

**AMENDED AND RESTATED ORDER ESTABLISHING WATER AND  
WASTEWATER SERVICE RATES, CHARGES AND TAP FEES, AND ADOPTING  
GENERAL POLICIES WITH RESPECT TO THE DISTRICT'S WATER,  
WASTEWATER AND DRAINAGE SYSTEMS**

(May 20, 2020)

THE STATE OF TEXAS       §  
  §  
COUNTIES OF TRAVIS       §  
  §  
AND WILLIAMSON           §

**WHEREAS**, pursuant to §49.212, Texas Water Code, the Board of Directors (the "*Board*") of North Austin Municipal Utility 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 THE DISTRICT 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.

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. "Rules" shall mean and refer to such rules and regulations as the District may adopt pursuant to §54.205, Texas Water Code, and generally contained in the District's current Rules Governing Water and Wastewater Services.

5. "Systems" shall mean and refer to the District's water, wastewater and drainage systems.

**B. All Services Required.** Except as otherwise expressly authorized in the Rules, no service shall be provided by and through the District's Systems unless the applicant agrees to take water, wastewater and solid waste services ("Services"). Commercial customers shall not be provided solid waste services.

**C. All Services Charged.** At no time shall the District render water, sewer or solid waste 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 shall meet with the District's representative 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 shall obtain the approval of such plans by the District, upon recommendation of the District engineer, prior to construction. Prior to the District engineer's review of the plans, the person requesting review shall make a deposit in accordance with Section II.F. below. The cost of review of the plans shall be on a time and materials basis.

**F. Park Fees.** In the event a developer requests a change in land use from the prior approved District land plan and such requested land use change includes residential uses, the developer shall pay park fees to the District prior to connection to the water and/or wastewater system. Said park fees shall be assessed in the amount equal to \$25.00 per month for 48 months for each living unit equivalent. The fee shall be paid prior to connection to the Services being provided to any structure within the development. The fee may be reduced and refunded by 50% if the developer constructs and completes a swimming pool and other substantial recreational facilities which have been approved in advance by the Board and located within the development.

## **II. Connections to the District's Systems.**

### **A. Applications for Connections.**

1. Any party desiring to make a connection to the District's Systems shall first make an application to the District's representative in the form approved by the Board. 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 the procedures and methods to be followed in laying the line and making the connection are equal to or better than the standards established by the Uniform Plumbing Code, and the water and wastewater standard service details promulgated by the City of Austin Water and Wastewater Department, 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.

3. All private lift stations required for wastewater service to an individual customer shall be installed by the customer's plumber at the customer's expense. The District's engineer shall approve the plans for any such lift station prior to the time construction is initiated, and the customer who will be served by the lift station shall enter into an agreement (a "New Lift Station Agreement") with the District prior to initiation of utility service that sets forth applicable inspection and maintenance requirements, includes the customer's agreement to pay all costs associated with the inspection, operation, maintenance, repair, or replacement of the lift station, and provides for continuing access to such lift station by the District's representative. The customer who is served by a private lift station that has already been installed as of the date of this Order is required to enter into an agreement (an "Installed Lift Station Agreement") with the District within sixty (60) days after the date of this Order, which Installed Lift Station Agreement will set forth applicable inspection and maintenance requirements, include the customer's agreement to pay all costs associated with the inspection, operation, maintenance, repair, or replacement of the lift station, and provide for continuing access to such lift station by the District's representative. The District's representative is authorized to approve and execute all New Lift Station Agreements and Installed Lift Station Agreements (the "Agreements"). All private lift stations are required to be maintained by a licensed operator, and the name and contact information of such operator shall be provided to the District's representative prior to initiation of utility service or continuation of use of utility service.

4. An applicant shall schedule any new wastewater utility connections by notifying the District and paying all required District fees a minimum of 15 business days before the date the connection is desired to be made. Installation of private lift stations shall be scheduled through the District's representative a minimum of 15 business days in advance of the date the installation is required.

### **B. Payment of Fees.**

Any party desiring to make a connection to the District's water and wastewater system shall pay the appropriate water tap fee and/or sewer 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.

**C. 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"	\$400.00
3/4"	\$425.00
1"	\$650.00
1-1/2" 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.

2. The District's sanitary sewer tap fees shall be as follows:

Residential	\$400.00
Commercial	\$1,000.00

Sewer tap installation involving excavation shall be performed by the District at cost plus 25% in addition to the above sewer 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 \$25.00.

The owner of a water or sewer 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
Sewer Tap Transfer	\$25.00

3. Expiration of Taps. Reservation of capacity through the pre-purchase of water and wastewater taps shall expire eighteen (18) months after date of purchase of said tap.

4. Plumbing inspections of new residential and commercial construction shall be conducted by the District in accordance with Article 6243-101, §§ 2(5) and 5(B) of the Texas Civil Statutes, as amended in 2001. The District shall conduct a series of five inspections (rough-in, service lines, copper, top out and final). The fee for single family residences shall be \$300 for the five inspections. Such fee shall be due at the time the water and wastewater tap fees are paid. In the event of a failure, an additional charge of \$55 per additional inspection shall be charged. Irrigation system inspections shall be \$50 per inspection. The District's fee for inspection of any private lift station required for wastewater service to an individual customer shall be \$300 for the initial inspection and \$300 for each re-inspection or subsequent periodic inspection. The District's inspection fee for commercial structures, including apartment complexes, shall be determined by the District's representative based upon the size and scope of such project. In the event the property is not accessible when a plumbing inspection appointment has been scheduled, such inspection shall be deemed a failure.

**D. Security Deposits.** 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>Homeowner Security Deposit</u>	<u>Renter Security Deposit</u>
5/8"	\$150.00	\$200.00
3/4"	\$150.00	\$200.00
1"	\$150.00	\$200.00
1-1/2"	\$250.00	\$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 and wastewater services to the customer. Following twenty-four (24) consecutive months of prompt payment, when due, of the District's utility bills, a customer who owns and occupies a residence within the District and has no delinquent ad valorem taxes owed to the District on the property shall, upon written request to the District's representative, be entitled to a refund of its security deposit; provided however, that the District may require the customer to replace the security deposit in the event the customer thereafter makes late payments for two (2) or more months within a twelve (12) month period or in the event service is terminated due to delinquent fees not being received prior to the termination date set forth in the notice for termination. A single family residential customer whose service is disconnected due to non-payment, violation of the Rules, or any other reason other than the customer's request shall be required to deposit an additional security deposit of \$100 for each disconnection, up to a maximum deposit of \$600 for homeowners and \$600 for renters. A customer who is required to replace a deposit shall be subject to the requirements of this Order. 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 § I3 above or \$10,000.00 which ever is less.

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.

**E. 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.

**F. District Approvals: Escrow for Expenses.** Applicants for service commitments, out-of-district service, construction plan review and/or inspection, subdivision plan review and/or inspection, and of all other types of District approvals, including utility construction agreements or other types of development agreements, are responsible for the payment of all legal, engineering, and management fees incurred by the District in reviewing their application and negotiating or preparing any related approvals or agreements. The applicant shall deposit \$20,000 with the District prior to any review or processing work being

initiated and maintain a minimum deposit of \$10,000 at all times; provided, however, that upon request by an applicant the Board may require a lesser deposit amount, in which case not less than 50% of such lesser deposit amount shall be maintained on deposit at all times. All consultant fees associated with the application incurred by the District shall be charged against the deposit. Upon completion of the review process, the applicant shall pay any fees incurred by the District in excess of the deposit, if any. Any excess deposit remaining after payment of all fees shall be returned to the applicant. No service commitment or plan approval shall be issued or agreement shall be effective by the District until all fees are paid.

**G. Transfers 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, sewer tap and/or inspection shall be the responsibility of the applicant for such connection and shall be payable to the District upon demand.

### **III. Water, Wastewater and Solid Waste Services.**

**A. Applications for Services.** Any party desiring to receive Services from the District shall make an application for such service to the District's representative in the form approved by the Board. 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. Application fee is set at \$30.00.

**B. Water, Sewer and Solid Waste Service Rates.** The following rates and charges for the sale of water, the collection and disposal of sewage, and the collection and disposal of solid waste shall be in effect for customers within the District from the effective date of this Order.

1. **General Provisions.**

a. Bills for sewer service shall be computed: (i) on the basis of the average amount of water used by the customer during the winter season based upon the average of the monthly readings of the customer's water meter for the preceding December, January, and February; or (ii) on the basis of the customer's current monthly water bill, whichever is less.

b. If a residential customer does not have an acceptable history of water usage during the preceding December, January, and February the customer's monthly sewer bill shall be calculated based upon; (i) the customer's current monthly water usage; or (ii) on the basis of 8,000 gallons water usage per month, whichever is less.

c. If a nonresidential customer does not have an acceptable history of water usage during the preceding December, January, and February, the customer's monthly sewer bill shall; (i) be calculated based upon the customer's current monthly water usage; or (ii) be calculated by measuring actual sewage volume, on a basis acceptable to the District, at the expense of the customer, and correlating such volume to the schedule set forth below.

d. Anything herein to the contrary notwithstanding, no charge for wastewater service shall be made based on water used as a result of a Special Connection authorized pursuant to the Rules.

e. A customer may elect to have his bill paid by Visa or Mastercard credit card. The District's representative shall provide the necessary applications for the customer's authorization to pay his bill by credit card. At any time should the credit card company refuse payment, the customer shall be notified in writing to make payment directly to the District.

2. Monthly Water, Wastewater and Solid Waste Collection Rates

In-District Residential:

Usage Charge per Fee Unit (includes once a week solid waste collection, 1,000 gallons of water service and 1,000 gallons of wastewater service)	\$35.00
Water Gallonage Charge	\$4.65 per 1,000 gallons over the first 1,000 gallons
Wastewater Gallonage Charge	\$6.40 per 1,000 gallons over the first 1,000 gallons

In-District Commercial:

Water Usage Charge per Fee Unit (includes 1,000 gallons)	\$16.00
Water Gallonage Charge	\$6.75 per 1,000 gallons over the first 1,000 gallons
Wastewater Usage Charge per Connection	\$16.00
Wastewater Gallonage Charge	\$8.50 per 1,000 gallons over

the first 1,000 gallons

3. All costs of installation, repair, maintenance and/or replacement of a private lift station and appurtenant facilities required for service to such lift station shall be charged to the owner of such lift station and shall be due and payable on demand.

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 \$100.00 per month or any part of a month plus the per 1,000 gallon usage rate for commercial as stated above. A customer using a fire hydrant meter during the wastewater averaging months shall pay the winter average so established so long as the customer uses said fire hydrant meter. Customers using a fire hydrant meter during non-winter averaging months shall pay for 8,000 gallons of wastewater at the per 1,000 gallonage rate for wastewater. 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 \$750.00. 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. Regulatory Assessment. The District shall charge each customer any regulatory assessment required by the Texas Commission on Environmental Quality.

6. Industrial Waste Annual Permit Fees. Each wastewater customer required by the Rules to apply for and obtain a wastewater discharge permit shall pay an annual permit fee in the amount of \$150.00.

7. Industrial Waste Surcharge Fees. Each wastewater customer required by the Rules to apply for and obtain a wastewater discharge permit prior to discharging waste into the wastewater system shall pay a monthly fee for testing, compliance and use of the wastewater system in the same amount charged to the District by the City of Austin for such customer's wastewater discharge, plus 15%.

#### **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 Austin Utility Service Regulations. 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. If the due date falls on a weekend or holiday, payment shall be due the following business day. For accounting purposes only, and with 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. The District's representative shall turn all overdue accounts over to a collection agency for appropriate action.

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 shall be in the form of cash, cashier's check, or money order only. No personal checks shall be accepted. A delinquent bill renders the entire account delinquent and the entire account shall 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. 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 shall 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) day notice of such termination by the District's representative's 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 shall 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 attorneys' fees.

E. The District further reserves the right to charge a customer paying a bill with a check which is dishonored an amount established from time to time by the District's representative, which amount shall 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. Discontinuation of Service.**

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:

1. Water System.

(a)	when meter removed	\$100.00
(b)	when meter not removed	\$ 45.00
(c)	for weekend or after hours reconnection in addition to 1(a) or 1(b) above	\$ 45.00
  
2. Wastewater System. Two times the cost to the District.

Such reconnect fee shall be paid in the event payment of the delinquent amounts are not received prior to the termination date set forth in the notice for termination, regardless of whether or not service has been physically terminated.

**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 Order and shall be subject to a penalty of \$1,000.00 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, shall 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. Unauthorized Connection of Private Lift Station, Unauthorized Deposit of Debris.**

Any person, corporation or other entity which installs a private lift station without prior authorization of the District, operates an unauthorized private lift station or deposits sewage, debris, yard waste, garbage or other unsanitary materials upon any property located within the boundaries of the District, including District parks, drainage area, greenbelt and nature trails, violates this Order and shall be subject to a penalty of \$1,000.00 for each breach of this provision. Each day that a breach of this section continues shall be considered a separate breach. The District shall not allow connection to the District's wastewater 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.

**VIII. 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: \$5.00

**IX.** The attorney for the District is hereby directed to file a copy of this Order (i) with the Texas Commission on Environmental Quality and (ii) in the principal office of the District and to publish a substantive statement of the rules contained in this Order and the penalties for their violation as required by Section 54.207 of the Texas Water Code.

*[Signature page follows.]*

PASSED AND APPROVED this 20<sup>th</sup> day of May, 2020.

(SEAL)



**NORTH AUSTIN MUNICIPAL  
UTILITY DISTRICT NO. 1**

A handwritten signature in blue ink, appearing to read "Donald G. Conklin", written over a horizontal line.

Donald G. Conklin, President  
Board of Directors

ATTEST:

A handwritten signature in black ink, appearing to read "Diana Christiano", written over a horizontal line.

Diana Christiano, Secretary  
Board of Directors