

ORDER AMENDING ALLOCATION OF WATER RATE REVENUES

(August 14, 2018)

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

WHEREAS, under Section 49.212, Texas Water Code, the Board of Directors (the “Board”) of Lakeside 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, effective April 1, 2018, Manville Water Supply Corporation (“Manville”) increased the wholesale volumetric water rate charged to the District from the sum of \$3.50 to \$4.00 per thousand gallons;

WHEREAS; in order to address this change, the District adopted a certain “Order Amending and Reestablishing Water and Wastewater Service Rates, Charges and Tap Fees, and Adopting General Policies With Respect to the District’s Water, Wastewater and Drainage Systems” on February 13, 2018 (the “Order”), attached hereto as Exhibit 1, whereby the District increased the overall volumetric water rate by \$0.50 per thousand gallons for every rate tier;

WHEREAS, on July 17, 2018, Manville informed the District that it had reinstated its former wholesale volumetric rate of \$3.50 per thousand gallons; and

WHEREAS, in light of such notice from Manville, the District desires to modify the allocation of its retail water rate revenues, without changing the amount of its water rates.

IT IS, THEREFORE, ORDERED BY THE BOARD OF DIRECTORS OF Lakeside Water Control and Improvement District No. 1 as follows:

1. Section III.B.1 of the Order is amended to read as follows:

“B. Water and Sewer Service Rates. The following rates and charges for the sale of water and the collection and disposal of sewage are in effect for residential customers, including multi-family and apartment, and commercial customers within the District, from the effective date of this order.

1. Monthly Water Rates

Monthly Base Charge

<u>Meter Size</u>	<u>Base Charge</u>	<u>Amount due Pflugerville</u>	<u>Amount due District</u>
5/8" simple	\$16.00	\$7.46	\$8.54
3/4" simple	\$16.00	\$7.46	\$8.54
1" simple	\$21.00	\$12.46	\$8.54
1 ½ " simple	\$33.16	\$24.62	\$8.54
2" simple	\$48.30	\$39.76	\$8.54

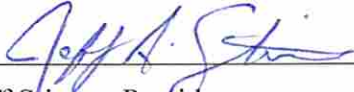
Volume Charge

<u>Usage</u>	<u>Charge</u>	<u>Amount due Manville</u>	<u>Amount due Pflugerville</u>	<u>Amount due District</u>
(0 - 7,000 gallons)	\$4.65 per 1,000 gallons	\$3.50	\$0.45	\$0.70
(7,001 - 14,999 gal.)	\$4.85 per 1,000 gallons	\$3.50	\$0.75	\$0.60
(15,000 + gallons)	\$5.55 per 1,000 gallons	\$3.50	\$1.50	\$0.55”

2. The provisions of this Order will be effective as of the date signed.
3. The Board of Directors authorizes its General Counsel and Bookeeper to take all other actions necessary to implement this provisions of this Order.



PASSED AND APPROVED the 14th day of August, 2018.



Jeff Stivers, President
Board of Directors

ATTEST:



James Laughlin, Secretary
Board of Directors

ORDER AMENDING AND REESTABLISHING WATER AND WASTEWATER SERVICE RATES, CHARGES AND TAP FEES, AND ADOPTING GENERAL POLICIES WITH RESPECT TO THE DISTRICT'S WATER, WASTEWATER AND DRAINAGE SYSTEMS

(February 13, 2018)

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

WHEREAS, under Section 49.212, Texas Water Code, the Board of Directors (the "Board") of Lakeside 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.

IT IS, THEREFORE, ORDERED BY THE BOARD OF DIRECTORS OF Lakeside Water Control and Improvement District No. 1 as follows:

I. General Policies

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

1. "Connection" means 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 operator" means the City of Pflugerville, Texas.
3. "Fee Unit" means 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 will 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 ½ " simple	5
2" simple	8

4. "Rules" means any rules and regulations the District may adopt in accordance with Sections 49.212 and 51.338, Texas Water Code.

5. "Systems" means the District's water, wastewater and drainage systems.

B. All Services Required. Except as otherwise expressly authorized in the Rules, no service will be provided by and through the District's System unless the applicant agrees to take both water and wastewater service.

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

D. Other Utilities. Prior to installing underground cables in the area of District water supply and sanitary sewer collection lines, representatives of utility companies must meet with the District's operator to file the 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 wishing to install water and wastewater facilities to be connected to the District's utility system or drainage facilities must obtain the District's approval of the plans, upon recommendation of the District's Engineer, prior to construction. Prior to the District's Engineer's review of the plans, the person requesting review must make a deposit of \$500.00 with the District Engineer. The cost of review of the plans will be on a time and materials basis. Should the estimated cost of the review exceed \$500.00, the District's Engineer and the person requesting review must present the request for review of the plans to the Board of Directors for a determination of an adequate deposit.

II. Connections to the District's Systems.

A. Applications for Connections.

1. Any party wishing to make a connection to the District's Systems must first make an application to the District's operator. All applications for service must be made in accordance with the rules, regulations, and ordinances promulgated by the District's operator.

B. Payment of Fees.

Any party wishing to make a connection to the District's water and wastewater system must pay the appropriate tap fees, administrative fees, and capacity fees. Tap fees and administrative fees must be paid to the District in care of the District's operator at the time the application for connection is made. Developers must pay capacity fees directly to the District's wholesale suppliers. No connection will be made until the appropriate fees are paid.

C. Schedule of Connection Fees.

1. Capacity Fee. A developer of land within the District must pay capacity fees directly to the District's wholesale service providers in the amounts required by the District's wholesale service agreements. The current capacity fee charges for standard residential meters are as follows:

<u>Service</u>	<u>Wholesale Supplier</u>	<u>Capacity Fee</u>
Water	Manville Water Supply Corp.	\$2,800.00
Wastewater	City of Pflugerville	\$1,362.00

2. The District's administrative and tap fees for water connections are as follows:

<u>Meter Size</u>	<u>District Administrative Fee</u>	<u>Tap Fee</u>
All meters	\$300.00	\$50.00

The water tap fee includes the first inspection.

3. The District's administrative and tap fees for sanitary sewer are as follows:

<u>Service</u>	<u>District Administrative Fee</u>	<u>Tap Fee</u>
Residential	\$400.00	\$50.00
Commercial	\$1000.00	\$100.00

The sanitary sewer tap fee includes the first inspection.

If more than one (1) inspection is required before a tap is approved by the District's operator, the fee for each additional inspection will be \$50.00.

D. Security Deposit. Each customer must pay the security deposit set forth in this section, or replenish the deposit if the District draws upon it, when the customer initially applies for the service or when the customer applies to reinstate service that has been disconnected for nonpayment of a bill. The amount of the security deposit is as follows:

<u>Meter Size</u>	<u>Security Deposit</u>
all sizes	\$75.00

Security deposits are not transferable to another party and will be held by the District, or the District's representative, or agent, or operator to assure the prompt payment of all bills for water and wastewater services to the customer. The customer's deposit will be returned in full if the customer's account has not been delinquent for 12 consecutive months. However, the District may require the customer to replace the security deposit if the customer makes late payments for two or more consecutive months. If the District or its operator still holds a customer's deposit at the time the customer closes the account, the deposit will be returned, less any outstanding balance, within 30 days from the date the customer's account is closed or transferred to another person. In no event will the security deposit bear interest for the benefit of the customer.

E. Additional Charges. Any non-routine charges incurred by the District in connection with any tap or inspection will be the responsibility of the applicant for the connection and will be payable to the District upon demand. This includes charges incurred by the District under any agreement with the District's operator.

III. Water and Wastewater Service

A. Application for Service. Any party wishing to receive service from the District's water or wastewater systems must make an application for service to the District's operator on the form used by the City of Pflugerville. All applications must be made by the record owner or renter of the property for which service is being requested. Proof of residency must be furnished to the District's operator upon request.

B. Water and Sewer Service Rates. The following rates and charges for the sale of water and the collection and disposal of sewage are in effect for residential customers, including multi-family and apartment, and commercial customers within the District, from the effective date of this order.

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Volume Charge

<u>Usage</u>	<u>Charge</u>	<u>Amount due Manville</u>	<u>Amount due Pflugerville</u>	<u>Amount due District</u>
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(7,001 - 14,999 gal.)	\$4.85 per 1,000 gallons	\$4.00	\$0.75	\$0.10
(15,000 + gallons)	\$5.55 per 1,000 gallons	\$4.00	\$1.50	\$0.05

2. Monthly Wastewater Rates Per Connection

Base Rate

\$40.00 per Fee Unit

3. Fire Hydrant Meter Fees

Sale of water on a temporary basis from fire hydrants within the District may be requested from the District's operator. A contractor that desires to obtain water for use during construction must request the developer to arrange for access to a hydrant. The developer must send a letter to the District's operator requesting that a meter be set at a particular hydrant. The developer will be billed for the initial set up fee and on a monthly basis for usage thereafter. The final bill will contain a \$50.00 take down fee for the meter plus the monthly usage charge. A security deposit must be paid to the District's operator at the time application is made for a fire hydrant meter in the amount of \$500.00. The security deposit will be refunded to the applicant at the time the meter is returned in good working order less any amounts necessary to compensate for damage to the meter. The developer is responsible for payment of all amounts due for temporary water service. While the developer may or may not seek reimbursement from contractors, the developer will nevertheless be obligated to pay for water taken from a meter set at the developer's request.

4. The District will charge each customer any regulatory assessment required by the Texas Commission on Environmental Quality or the Public Utility Commission of Texas.

C. Special Charges. The District will charge each of the following charges for service calls and delinquent bills:

1. Connect initial utility service (not including tap or capacity fees) –
No Charge.
2. Move existing customer's service from one location to another within the District - \$25.00.

3. Disconnect service for nonpayment of bill - \$25.00.
4. Reinstate service that was disconnected - \$25.00.

IV. Delinquent Accounts.

A. The District will bill each customer monthly for all services rendered in the preceding month. All bills are due on the due date specified on the bills and will become delinquent if not paid as provided on the bills. The District's operator will turn all overdue accounts over to a collection agency for appropriate action.

B. A late charge of ten percent of the amount of the bill will be added for each monthly billing date the delinquent amount, including a delinquent stand-by fee, remains unpaid. If a bill remains delinquent for 30 days, water service will be discontinued in accordance with this paragraph. Prior to termination, the customer will be notified of the amount due by letter sent by United States Mail, First Class. A delinquent bill renders the entire account delinquent and the entire account must be paid in full in order to avoid interruption of service.

C. Water service will 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 will receive a notice of termination by the District's operator's placing the notice at the customer's service address three days prior to termination. Payment by a customer who has presented a dishonored check must 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 further reserves the right to charge a customer paying a bill with a check that is dishonored an amount established from time to time by the District's Operator, which amount will be based on the prevailing or usual charges made for dishonored checks and drafts by other vendors in the same general area as the District.

V. Unauthorized Use of Water.

Any person, corporation, or other entity that takes or uses water without prior authorization of the District violates this Rate Order and will be subject to a penalty of \$200.00 for each breach of this provision. Each day that a breach of this section continues will 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 will not allow use of District water or connection to the District's water system until all outstanding penalties assessed have been paid. This penalty will 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 may have by law. Board determination of a violation is required in order to levy a penalty, and upon such a determination, notice in writing

will be delivered to the person, corporation, or other entity held in violation providing the person or entity the opportunity to appear before the Board to address the imposition of a penalty.

VI. Adoption of City of Pflugerville, Texas Rules, Regulations and Ordinances.

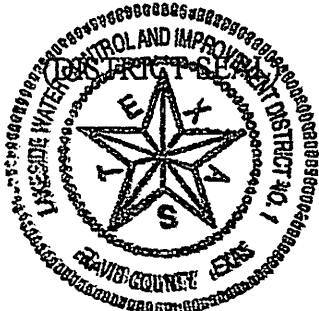
The District adopts, by reference, the rules, regulations, and ordinances concerning water and wastewater service promulgated by the City of Pflugerville, Texas, except to the extent those rules, regulations, and ordinances are inconsistent with this Rate Order.

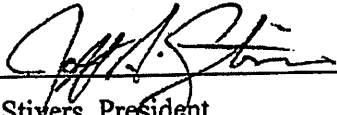
VII. Effective Date and Filing of Order.

The provisions of this Order will be effective as of April 1, 2018.

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


PASSED AND APPROVED the 13th day of February, 2018.





Jeff Stivers, President
Board of Directors

ATTEST:



James Laughlin, Secretary
Board of Directors