

**AMENDED ORDER ESTABLISHING WATER AND WASTEWATER
SERVICE RATES, CHARGES AND TAP FEES, AND ADOPTING
GENERAL POLICIES WITH RESPECT TO SOUTH BUDA WATER
CONTROL AND IMPROVEMENT DISTRICT NO. 1'S
WATER AND DRAINAGE SYSTEMS AND TO THE
CITY OF BUDA WASTEWATER SYSTEM**

September 10, 2019

THE STATE OF TEXAS

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COUNTY OF HAYS

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WHEREAS, pursuant to Section 51.127, Texas Water Code, the Board of Directors (the "Board") of South Buda Water Control and Improvement District No. 1 (the "District") is authorized to adopt and enforce all necessary rates, charges, fees and deposits for providing District facilities or services;

WHEREAS, the District has entered into that certain CONSENT AND DEVELOPMENT AGREEMENT by and between the City of Buda, Texas (the "City"), South Buda Water Control and Improvement District No. 1 (the "District"), The Meadows at Buda, Ltd., a Texas limited partnership ("Meadows"), Lennar Buffington Horton, L.P., also a Texas limited partnership ("Len-Buf") and NewStand Buda, Ltd. ("NewStand"), a Texas limited partnership, with Effective Date November 2, 2005 (the "Consent and Development Agreement"); and

WHEREAS, the District has entered into that certain WATER SERVICES AGREEMENT BETWEEN MONARCH UTILITIES I, L.P. AND SOUTH BUDA WCID NO. 1, by and between the District and Monarch Utilities I, L.P., with Effective Date October 25, 2005, as amended (the "Monarch Agreement") and

WHEREAS, the Consent and Development Agreement provides that retail wastewater service within the District will be provided by the City, pursuant to the terms and conditions of that Agreement. Phase I of the Lift Station and Force Main Facilities have been completed, and pursuant thereto The Meadows at Buda, Ltd. and Len-Buf have been credited with the prepayment of the City's wastewater impact fees; and

WHEREAS, the Consent and Development Agreement provides that LUE equivalencies to be used for the purpose of that Agreement are set forth in Exhibit "J" attached to that Agreement, a copy of which is attached hereto.

WHEREAS, the District purchases water from Monarch pursuant to the Monarch Agreement, and that agreement provides that the \$1,605 per LUE Monarch LUE fee shall be paid at the time of connection, with a number of LUEs to be determined pursuant to the LUE Equivalency Chart attached to the Monarch Agreement as Exhibit "F," a copy of which is attached hereto.

IT IS, THEREFORE, ORDERED BY THE BOARD OF DIRECTORS OF SOUTH BUDA WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 AS FOLLOWS:

I. GENERAL POLICIES

A. Definitions. For purposes of this Order, the following terms shall have the meanings indicated:

(1) "Connection" shall mean and refer to each residential unit occupied by a separate family, including separate apartments located within a single building, and each business unit occupied by a separate business, including separate establishments within a single building.

(2) "District's Representative" shall mean and refer to the general manager of the District or another representative or employee of the District acting pursuant to the direction of the general manager or the Board of Directors of the District.

(3) "Fee Unit" shall mean a single unit of service as defined by continuous duty maximum flow rate in gallons per minute for a 5/8" water meter using American Water Works Association C700-C703 standards. The number of Fee Units shall be determined by the size and type of the water meter purchased for the property as follows:

<u>Meter Size</u>	<u>Fee Units</u>
5/8" simple	1
3/4" simple	1.5
1" simple	2.5
1-1/2" simple	5
2" simple	8
2" compound	8
2" turbine	10
3" compound	16
3" turbine	24

<u>Meter Size</u>	<u>Fee Units</u>
4" compound	25
4" turbine	42
6" compound	50
8" compound	80
6" turbine	92
10" compound	115
8" turbine	160
10" turbine	250
12" turbine	330

(4) “International Plumbing Code” shall mean the International Residential Code for One and Two Family Dwellings dated 2000 and the International Plumbing Code dated 2000, as applicable, as published in the International Code Council, Inc.

(5) “Rules” shall mean and refer to such rules and regulations as the District may adopt pursuant to Section 51.127, Texas Water Code.

(6) “Systems” shall mean and refer to the District’s water and drainage systems.

B. All Services Required. Except as otherwise expressly authorized in these rules, no service shall be provided by and through the District’s Systems unless the applicant agrees to take water service from the District and wastewater service from the City of Buda.

C. All Services Charged. At no time shall the District render water services without charge to any person, firm, corporation, organization or entity.

D. Other Utilities. Prior to installing underground cables in the area of the District’s water lines or the City of Buda’s sanitary sewer collection lines, representatives of utility companies shall meet with the District’s Representatives to file such companies’ construction plans and schedules and to review the engineering plans illustrating the location of the District’s lines.

E. Review of Utility and Drainage Construction Plans. Any person desiring to install water and wastewater facilities to be connected to the District’s utility system or drainage facilities or the City of Buda’s wastewater collection system shall obtain the approval of such plans by the District, upon recommendation of the District’s Engineer, prior to construction.

II. CONNECTIONS TO THE DISTRICT’S SYSTEMS

A. Applications for Connections.

(1) Any party desiring to make a connection to the District’s System shall first make an application to the District’s Representative in the form provided by the District’s Representative. The applicant shall, upon request, furnish the District’s Representative with evidence that the party who will actually install the tap and connecting line has comprehensive general liability insurance in the minimum amounts of \$300,000.00 bodily injury and \$50,000.00 property damage, with an underground rider and a completed operations rider.

(2) The District’s Representative shall review all applications for connections to the District’s Systems. In the event that the District’s Representative finds that the materials to be used and in the procedures and methods to be followed in laying the line and making the connection area equal to or better than the standards established by the International Plumbing Code, as amended from time to time, and are in compliance with all terms and conditions of the

Rules, the District's Representative may approve the application and the proposed connection, subject to such terms or conditions as the District's Representative deems necessary or convenient to accomplish the purpose and objectives of the Rules.

B. Impact Fees.

Prior to making a connection to the District's water system, the applicant shall either pay to the District the Monarch LUE fee in an amount required by the Monarch Contract, or provide evidence to the District's representative that Monarch LUEs have already been paid for the connection.

Prior to making a connection to the City of Buda's wastewater system, the Applicant shall pay to the District the City's wastewater impact fee in an amount determined by the Consent and Development Agreement, or, provide evidence satisfactory to the District's representative that wastewater impact fees credited pursuant to the Consent and Development Agreement are applicable to the connection.

C. Payment of Fees.

Any party desiring to make a connection to the District's water system shall pay the appropriate water tap fee to the District's Representative at the time the application for such connection is made. No connection shall be made until such fees are paid.

D. Tap and Inspection Fees.

(1) The District's water tap fees shall be as follows:

<u>Meter Size</u>	<u>Tap Fee</u>
5/8"	\$1,550.00
3/4"	\$1,850.00
1" and over 1-1/2"	To be installed by the District at cost times three

Water tap installation involving excavation for any tap 1-inch or smaller shall be performed by the District at cost plus 25% in addition to the above water tap fee.

If more than one (1) inspection is required before a tap is approved by the District, the fee for each additional inspection shall be \$57.50.

The owner of a water tap may transfer a purchased tap from one lot within that District to another lot within the District upon application to the District and shall pay the following transfer fee:

Water Tap Transfer	\$25.00
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Plumbing inspections of new residential and commercial construction shall be conducted by the District in accordance with the Rules of the Texas Commission on Environmental Quality. The District shall conduct a series of five inspections (rough-in, service lines, cooper, top out and final). The fee for single-family residences shall be \$300.00 for the five inspections. Such fee shall be due at the time the water tap fee is paid. In the event of a failure, an additional charge of \$57.50 per additional inspection shall be charged. Irrigation systems inspections shall be \$57.50 per inspection. The District's inspection fee for commercial structures, including apartment complexes, will be determined by the District's Representative based upon the size and scope of such project.

(2) Expiration of Taps. Reservation of capacity through the pre-purchase of water taps will expire eighteen (18) months after date of purchase of said tap.

E. Security Deposit. A security deposit per connection shall be paid to the District's Representative by each residential customer prior to the initiation of service in the following amounts:

<u>Meter Size</u>	<u>Security Deposit</u>
5/8"	\$150.00
3/4"	\$200.00
1"	\$250.00

Security deposits shall not be transferable to another party and shall be held by the District to assure the prompt payment of all bills for water to the customer. In event of disconnection, the residential customer will be required to increase the security deposit by \$100.00 up to a maximum security deposit of \$500.00. A security deposit per commercial connection shall be paid to the District's Representative by each commercial customer in an amount equal \$75.00 times the number of fee units for the meter purchased as set forth in Section 2E above or \$10,000.00 whichever is less. The security deposit applies to water service charges..

At its option, the District may apply all or any part of a customer's security deposit against any delinquent bill of the customer. Upon discontinuation of service the deposit shall be applied against amounts due, including any disconnection fees, whether because of the customer's delinquency or upon the customer's request. Any portion of the deposit remaining after deduction of such amounts shall be refunded to the customer. In no event shall the security deposit bear interest for the benefit of the customer.

F. Landlord Deposits. The owner of a residential property used for rental purposes, may at his option, post a security deposit for such property to secure the provision of water and wastewater service to the property by the owner during temporary periods between rentals to tenants. The amount of the security deposit shall be the same as that set from time to time for rental units in this Order. The owner shall also be responsible for payment of any applicable service initiation fees set forth in this Order.

G. Transfer of Service Within the District. In the event a customer moves from one address within the District to another address within the District and immediately transfers service, the security deposit of the customer may be transferred to the new address. Such transfer is contingent upon the customer's paying the final bill for the previous address within the time limits set forth for prompt payment. If the customer has previously received a refund of his deposit pursuant to the "prompt payment" provisions set forth above, the customer may transfer his service without payment of a new deposit.

In the event payment of the final bill is not made when due, such deposit, if held by the District, shall be used toward payment of the final bill and an additional deposit shall be required to be made by the customer for the new address. Should the customer fail to pay such additional deposit, if required by the District, the account shall be delinquent and service may be terminated pursuant to Article IV below.

H. Transfer Fee. A customer who desires to transfer service from one address within the District to another address shall pay a transfer fee of \$30.00 and shall be collected at the time of the transfer of service.

I. Additional Charges. Any non-routine charges incurred by the District in connection with any water tap or inspection shall be the responsibility of the applicant for such connection and shall be payable to the District upon demand.

III. WATER AND WASTEWATER SERVICES

A. Applications for Water Services. Any party desiring to receive Water Services from the District shall make an application for such service to the District's Representative in the form approved by the Board of Directors of the District. All applications shall be made by the record owner or renter of the property for which service is being requested. Proof of residency shall be furnished to the District's Representative upon request. The application fee is set at \$30.00.

B. Applications for Wastewater Services. Any party desiring to receive Wastewater Services from the City of Buda shall make an application for such service to the City of Buda. Such application shall not be made until the applicant has satisfied the provisions of Paragraph II.B. of this order with respect to the Monarch LUE fees and the City of Buda wastewater impact fees.

C. Water Service Rates. The following rates and charges for the sale of water shall be in effect for customers within the District from the effective date of this Order.

(1) Monthly Minimum Charges.

Pursuant to the authority granted by Sec. 49.2122, Water Code, customer classes and monthly minimum charges are hereby established as follows:

<u>Customer Classification</u>	<u>Minimum Monthly Charge, Which Includes 0 Gallons of Water</u>
Residential	\$71.75 for the First Fee Unit Assigned to the Customer's meter size and \$54.50 times the number of Additional Fee Units Assigned to the Customer's meter size. This charge includes solid waste disposal and recycling.
Commercial	\$54.50 times the number of Fee Units Assigned to the Customer's meter size. The District does not provide solid waste disposal or recycling to this class of customer.
Industrial	\$54.50 times the number of Fee Units Assigned to the Customer's meter size. The District does not provide solid waste disposal or recycling to this class of customer.
Apartment With No Ad Valorem Tax Exemption	\$54.50 times the number of Fee Units Assigned to the Customer's meter size. The District does not provide solid waste disposal or recycling to this class of customer.

Apartment With Total or Partial Ad Valorem
Tax Exemption

\$54.50 times the number of Fee Units Assigned to the Customer's meter size, plus 1/12th of the estimated amount of ad valorem taxes that would be collected by the District if the customer were not a non-profit organization, minus the estimated amount of ad valorem taxes estimated to be actually received by the District, during each calendar year.* The District does not provide solid waste disposal or recycling to this class of customer.

Rental Housing

\$71.75 for the First Fee Unit Assigned to the Customer's meter size and \$54.50 times the number of Additional Fee Units Assigned to the Customer's meter size. This charge includes solid waste disposal and recycling.

Irrigation

\$54.50 times the number of Fee Units Assigned to the Customer's meter size. The District does not provide solid waste disposal or recycling to this class of customer.

Homeowners Association

\$54.50 times the number of Fee Units Assigned to the Customer's meter size. The District does not provide solid waste disposal or recycling to this class of customer.

Builder

\$54.50 times the number of Fee Units Assigned to the Customer's meter size. The District does not provide solid waste disposal or recycling to this class of customer.

Out-of-District	\$54.50 times the number of Fee Units Assigned to the Customer's meter size. The District does not provide solid waste disposal or recycling to this class of customer.
Nonprofit Organization (excluding homeowners associations & churches)	\$54.50 times the number of Fee Units Assigned to the Customer's meter size, plus 1/12th of the estimated amount of ad valorem taxes that would be collected by the District if the customer were not a non-profit organization, minus the estimated amount of ad valorem taxes estimated to be actually received by the District, during each calendar year.* The District does not provide solid waste disposal or recycling to this class of customer.
Church	\$54.50 times the number of Fee Units Assigned to the Customer's meter size. The District does not provide solid waste disposal or recycling to this class of customer.

*The District's Representative shall estimate the amount of ad valorem taxes that would be collected by the District in each year if the customer were not a non-profit organization, and the amount of ad valorem taxes estimated to be actually received by the District in that same year, as soon as possible after January 1 of each year, based on reasonably available information. One-twelfth of this amount shall be included in the next bill and in all other bills during that year. The amount may be adjusted throughout the year if the taxable value of the property is changed by the Hays Central Appraisal District.

The monthly minimum charges will not be pro-rated during the month of move in or move out.

(2) Volume Charge.

The Volume Charge shall be as follows:

0 - 2,000 gallons	\$7.47 per 1,000 gallons
2,001 - 10,000 gallons	\$9.20 per 1,000 gallons

10,001 - 20,000 gallons	\$10.43 per 1,000 gallons
Over 20,000 gallons	\$14.17 per 1,000 gallons

Effective for usage after the next billing cycle after September 11, 2019.

(3) Solid Waste Disposal and Recycling. Solid waste and recyclable materials are picked up once per week. This charge is included in the minimum monthly charge for water service to residential customers.

(4) Fire Hydrant Meter Fees. Sale of water on a temporary basis from fire hydrants within the District shall be requested from the District's representative. There shall be charged and collected for each fire hydrant meter a fire hydrant meter fee in the amount of \$75.00 per month or any part of a month plus the per 1,000 gallons usage rate as stated above. A security deposit shall be paid to the District's Representative at the time application is made for a fire hydrant meter in the amount of \$75.00. Such security deposit shall be refunded to the applicant at the time the meter is returned in good working order less any amounts due for damage to the meter.

(5) The District shall charge each customer any regulatory assessment required by the Texas Commission on Environmental Quality.

IV. DELINQUENT ACCOUNTS

A. The District shall bill each customer monthly for all services rendered in the preceding month, in substantial compliance with the procedures established in the City of Buda Utility Service Regulations, except to the extent provided for differently in this Paragraph IV. All bills shall be due on the due date as specified on the bills and shall become delinquent if not paid as set forth on the bills. For accounting purposes only, and with District Board approval, the District's Representative shall write off accounts receivable over ninety (90) days past due. This shall in no way relieve the past due customer of any liability for payment.

B. A late charge of ten percent (10%) of the amount of the bill shall be added for each monthly billing date the delinquent amount remains unpaid. If a bill remains delinquent for fifteen (15) days, water service shall be discontinued in accordance with this paragraph. Prior to termination, the customer shall be notified of the amount due by letter sent by United States Mail, First class. Once notice of termination has been sent to a customer, payment of the amount due must be in the form of cash, cashier's check, or money order only. No personal checks will be accepted. A delinquent bill renders the entire account delinquent and the entire account must be paid in full in order to avoid interruption of service. The notice shall state the date upon which water service shall be terminated, which date shall be not less than seven (7) days from the date such notice is sent. Such notice shall state the time and place at which the account may be paid and that any errors in the bill may be corrected by contacting the District's Representative, whose telephone number shall also be given in such notice. Provided, however, that in the event the customer contacts the District's Representative within such seven (7) day period, the District's

Representative may, at its opinion, allow the customer to make arrangements to pay the delinquent amount in installments to be approved by the District's Representative. Prior to termination, the customer shall receive three (3) days' notice of such termination by the District's Representatives placing notice at the customer's service address. After termination of service, payment by the customer of delinquent amounts due and reconnection charges shall be payable only by cash, money order or cashier's check, no personal checks will be accepted.

C. Water service shall be discontinued in accordance with this paragraph for any account for which a check for payment has been dishonored by the financial institution. Prior to termination, the customer shall receive a three (3) days' notice of such termination by the District's Representative placing the notice at the customer's service address. Payment by the customer who has presented a dishonored check shall be made by cash, money order or cashier's check. Personal checks will not be accepted.

D. The District reserves the right to institute suit for the collection of any amounts due and unpaid, together with interest thereon at the maximum legal rate and reasonable attorney's fees.

E. The District shall charge a customer paying a bill with a check which has been dishonored a fee of \$20.00.

V. DISCONTINUATION OF SERVICE

A. Charge for Reconnection. In the event of any discontinuation of service, whether because of customer's delinquency or upon a customer's request, the District shall charge the following charge per connection prior to reconnecting such customers, which charge shall include reconnection or turn-on of the meter:

- (1) Water System.
 - (a) when meter removed \$110.00
 - (b) when meter not removed \$90.00

- (2) Wastewater System. Two times the cost to the District.

VI. UNAUTHORIZED USE OF WATER, UNAUTHORIZED DEPOSIT OF DEBRIS

Any person, corporation or other entity which takes or uses water without prior authorization of the District or deposits debris, yard waste, garbage or other materials upon the property of the District, including District parks, drainage area, greenbelt and nature trails, violates this Rate Order and shall be subject to a penalty of \$250.00 for each breach of this provision. Each day that a breach of this section continues shall be considered a separate breach. All water use, other than by grants of the District, will be through a meter provided to the user by the District. The District shall not allow use of District water or connection to the District's water system until

all outstanding penalties assessed have been paid. This penalty shall be in addition to the other penalties provided by the laws of the State and to any other legal rights and remedies of the District as may be allowed by law. Board determination of a violation is required in order to levy a penalty and upon such determination, notice in writing shall be delivered to the person, corporation or entity held in violation providing said person the opportunity to appear before the Board and address the imposition of said penalty.

VII. TRANSFER OF SERVICE

In the event service at an address is to be transferred from one customer name to another customer name there shall be assessed the following charge:

Transfer Fee: \$15.00

VIII. FILING OF ORDER

The Secretary of the Board is hereby directed to file a copy of this Order in the principal office of the District.

PASSED AND APPROVED this 10th day of September, 2019



Marvin B. Morgan, President
South Buda WCID No. 1

ATTEST:



Dante Angelini, Secretary
South Buda WCID No. 1

