Residential Customer establishing a new account for single-family residential service shall be required to make the following deposits prior to the District providing service:

(i) Residential Customer as the owner of the property:

- (A) New Account: \$75.00
- (B) Re-establishing account after termination for non-payment: \$50.00

(C) Maximum deposit account for restoration of service: \$300

(ii) Residential Customer occupying property as a renter/tenant:

- (A) New Account: \$150.00
- (B) Re-establishing account after termination for non-payment: \$100.00
- (C) Maximum deposit account for restoration of service: \$600.00

Prior to the District restoring service, each Customer re-establishing an account for single-family residential service that has been terminated for non-payment shall be required to have on file with the District the security deposit outlined above.

c. Each Commercial Customer establishing a new account, and each Commercial Customer re-establishing an account that has been terminated for non-payment, shall be required to make a security deposit equal to two times the average monthly bill as estimated by the District's Operator.

d. Each Customer establishing a new account which is a transfer of an existing account shall pay a \$25.00 transfer fee.

e. Service shall be initiated upon payment of the security deposit and all other fees.

f. 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.

h. No interest shall be payable to the Customer on the security deposit.

Section 4.02. <u>Billing Procedure</u>. All accounts shall be billed in accordance with the following procedures:

a. Payment shall be due on or before the twentieth (20th) day after the date of the bill. After such day, a late charge penalty of ten percent (10%) of the total bill automatically shall be added. All accounts not paid by the due date shall be considered delinquent.

b. A Customer who is delinquent in payment shall be sent a notice that his service will be discontinued on the fifteenth (15th) day after the date of such notice unless payment in full is received by such day. A charge of \$5.00 will be added to the customer's water bill to cover the cost to issue such notice. Prior to termination of service for failure to pay, a door hanger shall be placed on the Customer's door. A charge of \$10.00 will be added to the customer's water bill to cover the cost to issue such notice. If service is discontinued, it shall be reinstated only upon payment in full of all amounts due, including any late charges, notice of delinquency fees, and a reinstatement charge of \$50.00. If the District's operator has pulled the meter, a reinstatement fee of \$100 for meters up to ³/₄" and fee of cost plus 50% for meters 1" and larger. Payments of all such amounts under this Section 4.02 must be in the form of cash, cashier's check or money order.

c. A \$25.00 charge will be charged to the Customer's account for any check returned by the bank.

d. 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 4.03. <u>Entitlement</u>. Customers are not guaranteed a specific quantity or pressure of water or specific capacity in sewer facilities for any purpose whatsoever; furthermore, in no instance shall the District be liable for failure or refusal to furnish water or any particular amount or pressure of water or to provide capacity in sewer facilities.

Section 4.04. <u>Unauthorized and Extraordinary Waste</u>. The rates established herein are applicable for Domestic Waste as defined in Article I(c). Customers proposing to generate other types of waste will be assessed additional charges as established by the District.

Section 4.05. <u>Discontinuing Service Upon Request of a Customer</u>. Whenever a Customer of the District requires that water and sewer service be temporarily discontinued, he shall notify the District's Operator at least two (2) days prior to the time he desires such service discontinued. No charges shall be made for discontinuing water service and no charge shall be made for restoring water service when such service is discontinued and restored at the request of the Customer and he is not delinquent in the payment of any bill at the time of either request.

<u>Section 4.06.</u> <u>Customer Service Agreement Administration Fee</u>. Any time service to a Customer is terminated for any reason, even at the request of the Customer, the Customer must enter into a Customer Service Agreement, attached hereto as Exhibit "4", with the District pursuant to the requirements of Section 3.07 of the Rules and Regulations before service is reinstated. There will be \$10.00 fee to the Customer for administration of the Customer Service Agreement. A Customer will not be required to enter into more than one Customer Service Agreement for each address in the District.

Section 4.07. Damage to District Facilities.

(a) <u>Damage to Meter and Appurtenances</u>. No person other than a duly authorized agent of the District shall open the meter box, tamper with or in anyway interfere with the meter, meter box, service lines or other water and/or sewer system appurtenance. The District reserves the right to immediately and without notice remove the meter or disconnect water service to any Customer whose meter has been tampered with and to assess repair charges to the Customer plus a damage fee of \$100.00.

(b) <u>Right to Repair</u>. 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 and costs of repair as are provided in the Rules and Regulations Governing Waterworks and Sanitary Sewer System.

(c) <u>Interconnections</u>. Interconnection or cross connection of the District's water system, whether directly or through a Customer's private system to another source of water is strictly prohibited without the express written consent of the District. Initial Customers shall construct and each Customer shall maintain water connections and appurtenances, including proper backflow prevention devices, so as to avoid infiltration of any possible contaminated liquid into the District's System. District personnel shall have access to all Customer water line connections and appurtenances within reasonable time periods in order to inspect suspected, possible unauthorized connections. The District reserves the right to immediately and without notice disconnect water service to any Customer whose internal private system has been found to be interconnected or cross connected, to assess against the Customer such penalties as are provided by law and penalties provided in the District's "Policy Governing Control of Damage to District Facilities" in addition to those charges necessary to repair the portion of the System so damaged or contaminated.

(d) <u>Obstructions</u>. After a water meter has been set, the Customer shall at all times keep the area in, around and upon the meter and box and District easements and property under Customer's control free from rubbish or obstructions of any kind. Failure to keep the meter and box and District easements and property under Customer's control free from rubbish or obstructions shall result in disconnection of water service and/or the assessment of charges necessary to remove said obstructions. Customers are prohibited from introducing material into the District's sanitary sewer 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 sanitary sewer system resulting from a Customer's failure to prevent obstructions from entering said system, the District costs for removal of the obstruction, plus a District administration fee of 50% of said costs, shall be assessed to the Customer.

(e) <u>Repair and Maintenance of Private Lines</u>. It shall be the responsibility of each Customer to maintain the water and sewer lines from the point of connection to the District's System, to the structure being served.

(f) <u>Clean-out Valves</u>. The District shall retain the right of ingress and egress to inspect sanitary sewer clean-out valves to protect the integrity of the wastewater collection system. The District shall notify the Customer of any required repairs. If repairs are not effected within ten (10) days, the District may make the repairs and bill the Customer for same.

(g) <u>Civil Penalties</u>. 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 that the District has sustained due to the violation, up to \$5,000.00, but in no event will the penalty be less than \$350.00. A penalty under this section is in addition to any other penalty provided by the law 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 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.

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

ARTICLE V. ADOPTION OF RULES AND REGULATIONS CONCERNING <u>WATERWORKS AND SANITARY SEWER SYSTEM</u>

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

ARTICLE VI. DROUGHT CONTINGENCY PLAN FOR THE DISTRICT

The Board of Directors of the District hereby adopts the Drought Contingency Plan attached hereto as Appendix "B" and incorporated herein for all purposes.

ARTICLE VII.

SOLID WASTE

Solid waste and trash collection shall be provided at the District's cost plus \$1.00 per residence per month. The fee for such service shall be included in the sewer service charge. Failure to pay the solid waste and trash collection service on or before the due date indicated on the water and sewer service bill shall result in the assessment of a 10% penalty on the unpaid balance of the bill for solid waste and trash collection as well as termination of service under the provisions of Article IV of this Order.

ARTICLE VIII. AMENDMENTS

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

ARTICLE IX. 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 party of his Order shall not be affected thereby.

ARTICLE X. EFFECTIVE DATE

This Order shall be effective January 24, 2023.

ARTICLE XI.

The President or Vice President is authorized to execute and the Secretary or Assistant Secretary, or any of them, is authorized to attest this Order on behalf of the Board of Directors 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 January, 2023.

President, Board of Directors

ATTEST:

Secretary, Board of Directors



APPENDIX A

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

THE STATE OF TEXAS	§
COUNTY OF MONTGOMERY	ş
EAST MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 5	§

ARTICLE I. <u>PURPOSE</u>

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

ARTICLE II. GENERAL

Section 2.01. Definitions.

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

2. <u>District</u> is East Montgomery County Municipal Utility District No. 5, Texas, a political subdivision of the State of Texas.

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

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

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

6. <u>Rate Order</u> shall mean the District's Order Setting Water and Sewer Tap Fees and Service Rates which may be amended from time to time.

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

8. <u>Sanitary Sewer Service Line</u> is any line from a residential dwelling or commercial building which connects with the District's Sanitary Sewer Collection System, including any grease traps or other facilities constructed to prevent non-domestic waste from being introduced into the District's Sanitary Sewer Collection

System. This service line is owned and maintained by the property owner of the residential dwelling or commercial building.

9. <u>Sewer Tap</u> is the physical connection between the Sanitary Sewer Service Line and the District's Sanitary Sewer Collection System.

10. <u>Sewer Tap Inspection</u> 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.

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

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

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

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

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

15. <u>Water Meter</u> is the recording device that registers the amounts of water consumed by each Customer of the District. This meter is owned and maintained by the District.

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

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

Section 2.02. Platting Requirement.

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

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

2. 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

3. 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.

Prior to any non-residential connection to the District's Water Supply System or the Sanitary Sewer Collection System, the plans and specifications for the Sanitary Sewer Service Line and the Water Service Line must be submitted the District's Engineer for review and approval. Upon the Engineer's review and approval, the plans and specifications shall then be submitted to the District's Operator for review and approval.

ARTICLE III.

WATER CONNECTIONS

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

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

Section 3.02. Plumbing Material Prohibitions.

A. <u>Prohibited Materials</u>. The use of the following materials are prohibited for the installation and repair of the District's Water Supply System and for the installation and repair of any private plumbing facilities:

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

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

B. <u>Certificate of Compliance</u>. No new connections to the District's Water Supply System shall be made unless a state licensed plumber submits a certificate of compliance, attached hereto as Exhibits "1" and "2", specifying that the new connection complies with the plumbing material prohibition contained in Section 3.02(A) hereof. The Certificate of Compliance shall be signed by the licensed plumber and must be submitted to the District's Operator prior to continuous service being supplied. The District shall not accept any Tap Fee that is not accompanied by a Certificate of Compliance.

Section 3.03. Installation.

1. An Application for Service, a copy of which is attached hereto as Exhibit "5," must be filed with the District's Operator. The Customer must pay to the District's Operator all Tap Fees, inspection fees and deposits, as described in the District's Rate Order.

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

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

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

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

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

Section 3.04. Customer Service Inspection Certifications.

A Customer Service Inspection Certification, as described in Exhibit "2" attached hereto, A. shall be completed prior to providing continuous water service to any new construction, on any existing service where the District has reason to believe that cross-connections or other unacceptable plumbing practices exist, and after any material improvement, correction, or addition to private plumbing facilities. Prior to the District initiating continuous service, a Customer shall provide a Customer Service Inspection Certification to the District. The Customer Service Inspection Certification may only be performed by those individuals described in Subsection B of this Section 3.04. For Customer Service Inspection Certifications performed by the District's Operator, the Customer must pay the District the Customer Service Inspection Fee prior to the Operator performing the inspection and certification. Copies of properly completed Customer Service Inspection Certifications shall be kept on file by the District's Operator and made available, upon request, for Texas Commission on Environmental Quality ("TCEQ") review. Inspection certifications shall be retained for a minimum of ten (10) years. Failure to provide a Customer Service Inspection Certification in accordance with this Section 3.04 shall constitute a violation of these Rules and Regulations and such violation shall be subject to the enforcement provisions set forth in Article X hereof.

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

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

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

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

D. The Customer Service Inspection Certification shall certify that:

1. No direct connection between the District's Water Supply System and a potential source of contamination exists. Potential sources of contamination are isolated from the District's

Water Supply System by an air gap or an appropriate backflow prevention assembly in accordance with state plumbing regulations. Additionally, all pressure relief valves and thermal expansion devices are in compliance with state plumbing regulations.

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

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

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

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

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

Section 3.05. Prohibited Connections.

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

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

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

Section 3.06. Backflow Prevention Assemblies.

A. Backflow prevention assemblies shall be installed on any connection which poses a High Health Hazard and any other connection which the District or the District's Operator reasonably believes poses a threat to the District's Water Supply System. Water service provided for lawn sprinklers, swimming pool supply, reflection pool supply or other such applications must incorporate a back flow prevention assembly in accordance with a State Approved Plumbing Code for the particular designated use. No permanent water service will be provided or continued to any new connection in the District which requires a backflow prevention assembly, unless the Customer provides the District with a Backflow Prevention Assembly Test and Maintenance Report (the "Test Report"), as described in Exhibit "3" attached hereto. At the request of the customer, the District's Operator may, on behalf of the District, install the backflow prevention assembly and complete the Test Report on behalf of the District at the Customer's request and cost. B. Effective January 1, 1996, all backflow prevention assemblies shall be tested upon installation by a Recognized Backflow Prevention Assembly Tester and certified to be operating within specifications. The Test Report, as described in Exhibit "3" attached hereto, shall be retained for a minimum of three (3) years. The District shall provide these records to the TCEQ for inspection upon request. Backflow prevention assemblies which are installed to provide protection against High Health Hazards must also be tested and certified to be operating within specifications at least annually by a Recognized Backflow Prevention Device Tester.

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

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

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

D. Individuals who can show proof of completion of a course and passage of an exam based on the ABPA or ASSE National Exam, prior to the effective date of these regulations, may be recognized as accredited for the term of their current certification (not to exceed three (3) years).

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

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

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

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

Section 3.07. Customer Service Agreements.

A. The District is responsible for protecting its Water Supply System from contamination or pollution which can result from unacceptable plumbing practices. To this end, the District has adopted plumbing restrictions to provide protection to the District's Water Supply System. To notify Customers of the plumbing restrictions which are in place, each Customer shall be required to sign a Customer Service Agreement, as described in Exhibit "4" attached hereto, before the District will begin service.

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

B. The Customer shall allow his/her property to be inspected for possible cross-connections and other unacceptable plumbing practices. These inspections shall be conducted by the District or its

designated agent prior to initiating new water service; when there is reason to believe that crossconnections or other unacceptable plumbing practices exist; or after any major changes to the private plumbing facilities. Inspections shall be conducted during the District's normal business hours.

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

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

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

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

ARTICLE IV. SANITARY SEWER CONNECTIONS

Section 4.01. Sanitary Sewer Service Line Installation.

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

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

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

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

Section 4.02. <u>Sanitary Sewer Service Line Materials</u>. 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:

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

2. Poly vinyl chloride PSM (PVC) pipe conforming to ASTM Specification D2241 or ASTM specification F789 (with UL listing) and installed according to ASTM D2321.

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

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

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

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

- 1. Residential- - 4 inches in diameter; and
- 2. Commercial - 6 inches in diameter.
- B. The minimum grades for Sanitary Sewer Service Lines shall be as follows:
 - 1. 4 inch pipe 14 inch drop per hundred feet (1.2%);
 - 2. 6 inch pipe 8 inch drop per hundred feet (0.7%); and
 - 3. 8 inch pipe 5 inch drop per hundred feet (0.44%).

C. The maximum grades for Sewer Service Lines shall be as follows:

- 1. 4 inch pipe - two and one-half feet drop per hundred feet (2.5%);
- 2. 6 inch pipe - one and one-half feet drop per hundred feet (1.5%); and
- 3. 8 inch pipe - one foot drop per hundred feet (1%).

Section 4.04. Connection of Building Sewer Outlet.

A. On all building waste outlets, the building tie-on connections shall be made directly to the stub-out from the building plumbing at the foundation.

B. Water-tight adapters of a type compatible with the materials being joined shall be used at the point of connection of a Sanitary Sewer Service Line to the building plumbing. No cement grout materials shall be permitted.

C. Unless an exception is permitted by the District's Operator, existing wye and stack connections must be utilized for connection of a Sanitary Sewer Service Line to the District's Sanitary Sewer Collection System.

D. Commercial users shall install a sampling well constructed to City of Houston standards and a grease trap with sampling port constructed to City of Houston standards when required by the District's Engineer and Operator.

Section 4.05. Fittings and Cleanouts.

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

B. Each horizontal Sanitary Sewer Service Line will be provided with a cleanout at its upper terminal; and each such run of piping which is more than ninety (90) feet in length will be provided with a cleanout for each ninety (90) feet or fraction thereof in the length of such piping.

C. Each cleanout will be installed so that it opens in a direction opposite to the flow of the waste and, except in the case of wye branch and end of the¬-line cleanouts, cleanouts will be installed vertically above the flow line of the pipe.

D. Cleanouts will be made with air tight mechanical plug.

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

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

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

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

D. An Application for Service (a copy of which is attached as Exhibit "5") must be filed with the District's Operator prior to construction of any Sanitary Sewer Service Line, and the Tap Fee and/or Sewer Tap Inspection fee as established in the District's most current Rate Order should accompany the application. (Application forms are available from the District's Operator.) Construction of any Sanitary Sewer Service Line must not begin until the design of the Sanitary Sewer Service Line is approved by the District's Engineer and construction is authorized by the District's Operator.

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

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

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

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

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

J. The District's Operator will complete the Inspection Form (a copy of which is attached as Exhibit "6") and file it for record with the Application.

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

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

ARTICLE V.

FEES AND CHARGES

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

ARTICLE VI. EXCLUDED FLOW AND WASTE

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

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

C. Swimming pool and/or spa connections made to the District's Sanitary Sewer Collection System shall be inspected by the District operator unless specifically approved by the District in writing.

ARTICLE VII. <u>PRIVATE WELLS/TANKS</u>

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

ARTICLE VIII.

AVAILABILITY OF ACCESS/OBSTRUCTIONS

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

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

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

B. After a water meter has been set or a fire hydrant installed, the Customer shall at all times keep the area in, around and upon such facilities and District easements and property under Customer's control free from rubbish or obstructions of any kind, including shrubbery. Failure to keep such facilities and District easements and property under Customer's control free from rubbish or obstructions of other kind, including shrubbery, shall result in

disconnection of water service and/or the assessment of charges necessary to remove said obstructions. Customers are prohibited from introducing material into the District's Sanitary Sewer Collection System which could cause obstruction of said system. In the event that an inspection by the District's Engineer or Operator reveals foreseeable damage to the District's Sanitary Sewer Collection System resulting from a Customer's failure to prevent obstructions from entering said system, the District reserves the right to remove the obstruction immediately and without notice. Any costs incurred by the District for removal of an obstruction to the District's system, plus a District administration fee of 50% of said costs, shall be assessed to the Customer.

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

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

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

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:

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

3. 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.

4. 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.

5. 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"

TO APPENDIX A

CERTIFICATE OF COMPLIANCE WITH PROHIBITION ON USE OF SPECIFIED MATERIALS IN CONNECTIONS TO <u>MUNICIPAL UTILITY DISTRICT WATER SYSTEM</u>

I,______, a duly licensed plumber in the State of Texas, hereby certify that the connection at _______ (the "Connection") complies in full with the "Prohibition of Use of Specified Materials" provision contained in the Amended and Restated Rules and Regulations for East Montgomery County Municipal Utility District No. 5. I further certify that:

- No direct connection between the District's Water Supply System and a potential source of contamination exists. Potential sources of contamination are isolated from the District Water Supply System by an air gap or an appropriate backflow prevention assembly in accordance with state plumbing regulations. Additionally, all pressure relief valves and thermal expansion devices are in compliance with state plumbing codes.
- 2) No cross connection between the District's Water Supply System and a private water system exists. Where an actual air gap is not maintained between the District's Water Supply System and a private water supply system, an approved reduced pressure-zone backflow prevention assembly is properly installed and a service agreement exists for annual inspection and testing by a certified backflow prevention device tester.
- 3) No connection exists which would allow the return of water used for condensing, cooling or industrial processes back to the District's Water Supply System.
- 4) No pipe or pipe fitting which contains more than 0.25% lead exists in private plumbing facilities installed on or after July 1, 2015.
- 5) No solder or flux which contains more than 0.2% lead exists in private plumbing facilities installed on or after July 1, 1988.
- 6) No plumbing fixture is installed which is not in compliance with a State Approved Plumbing Code.

These determinations have been made under my direction and supervision. I am aware that there are significant penalties for false certification, including the possibility of fine.

Signature	
Printed Name	
Company Name	
Texas License No.:	
Date	

EXHIBIT "2" TO APPENDIX A

Service Inspection Certification

Name of District: East Montgomery County Municipal Utility District No. 5 District I.D. #: ______ Location of Service: ______

I, ______ (name of Inspector), upon inspection of the private plumbing facilities connected to the Water Supply System of East Montgomery County Municipal Utility District No. 5, do hereby certify that, to the best of my knowledge:

Certificate of Non-Compliance on Compliance File

(1)	No direct connection between the District's Water Supply System and a potential source of contamination exists. Potential sources of contamination are isolated from the District Water Supply System by an air gap or an appropriate backflow prevention assembly in accordance with state plumbing regulations. Additionally, all pressure relief valves and thermal expansion devices are in compliance with state plumbing codes.	FOF Compliance	RICT USE ONLY Non-Compliance
(2)	No cross connection between the District's Water Supply System and a private water system exists. Where an actual air gap is not maintained between the District's Water Supply System and a private water supply system, an approved reduced pressure-zone backflow prevention assembly is properly installed and a service agreement exists for annual inspection and testing by a certified backflow prevention device tester.		
(3)	No connection exists which would allow the return of water used for condensing, cooling or industrial processes back to the District's Water Supply System.		
(4)	No pipe or pipe fitting which contains more than 0.25% lead exists in private plumbing facilities installed on or after July 1, 2015.		
(5)	No solder or flux which contains more than 0.2% lead exists in private plumbing facilities installed on or after July 1, 1988.		
(6)	No plumbing fixture is installed which is not in compliance with a State Approved Plumbing Code.		

Water service shall not be provided or restored to the private plumbing facilities until the above conditions are determined to be in compliance.

I further certify that the following materials were used in the installation of the plumbing facilities:

Service Lines	Lead	Copper	PVC 🗆	Other	
Solder	Lead	Lead Free [Solvent Weld \Box	Other	

I recognize that this document shall become a permanent record of the Water Supply System of East Montgomery County Municipal Utility District No. 5 and that I am legally responsible for the validity of the information I have provided.

NOTE: THIS SERVICE INSPECTION CERTIFICATION IS FURNISHED FOR THE SOLE PURPOSE OF INSPECTING THE PLUMBING FACILITIES AT THE AFORESAID LOCATION OF SERVICE FOR UNACCEPTABLE PLUMBING PRACTICES IN ACCORDANCE WITH SAID DISTRICT'S RULES AND REGULATIONS GOVERNING WATER AND SANITARY SEWER FACILITIES, SERVICE LINES, AND CONNECTIONS. NO REPRESENTATION OR WARRANTY IS INTENDED OR MADE AS TO THE ADEQUACY, QUALITY OR FITNESS OF THE PRIVATE PLUMBING FACILITIES.

Signature of Inspector:

Registration Number:_____

Title:

Type of Registration:

Date:

License Expiration Date:

EXHIBIT "3" TO APPENDIX A

Backflow Prevention Assembly Test and Maintenance Report

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

BACKFLOW PREVENTION ASSEMBLY TEST AND MAINTENANCE REPORT

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

TYPE OF ASSEMBLY

Pressure Vacuum Breaker Atmosphere Vacuum Breaker

Located at

Manufa	cturer	Size
	Not Needed at this Address	
	Double Check Valve	
	Reduced Pressure Principle	

Manufacturer ______ Model Number ______ Serial Number ______

	Reduced Pressure Pr	inciple Assembly	Pressure Vacuum Breaker		
	Double Check Valve Assembly			Air Inlet	Check Valve
	1st Check	2nd Check	Relief Valve	Opened at psid	
Initial Test	DC-Closed Tight RPpsid Leaked	Closed Tight □ Leaked □	Opened at psid	Did not Open □	Leaked 🗆
Repairs and Materials Used					
Test After Repair	DC-Closed Tight □ RP psid	Closed Tight □	Opened at psid	Opened at psid	psid

The above is certified to be true.

Firm Name:	Certified Tester:	_
Firm Address:	Cert. Tester No.:	
	Date:	

EXHIBIT "4" TO APPENDIX A CUSTOMER SERVICE AGREEMENT

<u>SECTION I.</u> <u>PURPOSE</u>. East Montgomery County Municipal Utility District No. 5 (the "District") is responsible for protecting its Water Supply System from contamination or pollution which could result from unacceptable plumbing practices. The purpose of this Service Agreement is to notify each customer of the plumbing restrictions which are in place to provide this protection. The District enforces these restrictions to ensure the public health and welfare. Each customer must sign this Customer Service Agreement before the District will begin service. 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.

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

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

<u>SECTION III</u>. <u>SERVICE AGREEMENT</u>. The following are the terms of this Customer Service Agreement between East Montgomery County Municipal Utility District No. 5 (the "District") and (the "Customer"):

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

- D. The Customer shall immediately correct any unacceptable plumbing practice on his/her premises.
- E. The Customer shall, at his expense, properly install, test, and maintain any backflow prevention device required by the District. Copies of all testing and maintenance records shall be provided to the District.
- F. Customer understands and agrees that the District does not guarantee any specific quantity or pressure of water for any purpose whatsoever and that the District is not liable to customer for failure or refusal to furnish any particular amount or pressure of water to Customer at any time.

<u>SECTION IV</u>. <u>ENFORCEMENT</u>. If the Customer fails to comply with the terms of this Service Agreement, the District shall, at its option, either terminate service or properly install, test, and maintain an appropriate backflow prevention device at the service connection. Any expenses associated with the enforcement of this Service Agreement shall be billed to the Customer.

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

Customer's Signature_____

Date:

Address:

EXHIBIT "5" TO APPENDIX A

APPLICATION FOR SERVICE

(Please print or type)

Duplicate to (address)

		0	(Subdivision and Section)
(Name of Applicant)	(Lot)	(Block)	-
(Street Address)	(Street Addres	is)	
(Phone)	(City) (State	e) (Zip)	
Installation to be performed by:	(Plumber or Sub-contra	actor) (Phone)	
Type of pipe material to be used: PVC	_, ABS, VC, CI		
Date: Requested	by:(Signature)		

Applicant to draw sketch of house layout and proposed location of water and sewer service line:

	For District Use Only			
Date Application Received:				
Date Construction Authorized:				
Connection Information:				
WYE Location				
Stack Location				
Manhole Location				
Date of Inspection 1st	2nd	3rd		
Date Permit Granted				
Approved by		District Representative		

006093.000001\4874-7412-2316.v1

EXHIBIT "6" TO APPENDIX A

INSPECTION FORM SANITARY SEWER SERVICE

LotBlock						
Street Address						
Inspection Requested By:						
Date Tap to Be Made						
Results of Inspection Made on		at	AM	PM		
Pipe Material: Size	PVC (D2241)	ABS(D2	.751)			
Tap to: Wye	Stack					
Cleanout: House	and					
	I	<u>NSTALLATIO</u>	<u>N</u>			
Satisfactory Unsatisfactory						
Directness to Wye						
Slope						
Full Contact w/bedding						
Connection w/Main						
Condition of Other District						
Facilities on Lot						
Connection Permit is approved (not approved).						
Water service to Lot is appro-	oved (not approved).					
This service reinspected on	(See Att	ached new repor	rt).			
Comments:				-		
Copy to:						
Applicant	By: _					
		District Insp				
Manager	By: _					
		Authorized	Representative	of Applicant		

APPENDIX B EAST MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 5 DROUGHT CONTINGENCY PLAN

ARTICLE I POLICY AND, PURPOSE

Section 1.01: Declaration of Policy, Purpose, and Intent

In order to conserve the available water supply and protect the integrity of water supply facilities, with particular regard for domestic water use, sanitation, and fire protection, and to protect and preserve public health, welfare, and safety, and to minimize the adverse impacts of water supply shortage or other water supply emergency conditions, East Montgomery County Municipal Utility District No. 5 (the "District") hereby adopts the following regulations and restrictions on the delivery and consumption of water.

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

Section 1.02: Public Involvement.

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

Section 1.03: Public Education

The District will periodically provide the public with information about the Plan, including information about the conditions under which each stage of the Plan is to be initiated or terminated and the drought response measures to be implemented in each stage. This information will be provided by means of letters to the residents, notices on the utility bills, placing of signs in the District, or other similar measures, as appropriate.

Section 1.04: Coordination with Regional Water Planning Groups

The service area of the District is located within the Lone Star Groundwater Conservation District ("LSGCD"), and the District will provide a copy of this Plan to LSGCD.

Section 1.05: Authorization

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

Section 1.06: Application

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

ARTICLE II DEFINITIONS

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

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

<u>Commercial and institutional water use</u>: water use which is integral to the operations of commercial and non-profit establishments and governmental entities such as retail establishments, hotels and motels, restaurants, and office buildings.

Conservation: those practices, techniques, and technologies that reduce the consumption of water, reduce the loss or waste of water, improve the efficiency in the use of water or increase the recycling and reuse of water so that a supply is conserved and made available for future or alternative uses.

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

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

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

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

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

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

(a) irrigation of landscape areas, including parks, athletic fields, and golf courses, except as otherwise provided under this Plan;

(b) use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle;

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

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

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

(f) use of water to fill, refill, or add to any indoor or outdoor swimming pools or jacuzzi-type

pools;

(g) use of water in a fountain or pond for aesthetic or scenic purposes except where necessary to support aquatic life;

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

(i) use of water from hydrants for construction purposes or any other purposes other than fire fighting.

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

ARTICLE III DROUGHT RESPONSE STAGES

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

The Operator shall monitor water supply and/or demand conditions on a daily basis and shall determine when conditions warrant initiation or termination of each stage of the Plan, that is, when the specified "triggers" are reached. To the extent that a stage of this plan is not otherwise triggered, then the appropriate stage, as determined by the District's Operator and Engineer, shall be triggered upon the District having received notice from San Jacinto River Authority's (the "Authority") GRP Division that restrictions under its drought contingency plan have been triggered. The District's operator shall invoke conservation conditions consistent with the conservation conditions implemented by the Authority until such time as the Authority discontinues the implementation of such conservation conditions. If a stage of the Plan is implemented due to receiving notice from the Authority, the appropriate stage shall be rescinded when the District has received notice from the SJRA's GRP Division that restrictions under its drought contingency plan have been lifted.

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

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

A. Requirements for initiation

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

When total daily water demand reaches 16 hours well motor run time for three (3) consecutive days, or when the water supply facilities cannot meet or are in danger of not being capable of meeting water supply demand, as determined by the District's Operator.

B. Requirements for termination

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

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

A. <u>Requirements for initiation</u>

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

When total daily water demand reaches 18 hours well motor run time for three (3) consecutive days, or when the water supply facilities cannot meet or are in danger of not being capable of meeting water supply demand, as determined by the District's Operator.

B. Requirements for termination

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

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

A. Requirements for initiation

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

When total daily water demand reaches 20 hours well motor run time for three (3) consecutive days, or when the water supply facilities cannot meet or are in danger of not being capable of meeting water supply demand, as determined by the District's Operator.

B. Requirements for termination

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

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

A. Requirements for initiation

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

When total daily water demand reaches 22 hours well motor run time for three (3) consecutive days, or when the water supply facilities cannot meet or are in danger of not being capable of meeting water supply demand, as determined by the District's Operator.

B. Requirements for termination

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

A. Requirements for initiation

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

1. Major water line breaks, pump or system failures, or other events which cause unprecedented loss of capability to provide water service; or

2. Natural or man-made contamination of the water supply source(s).

B. Requirements for termination

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

ARTICLE IV DROUGHT RESPONSE STAGES

Section 4.01. Public Notification

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

A. <u>Notification</u>: Before any notification of the public occurs, the Operator shall notify the Board of Directors of the need to evoke mandatory water conservation procedures.

The Operator shall notify the public by means of:

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

B. Additional Notification:

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

(1) Texas Commission on Environmental Quality (required when mandatory restrictions are imposed),

- (2) Major water users,
- (3) Critical water users, i.e. hospitals.

Section 4.02 Stage 1 Response -- Mild Water Shortage Conditions

A. <u>Goal</u>: Achieve an 8 percent reduction in daily water demand to reduce the well motor run time from 16 hours to 14 hours or less.

B. Best Management Practices:

(1) Reduce flushing of water mains.

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

C. <u>Voluntary Water Use Restrictions for Reducing Water Demand</u>: The following voluntary water use restrictions shall apply to all persons:

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

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

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

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

A. <u>Goal</u>: Achieve a 16 percent reduction in daily water demand to reduce the well motor run time from 18 hours to 14 hours or less.

B. Best Management Practices:

(1) Reduce flushing of water mains.

(2) Notify customers of the implementation of the water use restrictions by sending the letter attached as Exhibit 2.

C. <u>Water Use Restrictions for Reducing Water Demand</u>: Upon threat of penalty for violation, the following water use restrictions shall apply to all persons:

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

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

(3) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is prohibited except on designated watering days between the hours of 12:00 midnight and 6:00 a.m. and between 10:00 a.m. and 6:00 p.m. Such washing, when allowed, shall be done with a hand-held bucket or a hand-held hose equipped with a positive shutoff nozzle for quick rises. Vehicle washing may be done at any time on the immediate premises of a commercial car wash or commercial service station. Further, 006093.000001\4874-7412-2316.v1

such washing may be exempted from these regulations if the health, safety, and welfare of the public is contingent upon frequent vehicle cleansing, such as garbage trucks and vehicles used to transport food and perishables.

(4) Use of water to fill, refill, or add to any indoor or outdoor swimming pools, wading pools, or jacuzzi-type pools is prohibited except on designated watering days between the hours of 12:00 midnight and 6:00 a.m. and between 10:00 a.m. and 6:00 p.m.

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

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

(7) Use of water for the irrigation of golf course greens, tees, and fairways is prohibited except on designated watering days between the hours 12:00 midnight and 6:00 a.m. and between 8 p.m. and 12:00 midnight. However, if the golf course utilizes a water source other than that provided by the District, the facility shall not be subject to these regulations.

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

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

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

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

(c) use of water for dust control;

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

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

Section 4.04. Stage 3 Response - Severe Water Shortage Conditions

A. <u>Goal</u>: Achieve a 25 percent reduction in daily water demand to reduce the well motor run time from 20 hours to 14 hours or less.

B. Best Management Practices:

(1) Discontinue flushing of water mains.

(2) Notify customers of the implementation of the mandatory water use restrictions by sending the letter attached as Exhibit 3.

C. <u>Water Use Restrictions</u>: All requirements of Stage 2 shall remain in effect during Stage 3 except that except:

(1) Irrigation of residential landscaped areas shall be limited to designated watering days between the hours of 12:00 a.m. midnight until 6:00 a.m. and between 10:00 a.m. and 6:00 p.m and

shall be by means of hand-held hoses, hand-held buckets, drip irrigation, or permanently installed automatic sprinkler system only. The use of hose-end sprinklers is prohibited at all times.

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

(3) The watering of golf course tees is prohibited unless the golf course utilizes a water source other than that provided by the District.

(4) The use of water for construction purposes from designated fire hydrants under special permit is to be discontinued.

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

A. <u>Goal</u>: Achieve a 33 percent reduction in daily water demand to reduce well motor run time from 22 hours to 14 hours or less.

B. Best Management Practices:

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

(2) Notify customers of the implementation of the water use restrictions by sending the letter attached as Exhibit 4.

C. <u>Water Use Restrictions</u>: Under threat of penalty for violation, the water use restrictions of Stages 1, 2 and 3 shall be mandatory and shall remain in effect during Stage 4 except:

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

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

(3) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is absolutely prohibited.

(4) The filling, refilling, or adding of water to swimming pools, wading pools, and jacuzzitype pools is prohibited.

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

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

Section 4.06 Stage 5 Response-- Emergency Water Shortage Conditions

A. <u>Goal</u>: Restore normal water supply as soon as possible. 006093.000001\4874-7412-2316.v1

B. Best Management Practices:

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

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

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

ARTICLE VII ENFORCEMENT

A. No person shall knowingly or intentionally allow the use of water from the District for residential, commercial, industrial, agricultural, governmental, or any other purpose in a manner contrary to any provision of this Plan, or in an amount in excess of that permitted by the drought response stage in effect at the time pursuant to action taken by the Operator in accordance with provisions of this Plan.

B. Any person who violates this Plan is guilty of a misdemeanor and, upon conviction shall be punished by a fine of not less than two hundred fifty dollars (\$250) and not more than five hundred dollars (\$500). Each day that one or more of the provisions in this Plan is violated shall constitute a separate offense. If a person is convicted of three or more distinct violations of this Plan, the Operator shall, upon due notice to the customer, be authorized to discontinue water service to the premises where such violations occur. Services discontinued under such circumstances shall be restored only upon payment of a re-connection charge, as set forth in the District's Rate Order, and any other costs incurred by the in District discontinuing and re-connecting service. In addition, suitable assurance must be given to the District that the same action shall not be repeated while the Plan is in effect. Compliance with this plan may also be sought through injunctive relief in the district court.

C. Any person, including a person classified as a water customer of the District, in apparent control of the property where a violation occurs or originates shall be presumed to be the violator, and proof that the violation occurred on the person's property shall constitute a rebuttable presumption that the person in apparent control of the property committed the violation, but any such person shall have the right to show that he/she did not commit the violation. Parents shall be presumed to be responsible for violations of their minor children and proof that a violation, committed by a child, occurred on property within the parents' control shall constitute a rebuttable presumption that the parent committed the violation, but any such parent may be excused if he/she proves that he/she had previously directed the child not to use the water as it was used in violation of this Plan and that the parent could not have reasonably known of the violation.

D. The Operator, police officer, or other person(s) designated by the District, may issue a citation to a person he/she reasonably believes to be in violation of this Ordinance. The citation shall be prepared in duplicate and shall contain the name and address of the alleged violator, if known, the offense charged, and shall direct him/her to appear in the Justice of the Peace Court on the date shown on the citation for which the date shall not be less than 3 days nor more than 5 days from the date the citation was issued. The alleged violator shall be served a copy of the citation. Service of the citation shall be complete upon delivery of the citation to the alleged violator, to an agent or employee of a violator, or to a person over 14 years of age who is a member of the violator's immediate family or is a resident of the violator's residence. The alleged violator shall appear in the Justice of the Peace Court to enter a plea of guilty or not guilty for the violation of this Plan. If the alleged violator fails to appear in the Justice of the Peace Court, a warrant for his/her arrest may be issued. A summons to appear may be issued in lieu of an 006093.00001\4874-7412-2316.v1

arrest warrant. These cases shall be expedited and given preferential setting in the Justice of the Peace Court before all other cases.

ARTICLE VIII VARIANCES

The Operator, may, in writing, grant temporary variance for existing water uses otherwise prohibited under this Plan if it is determined that failure to grant such variance would cause an emergency condition adversely affecting the health, sanitation, or fire protection for the public or the person requesting such variance and if one or more of the following conditions are met:

(a) Compliance with this Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is in effect.

(b) Alternative methods can be implemented which will achieve the same level of reduction in water use.

Persons requesting an exemption from the provisions of this Ordinance shall file a petition for variance with the District within 5 days after the Plan or a particular drought response stage has been invoked. All petitions for variances shall be reviewed by the Operator, and shall include the following:

- (a) Name and address of the petitioner(s).
- (b) Purpose of water use.

(c) Specific provision(s) of the Plan from which the petitioner is requesting relief.

(d) Detailed statement as to how the specific provision of the Plan adversely affects the petitioner or what damage or harm will occur to the petitioner or others if petitioner complies with this Ordinance.

(e) Description of the relief requested.

(f) Period of time for which the variance is sought.

(g) Alternative water use restrictions or other measures the petitioner is taking or proposes to take to meet the intent of this Plan and the compliance date.

(h) Other pertinent information.

Variances granted by the Operator on behalf the District shall be subject to the following conditions, unless waived or modified by the Operator:

(a) Variances granted shall include a timetable for compliance.

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

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

ARTICLE IX END OF DROUGHT CONTINGENCY WATER USE RESTRICTIONS

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

006093.000001\4874-7412-2316.v1

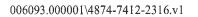


EXHIBIT 1 TO APPENDIX B

East Montgomery County Municipal Utility District No. 5

(Drought Stage 1)

(Date)

Dear Customer:

East Montgomery County Municipal Utility District No. 5 is unable to provide water at the customary levels or pressure.

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

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

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

(c) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is prohibited except on designated watering days between the hours of 12:00 midnight and 6:00 a.m. and between 10:00 a.m. and 6:00 p.m. Such washing, when allowed, shall be done with a hand-held bucket or a hand-held hose equipped with a positive shutoff nozzle for quick rises. Vehicle washing may be done at any time on the immediate premises of a commercial car wash or commercial service station. Further, such washing may be exempted from these regulations if the health, safety, and welfare of the public is contingent upon frequent vehicle cleansing, such as garbage trucks and vehicles used to transport food and perishables.

(d) Use of water to fill, refill, or add to any indoor or outdoor swimming pools, wading pools, or jacuzzi-type pools is prohibited except on designated watering days between the hours of 12:00 midnight and 6:00 a.m. and between 10:00 a.m. and 6:00 p.m.

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

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

(g) Use of water for the irrigation of golf course greens, tees, and fairways is prohibited except on designated watering days between the hours 12:00 midnight and 6:00 a.m. and between 10:00

a.m. and 6:00 p.m. However, if the golf course utilizes a water source other than that provided by the District, the facility shall not be subject to these regulations.

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

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

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

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

(3) use of water for dust control;

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

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

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

Very truly yours,

EXHIBIT 2 TO APPENDIX B

East Montgomery County Municipal Utility District No. 5

(Drought Stage 2)

(Date)

Dear Customer:

East Montgomery County Municipal Utility District No. 5 is unable to provide water at the customary levels or pressure.

To ensure that an adequate supply of water is available for drinking and bathing, you are hereby notified that Stage 2 of the Drought Contingency Plan is now in effect. Stage 2 includes the MANDATORY water use restrictions set for the below. Any person who violates the water use restrictions set forth below is guilty of a misdemeanor and, upon conviction shall be punished by a fine of not less than two hundred fifty dollars (\$250) and not more than five hundred dollars (\$500). Each day that one or more of the provisions in this Plan is violated shall constitute a separate offense. If a person is convicted of three or more distinct violations of this Plan, the Operator shall, upon due notice to the customer, be authorized to discontinue water service to the premises where such violations occur. Services discontinued under such circumstances shall be restored only upon payment of a re-connection charge, as set forth in the District's Rate Order, and any other costs incurred by the District in discontinuing and re-connecting service. In addition, suitable assurance must be given to the District that the same action shall not be repeated while the Plan is in effect. Compliance with this plan may also be sought through injunctive relief in the district court.

WATER USE RESTRICTIONS

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

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

(c) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is prohibited except on designated watering days between the hours of 12:00 midnight and 6:00 a.m. and between 10:00 a.m. and 6:00 p.m. Such washing, when allowed, shall be done with a hand-held bucket or a hand-held hose equipped with a positive shutoff nozzle for quick rises. Vehicle washing may be done at any time on the immediate premises of a commercial car wash or commercial service station. Further, such washing may be exempted from these regulations if the health, safety, and welfare of the public is contingent upon frequent vehicle cleansing, such as garbage trucks and vehicles used to transport food and perishables.

(d) Use of water to fill, refill, or add to any indoor or outdoor swimming pools, wading pools, or jacuzzi-type pools is prohibited except on designated watering days between the hours of 12:00 midnight and 6:00 a.m. and between 10:00 a.m. and 6:00 p.m.

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

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

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

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

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

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

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

(3) use of water for dust control;

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

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

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

Very truly yours,

EXHIBIT 3 TO APPENDIX B

East Montgomery County Municipal Utility District No. 5

(Drought Stage 3)

(Date)

Dear Customer:

East Montgomery County Municipal Utility District No. 5 is experiencing severe water shortage conditions and is unable to provide water at the customary levels or pressure.

To ensure that an adequate supply of water is available for drinking and bathing, you are hereby notified that Stage 3 of the Drought Contingency Plan is now in effect and the mandatory restrictions set forth in below are now in effect. The Board of Directors is aware of the inconvenience of these severe restrictions, but it is imperative that the water supply not only be available for drinking and bathing but also for fire fighters in the event of a house fire. Any person who violates the water use restrictions set forth below is guilty of a misdemeanor and, upon conviction shall be punished by a fine of not less than two hundred fifty dollars (\$250) and not more than five hundred dollars (\$500). Each day that one or more of the provisions in this Plan is violated shall constitute a separate offense. If a person is convicted of three or more distinct violations of this Plan, the Operator shall, upon due notice to the customer, be authorized to discontinue water service to the premises where such violations occur. Services discontinued under such circumstances shall be restored only upon payment of a re-connection charge, as set forth in the District's Rate Order, and any other costs incurred by the in discontinuing service. In addition, suitable assurance must be given to the District that the same action shall not be repeated while the Plan is in effect. Compliance with this plan may also be sought through injunctive relief in the district court.

WATER USE RESTRICTIONS

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

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

(c) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle not occurring on the premises of a commercial car wash and commercial service stations and not in the immediate interest of public health, safety, and welfare is prohibited. Further, such vehicle washing at commercial car washes and commercial service stations shall occur only between the hours of 10:00 a.m. and 2:00 p.m. and between 10:00 p.m. and 6:00 a.m.

(d) Use of water to fill, refill, or add to any indoor or outdoor swimming pools, wading pools, or jacuzzi-type pools is prohibited except on designated watering days between the hours of 12:00 midnight and 6:00 a.m. and between 10:00 a.m. and 6:00 p.m.. 006093.000001\4874-7412-2316.v1

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

(f) Use of water from hydrants shall be limited to fire fighting, related activities, or other activities necessary to maintain public health, safety, and welfare. The use of water for construction purposes from designated fire hydrants under special permit is to be discontinued.

(g) The watering of golf course tees is prohibited unless the golf course utilizes a water source other than that provided by the District.

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

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

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

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

(3) use of water for dust control;

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

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

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

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

Very truly yours,

EXHIBIT 4 TO APPENDIX B

East Montgomery County Municipal Utility District No. 5

(Drought Stage 4)

(Date)

Dear Customer:

East Montgomery County Municipal Utility District No. 5 is experiencing critical water shortages conditions and is unable to provide water at the customary levels or pressure.

To ensure that an adequate supply of water is available for drinking and bathing, you are hereby notified that Stage 4 of the Drought Contingency Plan is now in effect and the mandatory restrictions set forth in below are now in effect. The Board of Directors is aware of the inconvenience of these severe restrictions, but it is imperative that the water supply not only be available for drinking and bathing but also for fire fighters in the event of a house fire. Any person who violates the water use restrictions set forth below is guilty of a misdemeanor and, upon conviction shall be punished by a fine of not less than two hundred fifty dollars (\$250) and not more than five hundred dollars (\$500). Each day that one or more of the provisions in this Plan is violated shall constitute a separate offense. If a person is convicted of three or more distinct violations of this Plan, the Operator shall, upon due notice to the customer, be authorized to discontinue water service to the premises where such violations occur. Services discontinued under such circumstances shall be restored only upon payment of a re-connection charge, as set forth in the District's Rate Order, and any other costs incurred by the District in discontinuing and reconnecting service. In addition, suitable assurance must be given to the District that the same action shall not be repeated while the Plan is in effect. Compliance with this plan may also be sought through injunctive relief in the district court.

WATER USE RESTRICTIONS

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

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

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

(c) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is absolutely prohibited.

(d) The filling, refilling, or adding of water to swimming pools, wading pools, and jacuzzitype pools is prohibited.

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

(f) Use of water from hydrants shall be limited to fire fighting, related activities, or other activities necessary to maintain public health, safety, and welfare. The use of water for construction purposes from designated fire hydrants under special permit is to be discontinued.

(g) The watering of golf course tees is prohibited unless the golf course utilizes a water source other than that provided by the District.

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

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

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

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

(3) use of water for dust control;

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

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

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

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

Very truly yours,

EXHIBIT 5 TO APPENDIX B

East Montgomery County Municipal Utility District No. 5

(Drought Stage 5)

(Date)

Dear Customer:

East Montgomery County Municipal Utility District No. 5 is experiencing emergency water conditions and is unable to provide water at the customary levels or pressure.

To ensure that an adequate supply of water is available for drinking and bathing, you are hereby notified that Stage 5 of the Drought Contingency Plan is now in effect and the mandatory restrictions set forth in below are now in effect.. The Board of Directors is aware of the inconvenience of these severe restrictions, but it is imperative that the water supply not only be available for drinking and bathing but also for fire fighters in the event of a house fire. Any person who violates the water use restrictions set forth below is guilty of a misdemeanor and, upon conviction shall be punished by a fine of not less than two hundred fifty dollars (\$250) and not more than five hundred dollars (\$500). Each day that one or more of the provisions in this Plan is violated shall constitute a separate offense. If a person is convicted of three or more distinct violations of this Plan, the Operator shall, upon due notice to the customer, be authorized to discontinue water service to the premises where such violations occur. Services discontinued under such circumstances shall be restored only upon payment of a re-connection charge, as set forth in the District's Rate Order, and any other costs incurred by the District in discontinuing or reconnecting. In addition, suitable assurance must be given to the District that the same action shall not be repeated while the Plan is in effect. Compliance with this plan may also be sought through injunctive relief in the district court.

WATER USE RESTRICTIONS

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

- (a) Irrigation of all residential landscaped areas is prohibited.
- (b) irrigation of green belts, esplanades and sports fields is prohibited.

(c) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is absolutely prohibited.

(d) The filling, refilling, or adding of water to swimming pools, wading pools, and jacuzzitype pools is prohibited.

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

006093.000001\4874-7412-2316.v1

(f) Use of water from hydrants shall be limited to fire fighting, related activities, or other activities necessary to maintain public health, safety, and welfare. The use of water for construction purposes from designated fire hydrants under special permit is to be discontinued.

(g) The watering of golf course tees is prohibited unless the golf course utilizes a water source other than that provided by the District.

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

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

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

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

(3) use of water for dust control;

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

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

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

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

Very truly yours,

EXHIBIT 6 TO APPENDIX B East Montgomery County Municipal Utility District No. 5

(Drought Stage 6)

(Date)

Dear Customer:

East Montgomery County Municipal Utility District No. 5 is experiencing emergency water conditions and must implement water allocation measures.

You are hereby notified that Stage 6 of the Drought Contingency Plan is now in effect and the **mandatory** water allocations and water use restrictions set forth below are now in effect. Any person who violates the water use restrictions set forth below is guilty of a misdemeanor and, upon conviction shall be punished by a fine of not less than two hundred fifty dollars (\$250) and not more than five hundred dollars (\$500). Each day that one or more of the provisions in this Plan is violated shall constitute a separate offense. If a person is convicted of three or more distinct violations of this Plan, the Operator shall, upon due notice to the customer, be authorized to discontinue water service to the premises where such violations occur. Services discontinued under such circumstances shall be restored only upon payment of a re-connection charge, as set forth in the District's Rate Order, and any other costs incurred by the District in discontinuing or re-connecting service. In addition, suitable assurance must be given to the District that the same action shall not be repeated while the Plan is in effect. Compliance with this plan may also be sought through injunctive relief in the district court.

WATER ALLOCATION

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

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

Each residential water customer is deemed to have 2 persons per household unless written notification is provided to the District in Attachment 1. Residential water customers shall pay the following surcharges:

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

Surcharges shall be cumulative.

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

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

\$2.00 per thousand gallons for the first 1,000 gallons over allocation.

\$3.00 per thousand gallons for the second 1,000 gallons over allocation.

\$4.00 per thousand gallons for the third 1,000 gallons over allocation.

\$5.00 per thousand gallons for each additional 1,000 gallons over allocation.

Surcharges shall be cumulative.

COMMERCIAL CUSTOMERS

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

\$2.00 per thousand gallons for the first 1,000 gallons over allocation.

\$3.00 per thousand gallons for the second 1,000 gallons over allocation.

\$4.00 per thousand gallons for the third 1,000 gallons over allocation.

\$5.00 per thousand gallons for each additional 1,000 gallons over allocation.

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

INDUSTRIAL CUSTOMERS

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

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

The surcharges shall be cumulative.

WATER USE RESTRICTIONS

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

(a) Irrigation of landscaped areas is prohibited.

(b) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is absolutely prohibited.

(c) The filling, refilling, or adding of water to swimming pools, wading pools, and jacuzzitype pools is prohibited.

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

(e) Use of water from hydrants shall be limited to fire fighting, related activities, or other activities necessary to maintain public health, safety, and welfare. The use of water for construction purposes from designated fire hydrants under special permit is to be discontinued.

(f) The watering of golf course tees is prohibited unless the golf course utilizes a water source other than that provided by the District.

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

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

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

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

(3) use of water for dust control;

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

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

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

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

Very truly yours,

Attachment 1 to Exhibit 6 TO APPENDIX B

CERTIFICATE OF OCCUPANCY

To: East Montgomery County Municipal Utility District No. 5

c/o: Hays Utility South Corporation P. O. Box 1209 Spring, Texas 77383

I, the undersigned, hereby notify East Montgomery County Municipal Utility District No. 5, that the number of persons in the household at ______ is _____ persons.

Executed this ______.

Name:	
Address:	

EXHIBIT 7 TO APPENDIX B

East Montgomery County Municipal Utility District No. 5

CITATION

(Date)

Dear Customer:

On ______, you were notified that you were violating the Water Use Restrictions of East Montgomery County Municipal Utility District No. 5. This second violation has resulted in the termination of water and sewer service to your property. Service will be restored upon discontinuation of the prohibited use and upon payment of a \$100 reconnect fee. In addition, you will have to sign a copy of the water use restrictions now in effect. To have service restored you should contact the operator of East Montgomery County Municipal Utility District No. 5 at _____.

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

Sincerely,

EXHIBIT 8 TO APPENDIX B

East Montgomery County Municipal Utility District No. 5

(Date)

Dear Customer:

The Drought Condition has ended. You may return to normal water usage. The Board of Directors of East Montgomery County Municipal Utility District No. 5 appreciates your cooperation and perseverance during this period and would appreciate your continued attention to water use. Continued water conservation practices will help ensure water availability in the future. Thank you for your efforts.

Very truly yours,

DRAFT TEXAS WATER DEVELOPMENT BOARD P. O. BOX 13231, CAPITOL STATION AUSTIN, TX 78711-3231 WATER AUDIT REPORTING FORM

Mark Mathis, Conservation Division P. O. Box 13231 Austin, TX 78711 (512.463.0987) Email: Mark.Mathis@twdb.state.tx.us

Utility Name:
Type of Utility: (circle one) WSC MUD WC1D SUD CITY Other
Regional Water Planning Group(s) in which this system operates
http://www.twdb.state.tx.us/mapping/maps/pdf/sb1 groups 8x 11.pdf
Name of person completing this form:
Phone number of person completing form (area code)
Mailing address of Utility:
Reporting Period: From To
Percentage of water used: Surface Groundwater
Mean household income of population served:
http://factfinder.census.bov/servlet/SAFFPeople?
Population served
Note: unit of measure (Acre- foot or Million gallons) must stay consistent throughout report
I. SYSTEM INPUT VOLUME MG ACRE-FT OTHER
Water Delivery - Amount of water put into delivery system:
Master Meter Adjustment - Volume master meter did not account for: +/
Corrected Input Volume - Water delivery plus/minus Master Meter Adjustment:
2. AUTHORIZED CONSUMPTION
Revenue Water
Billed Metered - All water sold:
Billed Unmetered - All water sold but not metered:
Non-Revenue Water
Unbilled metered - City and local government use metered line flushing:
Unbilled unmetered - Line flushing/fire dept use: (estimate)
Authorized Consumption - The Total of all Authorized water:
3. WATER LOSS
Apparent Loss
Customer Meter Under-Registering-Inaccurate customer meters +/-
Billing Adjustment/Waivers
Unauthorized consumption (Theft) (estimate)
Total at Apparent loss
Real Loss:

Operator error (storage tank overflows)	
Main break/leaks: (estimate)	·
Customer service line leaks/breaks: (estimate)	
The Total of Real Loss	
Total Water Loss, Apparent Loss + Real Loss	

4. TECHNICAL PERFORMANCE INDICATORS

Performance Indicators for Real Losses Your utility's number of service connections Your utility's number of miles of main lines Now divide your service connections by miles of main Total Real Loss/Miles of Main/365 Total Real Loss/No. of Service Connections/365

5. FINANCIAL PERFORMANCE INDICATORS

Total Real Loss	
Production cost of water	
Total Real Loss multiplied by production cost of water:	
Total Apparent Loss Retail cost of water	<u></u>
Retail cost of water	÷
Total Apparent loss multiplied by retail cost of water:	