

1443

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 172**

Resolution for Adoption of Order  
Establishing Policy and Rates  
for Water and Waste Collection Service

The Board of Directors ("Board") of Harris County Municipal Utility District No. 172 (the "District") met at the Board's regular meeting place on July 20, 2016 with a quorum of directors present, as follows:

- Jerry M. Folmar, Vice President
- Jerry Stenberg, Secretary/Investment Officer
- Pat Burke, Director
- Tom Russell, Director

and the following absent:

- David T. Perkins, President

when the following business was transacted:

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

Ayes: All directors present.

Noes: None.

The Order thus adopted is as follows:

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

The Order hereinafter set forth shall become effective August 1, 2016.

ORDER ESTABLISHING POLICY AND SETTING  
RATES FOR WATER AND SEWER SERVICE

ARTICLE I

General Provisions

Section 1.1 Definitions

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

a) "Church and Non-Profit Consumers" shall mean and include any church, school, association, or other establishment rendering a service and organized for purposes other than generating profit; and any corporation, no part of the income of which is distributable to its members, directors or officers.

b) "Commercial Consumers" shall mean and include any office building, hotel, retail store, clubhouse, warehouse, service station, or other establishment rendering a service or offering a product for sale to the public; apartments; churches; schools; and any and all establishments not generally considered a single-family residence, nor a church nor non-profit entity.

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

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

e) "Delinquent Bill" shall mean a bill for water and/or sewer service which has not been paid within twenty (20) days after the date of the bill for the preceding month's service.

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

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

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

i) "Residential and community connection" shall mean and include any single family residence, townhouse, or multiplex (other than apartments), or park, esplanade, or other community area, when such is separately metered.

j) "Separate connection" shall mean each residential unit occupied by a separate family or person, including separate apartments or townhouses within a single building, and each business unit occupied by a separate business, including separate establishments within a single building.

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

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

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

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

Water Consumers are not guaranteed a specific quantity or pressure of water for any purpose whatever, and it is understood that District is only to furnish a connection with its water System and is in no case to be liable for failure or refusal to furnish water or any particular amount or pressure of water.

Section 1.3 Water connections generally

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

Section 1.4 Unauthorized practices

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

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

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

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

e) The District may invoke the procedure described in Section 2.3 of this Order to discontinue water service to a Consumer in the event such Consumer either (1) refuses to permit an inspection pursuant to this Section, or (2) fails, within a reasonable time after receiving written notice issued by the Board, to correct or remove any unauthorized connection,

tap, plumbing or other condition found to be contributing to or causing contamination of the District's water supply.

f) All tampering with District meters, taps or other District facilities, Unauthorized Usage of water or sewer service, and illegal discharges into the District's sanitary or storm sewer systems are prohibited. In addition to any of the foregoing, the District may bill and collect from any Consumer who violates the terms of this section any costs or expenses incurred by the District as a result of such violation. Any fees or penalties assessed pursuant to this section shall be in addition to the fees required for the restoration of service.

#### Section 1.5 Plumbing restrictions

The following unacceptable plumbing practices are prohibited by State regulations and the District.

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

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

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

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

e) No solder or flux which contains more than 0.2% lead, or such other minimum standard as may be established by the EPA or TCEQ, can be used for the installation or repair of plumbing at any connection which provides water for human use.

f) No plumbing fixture shall be installed which is not in compliance with a State approved plumbing code.

g) To ensure that neither cross-connections nor other Unacceptable Plumbing Practices are permitted, each new Consumer and each Consumer whose service has been

suspended or terminated and is proposed for reconnection must sign a copy of the Service Agreement attached hereto as Exhibit "A" prior to commencement of service by the District.

Section 1.6 Plumbing material restrictions; Customer Service Inspection Certifications

No new connections to the District's water system shall be made unless (a) a customer service inspection has been made by a qualified inspector and (b) a Customer Service Inspection Certification in the form attached hereto as Exhibit "B" has been completed and submitted to the District. Such an inspection and certification also shall be required at any existing service location when the District has reason to believe that cross-connections or other Unacceptable Plumbing Practices exist, or after any material improvement, correction or addition to the private plumbing facilities. The District shall recognize only the individuals specified in 30 Texas Administrative Code §290.46(j)(1) as capable of conducting customer service inspection certifications, and shall retain copies of properly completed certifications on file for a minimum of ten (10) years. If the Consumer requests the Operator to conduct the customer service inspection, the Operator will conduct a series of three (3) separate inspections and the Consumer shall be charged a fee of \$40.00 per inspection for a total of \$120.00 per customer service inspection certification. If a customer service inspection is made at the District's direction because the District has reason to believe that Unacceptable Plumbing Practices exist, the Consumer shall not be charged for the inspection unless Unacceptable Plumbing Practices are found. Customer service inspection certifications for new construction shall be submitted to the District before continuous service to the connection is provided, preferably at the same time that the tap fee is paid, and the District shall not transfer the account from the builder to the initial occupant until it has received the certificate. Certifications for inspections in all other instances (when the District has reason to believe Unacceptable Plumbing Practices exist or after a material change to private plumbing facilities has been made) shall be submitted to the District no later than ten (10) days after the inspection has been completed.

Section 1.7 Backflow Prevention Devices

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

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

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

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

#### Section 1.8 Plumbing code

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

#### Section 1.9 Monitoring Plan

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

b) Monitoring Plan

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

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

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

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

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

## ARTICLE II

### Commencement and Termination of Service

#### Section 2.1 Connection to District’s system

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

#### Section 2.2 Termination of service upon request of Consumer

Whenever a Consumer of District water temporarily or permanently abandons the structure being served and no longer wishes to be furnished with water, he shall notify the District’s Operator at least two (2) days prior to the time he desires such service discontinued. A charge of \$20.00 shall be made for discontinuing and a charge of \$20.00 for restoring water service where such service is discontinued or restored at the request of the Consumer and he is



not delinquent in the payment of any bill at the time of either request.

Section 2.3 Termination of service upon initiative of District

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

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

(2) upon the occurrence of an event described in Subsection 1.5e) or 1.7a) of this Order;

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

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

b) At any time a Consumer's bill, or any part thereof, becomes a Delinquent Bill, all charges, be they current or past due, to the Consumer shall be due and payable immediately, and shall be payable by cash, cashier's check or money order only. If the Operator has not received payment of a Consumer's bill by the date it becomes a Delinquent Bill, the Operator shall deliver a delinquent letter to the Consumer pursuant to Section 2.3c) below and add a \$15.00 fee ("Delinquent Letter Fee") to the Consumer's bill on the date the delinquent letter is delivered.

c) Except for termination of service upon the occurrence of an event described in Subsections 1.5d) or 5.1b) of this Order, notice to the Consumer shall be made as follows:

(1) At least three (3) days prior to termination of a Consumer's service pursuant to this Section, a notice shall be delivered to the Consumer advising the Consumer of termination of service pursuant to this Section.

(2) Delivery of the notice shall be considered complete upon deposit of the notice in the United States mail, postage prepaid, with a certificate of mailing to be retained by the Operator, addressed to the Consumer at his last known mailing address.

(3) The notice shall include:

(a) a statement that service will be terminated;

- (b) the date of termination; and
- (c) the reason for termination.

In the event the termination is based upon failure to pay a Delinquent Bill, then the notice shall also include:

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

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

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

- d) Adjustment of bill by designated representative:

- (1) The District's designated representative for purposes of this Section is the District's Operator.

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

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

e) Hearing before Board of Directors:

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

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

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

f) A charge of \$60.00, together with full payment of the Consumer's account, shall be paid by a Consumer, by cash, cashier's check or money order, in advance of restoration of service when service has been terminated pursuant to this Section 2.3.

g) In the event it becomes necessary to remove a Consumer's meter due to unauthorized reconnection of service subsequent to its termination by the District, there shall be charged a reinstatement fee of \$100.00 together with all other debts owed. The reinstatement fee, together with all other debts owed, shall be payable by cash, cashier's check or money order.

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

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

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

Section 2.5 Request for sewer service

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

Section 2.6 Prohibition of private on-site facilities

The installation of private on-site wastewater holding or treatment facilities on land within the District that is not served by the District's wastewater collection system is prohibited.

Section 2.7 Deposit to secure payment

The District's Operator is hereby given authority to require persons requesting residential, community, church or non-profit water and/or sewer service from the District to post a deposit with the District of \$100.00 for each connection to the District's System. Persons requesting commercial water and/or sewer service shall be required to post a deposit with the Operator of two (2) times their average monthly usage which is to be estimated by the District's Operator. Such deposit is solely to secure the payment of charges established by this Order. Upon termination of service, the District shall apply the deposit on hand to the unpaid service charges of the Consumer, and the excess, if greater than \$5.00, will automatically be paid to the Consumer (excess deposits of \$5.00 or less will only be paid upon request of the Consumer).

No interest will be paid by the District on such deposit.

Section 2.8 Application fee

A non-refundable application fee of \$35.00 shall be charged by the District to cover the expense to the District of the establishment of water and sewer service from the builder of any housing unit to its initial occupant and the transfer of service to each subsequent occupant. This fee shall cover the establishment of an account to provide service to the new occupant. This fee shall be billed to each new occupant as an item on that Consumer's first monthly bill for water and/or sewer service.

Section 2.9 Builder damage deposit

Any builder requesting water and/or sewer service from the District on any lot or tract to which water and/or sewer service has not previously been provided shall post a deposit with the District of \$1,000.00. Such deposit is solely to secure payment of charges established by this Order and payment of damages caused to District facilities in conjunction with the builder's construction on lots within the District and for which the builder or its agents or subcontractors are responsible. Upon transfer of the last water and/or sewer account held in the

name of the builder to a Consumer, the District shall apply the deposit on hand to the unpaid service charges and damages of the builder, if any, and the excess, if any, will be paid to the builder. No interest will be paid by the District on such deposit.

Section 2.10 Facility inspections

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

b) After construction has been completed on the lot or tract, but before service is transferred to or initiated for a Consumer, the Operator will conduct an inspection ("Post-Construction Inspection") to verify the location and condition of District facilities on and in the vicinity of the lot or tract on which the construction or improvement has been built. The builder will be held responsible for any damages or adjustments to or relocations of District facilities found to be necessary as a result of the Post-Construction Inspection and shall pay the cost of repairing, adjusting or relocating the facilities before service will be transferred to or initiated for a Consumer. The Operator may conduct any re-inspections as necessary to ensure that the District's facilities are repaired, adjusted or relocated, and the builder shall pay the fee for any such re-inspections before service will be transferred to or initiated for a Consumer. The District may withhold service to the lot or tract or to other property owned by any builder who has failed to pay the District for any other repairs, adjustments, relocations or re-inspection fees, including specifically the provision of additional taps to such builder.

c) The total fee for the Pre-Construction and Post-Construction Inspections described in Section 2.9 a) and b) shall be \$70.00, which is due at the time the tap fee is paid. If any re-inspections are required, a fee of \$35.00 shall be paid for each such re-inspection. The District also may withhold the provision of service (including specifically the provision of

additional taps) to the property or to other property owned by any Consumer who has failed to timely pay for the repairs, adjustments or relocations or the re-inspection fee; provided, however, the District shall follow the notification procedures set forth in Section 2.3 prior to withholding the provision of service.

### ARTICLE III

#### Tap Charges

##### Section 3.1 Residential water tap charges

a) The following charge shall be made for every residential (including duplex) tap or connection to the District's water distribution system, which charge shall include the meter and meter box and the installation thereof:

\$1,100.00 for 3/4-inch x 5/8-inch tap;

\$1,600.00 for a 3/4-inch tap; and

\$1,760.00 for a 1-inch tap.

b) For connections of over 1-inch, the District will establish tap charges by separate order or agreement.

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

d) Amounts charged by the Operator for removal of sidewalks or grass or for other similar work necessary to expose the water main for purposes of making the tap are not included in the amounts in Section 3.1 a) above and shall be billed to and paid by the builder or other person requesting the tap.

##### Section 3.2 Residential sewer tap inspection fee

a) After the completion of a sewer tap as provided in Section 2.5, and the inspection thereof by the District's operator, the person requesting such sewer tap shall pay an inspection fee of \$35.00 per sewer tap.

b) An inspection fee of \$35.00 is hereby set for each residential swimming pool connection.

Section 3.3 Commercial Consumer and Nontaxable Entity water and sewer tap charges

a) The following charge shall be made for every commercial tap or connection to the District's water, sanitary sewer or drainage facilities, other than a tap or connection for a Consumer which is a Nontaxable Entity: actual and reasonable costs to the District for construction, installation and inspection of the tap or connection to District water, sanitary sewer or drainage facilities, including all necessary service lines and meters, plus 200% of the aforementioned costs.

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

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

Section 3.4 Service to community connections

a) The following tap charge shall be made for connection of a community facility serving the general public to the District's water and sewer distribution System: District's cost plus the cost of the meter, meter box or installation thereof.

b) An inspection fee of \$100.00 is hereby set for each community connection tap in addition to the inspection fee for community swimming pool connections.

ARTICLE IV  
Rates for Service

Section 4.1 Monthly rates for water service

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

For the first 10,000 gallons of water used	\$18.00
Between 10,001 gallons and 20,000 gallons	\$2.50/1,000 gallons
Between 20,001 gallons and 40,000 gallons	\$4.50/1,000 gallons
Between 40,001 gallons and 50,000 gallons	\$5.50/1,000 gallons
Between 50,001 gallons and 60,000 gallons	\$6.50/1,000 gallons
Between 60,001 gallons and 70,000 gallons	\$8.00/1,000 gallons
Between 70,001 gallons and 80,000 gallons	\$10.00/1,000 gallons
In excess of 80,000 gallons	\$20.00/1,000 gallons

b) The minimum monthly charge shall be \$18.00 for which 10,000 gallons of water may be used. Until a meter is installed, the minimum amount shall be charged each month.

c) The rates provided below for water service shall be applicable to each completed apartment within an apartment project; provided, however, that water to an apartment project may be furnished through a master meter and the rate per unit calculated by dividing the total number of gallons furnished during the month by the number of units therein completed during that month.

For the first 5,000 gallons of water used	\$9.00
Between 5,001 gallons and 20,000 gallons	\$2.50/1,000 gallons
Between 20,001 gallons and 40,000 gallons	\$4.50/1,000 gallons
Between 40,001 gallons and 50,000 gallons	\$5.50/1,000 gallons
Between 50,001 gallons and 60,000 gallons	\$6.50/1,000 gallons
Between 60,001 gallons and 70,000 gallons	\$8.00/1,000 gallons
Between 70,001 gallons and 80,000 gallons	\$10.00/1,000 gallons
In excess of 80,000 gallons	\$20.00/1,000 gallons

d) The following rates per month shall be charged for water service furnished by the District to Commercial Consumers:

For first 20,000 gallons of water used	\$50.00
Between 20,001 gallons and 40,000 gallons	\$3.00/1,000 gallons
In excess of 40,000 gallons	\$3.50/1,000 gallons



e) The following rates per month shall be charged for water service furnished by the District to Consumers which are Nontaxable Entities:

For first 5,000 gallons of water used	\$13.00
Between 5,001 gallons and 10,000 gallons	\$1.50/1,000 gallons
Between 10,001 gallons and 20,000 gallons	\$1.75/1,000 gallons
Between 20,001 gallons and 40,000 gallons	\$2.00/1,000 gallons
In excess of 40,000 gallons	\$2.20/1,000 gallons

Section 4.2 Monthly rates for waste collection service

a) The following rates per month shall be charged for waste collection service furnished by the District for each separate connection in every instance in which a different charge is not expressly and clearly provided for herein: Flat Rate of \$34.25 per month.

b) The following monthly rate shall be charged for waste collection service to Commercial Consumers, Consumers which are Nontaxable Entities, and apartments:

\$2.00 for each 1,000 gallons of water used.

Section 4.3 No reduced rates or free service

All Consumers receiving either water or sewer service, or both, from the District shall be subject to the provisions of this Order and shall be charged the rates established in this Order; and no reduced rates or free service shall be furnished to any such Consumer.

Section 4.4 Penalty for failure to pay bill before delinquent

A charge of 10% of the amount of the Consumer's bill shall be added thereto when such bill has become delinquent as "delinquent" is defined in Subsection 1.1e) of this Order.

Section 4.5 Returned checks

If a Consumer's check is returned unpaid by the bank, the Consumer's bill paid by such check shall be considered unpaid and subject to the penalty defined in Section 4.4. A processing charge of \$30.00 shall also be charged to the Consumer.

Section 4.6 Texas Commission on Environmental Quality regulatory assessment

The District shall assess and collect from each Consumer that receives retail water and/or sewer service from the District a regulatory assessment equal to 0.5% of the District's charges for such water and/or sewer service. The District shall list the regulatory assessment as a

separate item on Consumer utility bills. The District shall remit such regulatory assessments to the Texas Commission on Environmental Quality in the manner required by law.

Section 4.7 Additional fees for West Harris County Regional Water Authority

The West Harris County Regional Water Authority ("Authority") was created in order to assist water districts located within its boundaries to reduce groundwater usage and/or convert to surface water supplies. The Authority is authorized by state law to assess fees to water well owners, including the District, based on the amount of groundwater withdrawn from their wells and the amount of surface water supplied by the Authority to the District. Therefore, in addition to the charges set forth herein, the District shall assess to its customers a fee per 1,000 gallons of water used equal to 110% of the then-current surface water fee per 1,000 gallons assessed by the West Harris County Regional Water Authority.

Section 4.8 Voluntary donations

a) The District may, at the Board's sole discretion, include as a separate item on the monthly bills to District Consumers one or more voluntary charges to accord Consumers the opportunity to contribute towards the costs of services provided in the District by a non-profit public service organization ("Beneficiary Organization") for the general health, safety and welfare of the community.

b) Voluntary donations collected by the District shall be paid over to the Beneficiary Organization(s), except that the District may retain from the funds collected an amount sufficient to offset the District's actual costs of collecting and remitting such voluntary donations.

c) In the event that a Consumer makes a payment greater than the District's charges for water, sewer or other services on a bill, and the additional amount is equal to or less than the voluntary charge on the bill, then the District shall pay over to the Beneficiary Organization(s) the amount of such additional payment, less the District's costs as described in subsection b) above.

d) In the event that a Consumer makes a payment greater than the total District bill for water, sewer or other services plus the recommended voluntary charge, then the amount overpaid shall either be retained by the District and credited to the Consumer's account or refunded to the Consumer, as the Board shall determine.

e) The penalty for failure to pay a District bill as provided in Section 4.4 of this Order shall not be applicable to any voluntary charge on a Consumer's bill. Further, in the event that a Consumer's service shall have been terminated for nonpayment of a bill for District services as provided in Section 2.3 of this Order, then the amount of voluntary charges, if any, on such unpaid bill shall not be included within the amount that must be paid by the Consumer for restoration of service.

## ARTICLE V

### Meters

#### Section 5.1 Title, tampering, maintenance, setting

a) Title to all water meters and appurtenances, including the meter boxes enclosing same, shall vest in the District.

b) No person other than a duly authorized agent of the District shall open the meter box, tamper with or in any way interfere with the meter, meter box, service line, or other water and/or sewer system appurtenance. The District reserves the right to immediately and without notice remove the meter or disconnect water service to any Consumer whose meter has been tampered with, to assess repair charges to such Consumer plus a damage fee of \$50.00, and, pursuant to Section 9.1 below, to impose a penalty.

c) The District shall maintain, repair and replace all meters and appurtenances in connection therewith at its cost.

d) All meters shall be set by employees or agents of the District.

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

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

#### Section 5.3 Temporary Meter Usage - Construction Water

Any developer, builder or contractor who requires a temporary supply of water for construction purposes shall deposit with the District's Operator the sum of \$800.00, of which amount \$100.00 shall be a non-refundable charge to install and remove the temporary meter and \$700.00 shall be used to secure payments for water usage as well as damage to the temporary meter.

## ARTICLE VI

### Grease Traps

#### Section 6.1 Grease trap inspections

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

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

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

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

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

after receiving written notice of violation, to correct the condition prompting the notice, in accordance with the provisions of Section 9.1 of this Order.

Section 6.2 Grease trap fee

Consumers requesting a grease trap from the District shall be required to pay an initial grease trap inspection fee of \$70.00. In addition, a monthly charge of \$35.00 shall be made against each person responsible for maintenance of a grease trap pursuant to this Order. The charge (monthly grease trap fee) shall defray the District's expenses of periodic inspections of grease traps as provided in this Order.

ARTICLE VII

Adjustments of Manhole Elevations and Blow Off Valves

Section 7.1 Adjustments of manholes and payment of costs

a) All manhole adjustments and repairs of manholes located within the District shall be performed by the District's Operator.

b) The District will cause to be performed and will pay all costs arising from and in connection with adjustments made to manholes within the District under the following circumstances:

(1) To exclude storm water or settleable solids from the sewer System (with the exception of storm water which infiltrates the sewer System due to excessive additional fill placed on a lot by a builder); and

(2) To facilitate construction of other public facilities, including sidewalks and/or driveways.

c) The District will not bear the cost of adjustments to manholes for cosmetic or aesthetic reasons which, for purposes of this Order, shall mean decreasing the elevation of a manhole by four inches or less.

d) Under no circumstances will the District bear the cost for repairs to manholes damaged by builders within the District.

Section 7.2 Requests for manhole adjustments

Any person requesting adjustments to manholes within the District for cosmetic or aesthetic reasons shall contact the District's Operator in writing specifying the adjustments to

be made, shall be responsible for any costs incurred in making such adjustments, and shall be invoiced by the District for such costs.

Section 7.3 Requirements for construction of manholes

All manholes constructed within the District and within street rights-of-way (except within pavement) or easements adjacent and parallel thereto or other locations within 10 feet of a street right-of-way shall be constructed with a top of manhole elevation 0.3 feet above the top of the curbed elevation shown on the plans for the subdivision. Alternatively, the project engineer shall specify on the plans the top of manhole elevation to be used, in which case the engineer's specification shall govern construction. In addition, the project engineer shall use his best judgment to locate manholes in a manner least likely to conflict with driveways and other proposed facilities.

Section 7.4 Blow off valves

a) Any blow off valve located in a sidewalk within the District shall be moved at the District's expense.

b) Any blow off valve located in a proposed driveway within the District shall be moved at the builder's expense.

ARTICLE VIII

Solid Waste Collection and Disposal Service

Section 8.1 Required Service

The District shall provide garbage collection and disposal service and recycling collection service to each separate connection that receives water and sanitary sewer service from the District. No separate billing shall be made for such services provided by the District.

Section 8.2 Collection Schedule

Garbage shall be collected from each separate connection on Tuesday and Friday, and recycled items on each Tuesday, between 7:00 a.m. and 7:00 p.m. except holidays, including New Year's Day, Thanksgiving Day and Christmas Day.

Section 7.3 Manner of Collection

Garbage and recycling items will be collected by the District's garbage contractor in the manner provided in the contract between the District and its garbage contractor. Recyclable items such as newsprint, aluminum and bi-metal cans, and plastic containers (coded #1 and #2), will be collected each Tuesday. Any recycling containers supplied by the garbage contractor shall remain the property of the garbage contractor, and replacement containers will be supplied at a charge to the Consumer of \$8.00 per container. Heavy trash collection will be provided on each Friday. Heavy trash collection will not include certain items as follows: human or animal waste; gasoline, motor oil/filters, paint, and other hazardous or toxic wastes; auto parts; debris from construction, major remodeling or fencing repairs such as rocks, concrete, dirt, sand, gravel, roofing, or carpeting; or large pieces of glass. Bulk items containing CFC refrigerant (freon) such as refrigerators and freezers will not be collected for disposal without appropriate certification from the Consumer that all freon has been properly removed and recycled.

ARTICLE IX

Enforcement

Section 8.1 Penalties

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

ARTICLE X

Miscellaneous

Section 10.1 Savings

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

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

Passed and adopted, this July 20, 2016.

JERRY M. FOLMAR

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Vice President

ATTEST:

JERRY STENBERG

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Secretary

SEAL



EXHIBIT "A"

**SERVICE AGREEMENT**

- I. **PURPOSE.** The **HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 172** (hereinafter referred to as the "District") is responsible for protecting the drinking water supply from contamination or pollution which could result from improper 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 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 agreement.
  
- II. **PLUMBING RESTRICTIONS.** The following unacceptable plumbing practices are prohibited by State regulations.
  - A. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by an air-gap or an appropriate backflow prevention device.
  
  - B. No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the installation of an air-gap or a reduced pressure-zone backflow prevention device.
  
  - C. No connection which allows water to be returned to the public drinking water supply is permitted.
  
  - D. No pipe or pipe fitting which contains more than 0.25% lead, or such other minimum standard as may be established by the EPA or TCEQ, may be used for the installation or repair of plumbing at any connection which provides water for human use.
  
  - E. No solder or flux which contains more than 0.2% lead, or such other minimum standard as may be established by the EPA or TCEQ, can be used for the installation or repair of plumbing at any connection which provides water for human use.
  
- III. **SERVICE AGREEMENT.** The following are the terms of the Service Agreement between the District and \_\_\_\_\_ (the "Customer").
  - A. The District will maintain a copy of this agreement as long as the Customer and/or the premises is connected to the District's water system.
  
  - B. The Customer shall allow his property to be inspected for possible

cross-connections and other 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. The inspections shall be conducted during the District's normal business hours.

- C. The District shall notify the Customer in writing of any cross-connection or other unacceptable plumbing practice which has been identified during the initial inspection or the periodic reinspection.
- D. The Customer shall immediately correct any unacceptable plumbing practice on his premises.
- E. The Customer shall, at his expense, properly install, test, and maintain any backflow prevention device required by the District. Copies of all testing and maintenance records shall be provided to the District.

IV. **ENFORCEMENT.** If the Customer fails to comply with the terms of 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.

DATE: \_\_\_\_\_

CUSTOMER'S SIGNATURE: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

**EXHIBIT "B"**

**Customer Service Inspection Certificate**

Name of PWS \_\_\_\_\_  
 PWS I.D. # \_\_\_\_\_  
 Location of Service \_\_\_\_\_

Reason for Inspection:      New Construction .....   
    Existing service where contaminant hazards are suspected.....   
    Major renovation or expansion of distribution facilities.....

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

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

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

Service lines;      Lead       Copper       PVC       Other   
 Solder;              Lead       Lead Free       Solvent Weld       Other

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

Remarks: \_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_  
 Signature of Inspector

\_\_\_\_\_  
 Registration Number

\_\_\_\_\_  
 Title

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 Type of Registration

EXHIBIT "C"

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

**BACKFLOW PREVENTION ASSEMBLY TEST AND MAINTENANCE REPORT**

NAME OF PWS: \_\_\_\_\_  
 PWS I.D. # \_\_\_\_\_  
 MAILING ADDRESS \_\_\_\_\_  
 CONTACT PERSON \_\_\_\_\_  
 LOCATION OF SERVICE: \_\_\_\_\_

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

- |                          |                            |                          |   |
|--------------------------|----------------------------|--------------------------|---|
| <input type="checkbox"/> | Reduced Pressure Principle | <input type="checkbox"/> | Reduced Pressure Principle-Detector     |
| <input type="checkbox"/> | Double Check Valve         | <input type="checkbox"/> | Double Check-Detector                   |
| <input type="checkbox"/> | Pressure Vacuum Breaker    | <input type="checkbox"/> | Spill-Resistant Pressure Vacuum Breaker |

Manufacturer \_\_\_\_\_ Size \_\_\_\_\_  
 Model Number \_\_\_\_\_ Located At \_\_\_\_\_  
 Serial Number \_\_\_\_\_

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

	Reduced Pressure Principle Assembly			Pressure Vacuum Breaker	
	Double Check Valve Assembly		Relief Valve	Air Inlet	Check Valve
	1st Check	2nd Check		Opened at _____ psid	Held at _____ psid
Initial Test	Held at _____ psid Closed tight <input type="checkbox"/> Leaked <input type="checkbox"/>	Held at _____ psid Closed tight <input type="checkbox"/> Leaked <input type="checkbox"/>	Opened at _____ psid Did not open <input type="checkbox"/>	Did not Open <input type="checkbox"/>	Leaked <input type="checkbox"/>
Repairs and Materials Used					
Test After Repair	Held at _____ psid Closed Tight <input type="checkbox"/>	Held at _____ psid Closed Tight <input type="checkbox"/>	Opened at _____ psid	Opened at _____ psid	Held at _____ psid

Test gauge used: Make/Model \_\_\_\_\_ SN: \_\_\_\_\_ Calibration Date: \_\_\_\_\_

Remarks: \_\_\_\_\_

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

Firm Name \_\_\_\_\_ Certified Tester \_\_\_\_\_

Firm Address \_\_\_\_\_ Cert. Tester No. \_\_\_\_\_ Date \_\_\_\_\_

Firm Phone # \_\_\_\_\_

\* TEST RECORDS MUST BE KEPT FOR AT LEAST THREE YEARS

\*\* USE ONLY MANUFACTURER'S REPLACEMENT PARTS

I, the undersigned secretary of the Board of Directors of Harris County Municipal Utility District No. 172, hereby certify that the foregoing is a true and correct copy of the Order establishing policy and rates for water and waste collection service for the District, adopted by said Board at its meeting of July 20, 2016, together with excerpts from the minutes of said Board's meeting on that date showing the adoption of said Order, as same appear of record in the official minutes of the Board, on file in the District's office.

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

Witness my hand and the official seal of said District, this July 20, 2016.

Secretary

