

Tariff for

Dripping Springs

Water Supply Corporation

(DSWSC)

Adopted February 13, 1990

Amended and Approved May 22, 2023

Amended and Approved February 19, 2024

Amended and Approved May 19, 2025

Amended and Approved January 19, 2026



Dripping Springs Water Supply Corporation

101 Hays Street, Suite 416

Dripping Springs, Texas 78620

Telephone: (512) 858-7897

www.drippingspringswater.com



Board of Directors:

Charles P.B. "Charlie" Busbey	President
W. Travis Crow	Vice President
G. Rex Miller	Secretary-Treasurer
Mark A. Key	Director
Brett R. Pasquarella	Director

Management:

Rick Broun	General Manager
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Regulatory Information:

Certificate of Convenience and Necessity	No. 10315
Public Water System	No. 1050013

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SECTION A. BOARD RESOLUTIONS

WHEREAS, the Board of Directors of the Dripping Springs Water Supply Corporation (“Corporation”) has determined that is in the best interests of the Corporation and its Members to replace Corporation’s current Tariff, as amended and approved on May 19, 2025, with this amended and restated Tariff.

NOW THEREFORE LET IT BE:

RESOLVED, that this Tariff of the Dripping Springs Water Supply Corporation is adopted and enacted as the Corporation’s current regulations and policies effective as of January 19, 2026.

RESOLVED, that only those preexisting written contracts or agreements executed by the present or previous Board of Directors shall remain in effect unless the contract or agreement requires compliance with changes of the tariff from time to time.

RESOLVED, that the revision of this tariff does not prohibit or limit the Corporation from enforcing previous penalties or assessments from before the current effective date.

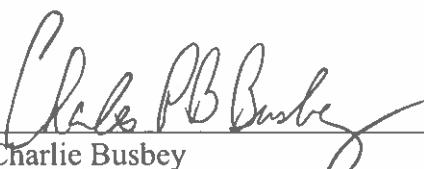
RESOLVED, that an official copy of this Tariff will be available during the Corporation’s regular business hours, and a copy may be viewed on the Corporation’s website. The Corporation’s Secretary-Treasurer will maintain the original copy as approved and all previous copies for exhibit.

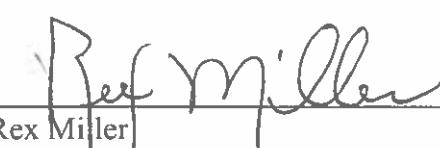
RESOLVED, that the Corporation will file a copy of this Tariff with the Public Utility Commission of Texas for informational purposes in accordance with Texas Water Code § 13.136(c).

RESOLVED, that the rules and regulations of state or federal agencies having jurisdiction will supersede any terms of this policy. If any section, paragraph, sentence, clause, phrase, or word of this policy is declared unconstitutional or invalid for any purpose, the remainder of this policy will not be affected.

RESOLVED, that this tariff has been revised in compliance with the Texas Open Meetings Act. (Tex. Gov’t Code §§ 551.001–146.)

PASSED and APPROVED on January 19, 2026.


Charlie Busbey
President, Dripping Springs Water Supply Corporation


Rex Miller
Secretary-Treasurer, Dripping Springs Water Supply Corporation



SECTION B. STATEMENTS

1. **Organization.** The Dripping Springs Water Supply Corporation (“Corporation” or “WSC”) is a member-owned, nonprofit corporation incorporated pursuant to the [Texas Water Code Chapter 67](#), and the provisions of the Texas Business Organizations Code applicable to member-owned, member-controlled nonprofit corporations for the purpose of furnishing potable water. Corporation operating policies, rates, and regulations are adopted by the Board of Directors elected by the Members of the Corporation.
2. **Non-Discrimination Policy.** Membership in the Corporation and service is provided to all Applicants who comply with the provisions of this Tariff regardless of race, creed, color, national origin, sex, disability, or marital status.
3. **Policy and Rule Application.** These policies, rules, and regulations apply to the water services provided by the Corporation. Failure on the part of the Member, Customer, or Applicant to observe these policies, rules, and regulations gives the Corporation the authority to deny or discontinue service according to the terms of this Tariff as amended from time to time by the Board of Directors of the Corporation.
4. **Corporation Bylaws.** The Corporation Members have adopted bylaws which establish the make-up of the Board of Directors and other important regulations of the Corporation. The bylaws are on file at the Corporation’s office.
5. **Fire Protection Responsibility.** The Corporation does not provide nor imply that fire protection is available throughout the distribution system, except where expressly required by municipal ordinance or agreed to by WSC. All hydrants or flush valves are for the operation and maintenance of the system and may be used by authorized fire departments in accordance with a contract with the Corporation to supply water for use in fire suppression. The Corporation reserves the right to remove any hydrant, due to improper use or detriment to the system as determined by the Corporation, at any time without notice, refund, or compensation to the contributors unless such hydrants are installed pursuant to the terms of a Nonstandard Service Contract as provided for in [§ F](#), in which event the terms and conditions of the Contract shall apply.
6. **Damage Liability.** The Corporation is not liable for damages caused by service interruptions, events beyond its control, and for normal system failures. The limits of liability of the Corporation is the extent of the cost of service provided. By acceptance of Membership, the Member consents to waiver of such liability.
7. **Information Disclosure.** The records of the Corporation shall be kept in the Corporation office in Dripping Springs, Texas. All information collected, assembled, or maintained by or for the Corporation shall be disclosed to the public in accordance with the Texas Public Information Act. **In no event and under no circumstances shall the Corporation disclose the Social Security Number of any Member or customer to any person other than an employee of the Corporation.** An individual customer may request in writing that their address, telephone number, and account records be kept confidential. Such

confidentiality does not prohibit the utility from disclosing this information to an official or employee of the state or a political subdivision of the state acting in an official capacity or an employee of the Corporation acting in connection with the employee's duties. Further, such confidentiality does not prohibit the Corporation from disclosing the name and address of each member entitled to vote on a list to be made available to the Corporation's voting members, or their agents or attorneys, in connection with a meeting of the Corporation's members. The Corporation shall give its applicants and customers notice of rights to confidentiality under this policy and all prevailing associated fees for such request.

8. **Customer Notice Provisions.** The Corporation shall give notice of rate changes to all members prior to the effective date of the new rate. Such notice shall be provided by one or more of the following methods: text message communications, email communications, posting notice on the Corporation's website, and/or posting in a conspicuous place within the Corporation's main office. The notice shall contain the old rates, new rates, effective date of the new rate, date of Board authorization, and the name and phone number of the Corporation's contact person designated to address inquiries about the rate change.
9. **Grievance Procedures.** Any Member of the Corporation or individual demonstrating an interest under the policies of this Tariff in becoming a Member of the Corporation shall have an opportunity to voice concerns or grievances to the Corporation by the following means and procedures:
 - By presentation of concerns to the Corporation's manager or authorized staff member. If not resolved to the satisfaction of the aggrieved party then,
 - By presenting a letter to the Board of Directors stating the individual's grievance or concern and the desired result.
 - The Board of Directors shall respond to the complaint by communicating the Board's decision in writing.
 - Any charges or fees contested as a part of the complaint in review by the Corporation under this policy shall be suspended until a satisfactory review and final decision has been made by the Board of Directors.
10. **Customer Service Inspections.** The Corporation requires that a customer service inspection certification be completed prior to providing continuous water service to new construction and for all new members as part of the activation of standard and some nonstandard service. Customer service inspections are also required on any existing service when the Corporation has reason to believe that cross-connections or other potential contaminant hazards exist, or after any material improvement, correction, or addition to the members' water distribution facilities. This inspection is limited to the identification and prevention of cross connections, potential contaminant hazards, and illegal lead materials. ([30 Tex. Admin. Code § 290.46\(j\) \(TAC.\)](#)) (See Tariff [§ G.5.](#))
11. **Submetering Responsibility.** Submetering and Non-Submetering by Master Metered Accounts may be allowed in the Corporation's water distribution system provided the Master Metered Account customer complies with the PUC's submetering rules. ([16 TAC](#)

§§ 24.275–287.) The Corporation has no jurisdiction or responsibility to the tenants; tenants receiving water under a Master Metered Account are not considered customers of the Corporation. Any interruption or impairment of water service to the tenants is the responsibility of the Master Metered Account Customer. Any complaints regarding submetering should be directed to the PUC to:

- See if they have registered with the PUC. ([Tex. Water Code §§ 13.501–506.](#))
- See that they do not charge their tenants more than the total amount of charges billed. If the aggregate bill is greater than the Corporation's charge, the Master Metered Account Customer is considered by the PUC to be a separate Public Water System and will be required to comply with all PUC regulations.
- Protect the System's CCN. Should the Master Metered Account Customer continue to violate these or other State regulations, the Corporation will need to request a Cease and Desist Order from the PUC. ([Tex. Water Code § 13.252; 16 TAC § 24.255.](#))

12. **Prohibition Against Resell of Water.** The meter is for the sole use of the Member or customer and is to provide service to only 1 dwelling or 1 business. Extension of pipe(s) to share or resell water to any other persons, dwellings, businesses, or property is prohibited.

SECTION C. DEFINITIONS

Abandoned Service. Customers who fail to submit full payment at the 60-day mark shall receive a disconnect notice. Customers who fail to submit full payment at the 90-day mark shall have their monthly account fees modified to reservation fees. Customers who fail to submit payment in full at the 180-day mark, their account shall now be declared as abandoned service and subject to the following account modifications:

- Monthly fees will stop accumulating;
- Existing meter may be pulled; and
- Angle stop may be locked.

Prior to reestablishing service once abandoned service has been declared, all reconnection fees shall be paid in full by the responsible party and include but are not limited to new meter installation, and customer service inspection fees.

Applicant – A person, partnership, cooperative corporation, corporation, agency, public or private organization of any type applying for service with the Dripping Springs Water Supply Corporation. A person must have reached age of majority (18) in Texas to apply for service. ([Tex. Civ. Prac. & Rem. Code § 129.001](#).)

Base Rate – The monthly charge assessed each Member/Customer for the opportunity of receiving service. The Base Rate is a fixed rate based upon the meter size as set forth in the equivalency chart in [§ G](#).

Board of Directors – The governing body elected by the Members of the Dripping Springs Water Supply Corporation that is vested with the management of the affairs of the Corporation. ([Tex. Bus. Orgs. Code § 22.001\(1\)](#).)

Bylaws – The rules pertaining to the governing of the Dripping Springs Water Supply Corporation adopted by the Corporation Members. ([Tex. Bus. Orgs. Code § 22.001\(2\)](#).)

Certificate of Convenience and Necessity (“CCN”) – The authorization granted under [Chapter 13 Subchapter G of the Texas Water Code](#) for Dripping Springs Water Supply Corporation to provide water within a defined territory. Dripping Springs Water Supply Corporation has been issued Certificate Number 10315. Territory defined in the CCN shall be the Certificated Service Area. (See Tariff [§ D](#).)

Corporation – The Dripping Springs Water Supply Corporation. (See Tariff [§ B.1](#).)

Developer – Any person, partnership, cooperative corporation, corporation, agency, or public or private organization who subdivides land or requests more than 2 water or sewer service connections on a single contiguous tract of land. ([Tex. Water Code § 13.2502\(e\)\(1\)](#).)

Disconnection of Service – The discontinuance of water by the Corporation to a Member/Customer.

Easement – A private perpetual dedicated right-of-way for the installation of water and necessary facilities which allows access to property for future operation, maintenance, facility replacement, facility upgrades, and/or installation of additional pipelines (if applicable) for both service to an Applicant and system-wide service. This may also include restrictions on the adjacent area to limit the installation of other facilities that would restrict the use of any area of the easement. (See Sample Application Packet, [Form-RUS-TX 442-8](#) (Rev. 6-06) or [Form RUS-TX 442-9](#) (Rev. 6-06).) The easement will be filed in the real property records of the appropriate county or counties.

Equity Buy-In Fee – Each Applicant for new service where a new service tap is necessary shall be required to achieve parity with the contributions to the construction or acquisition of the Corporations assets related to capacity that have been made previously by existing Members. This fee shall be calculated annually after receipt of the system audit and assessed prior to providing (or reserving service for nonstandard service applicants) on a per service unit basis for each property and shall be assigned and restricted to that property for which the service was originally requested. (Tariff [§ G.8.](#))

Final Plat – A complete plan for the subdivision of a tract of land showing or referencing Local Tax Appraisal Maps, access to public road(s), number and size of lots, location of dedicated water easements, and location(s) of lakes, streams, or rivers through the property. The Dripping Springs Water Supply Corporation shall determine if a plat submitted for the purpose of this Tariff shall qualify as a final plat. For purposes of evaluating Subdivision service requests under [§ F](#), the Corporation may accept preliminary plats or plats awaiting final approval pending execution of agreement for service by the Corporation.

Hazardous Condition – A condition that jeopardizes the health and welfare of the Members/Customers of the Corporation as determined by the Corporation or regulatory authority.

Indication of Interest Fee – A fee paid by a potential Member of the Corporation for the purpose of determining the feasibility of a construction and /or expansion project. The Indication of Interest Fee may be converted to a Membership Fee upon determination that service to the Applicant is feasible and available. This also applies to applicants applying for, or receiving, Temporary Service. (See Tariff [§ E](#); Sample Application Packet, [USDA RUS-TX Bulletin 1780-9](#) (Rev. 05/17).)

Installation Fee – A fee charged for all costs necessary for installation of the type of service requested. (See Tariff [§ G.](#))

Liquidated Membership – A Membership that has been canceled due to delinquent charges or for other reasons as specified in this Tariff. (See Tariff [§ E.19.5.](#))

Member – Any person, partnership, cooperative corporation, corporation, agency, or public or private organization who holds a membership in the Corporation and who is a record owner of fee simple title to the property in an area served by the water supply or a person who is granted a membership and who either currently receives or will be eligible to receive water from the corporation. An applicant must be qualified for service and must have been certified as a member in

accordance with the Corporation's Tariff before service will be activated. ([Tex. Water Code §§ 13.002\(11\), 67.016\(d\)](#).)

Membership – A non-interest-bearing stock or right of participation purchased from the Corporation evidencing a Member's interest in the Corporation. (See Tariff [§ E.19](#); [Tex. Bus. Orgs. Code § 22.151\(c\)](#).)

Membership Fee – A fee qualified as such under the terms of the tariff and the bylaws of the Corporation assigned to the real estate designated to receive service. The membership fee shall be refundable upon termination of service and surrendering the Membership. The membership fee cannot be more than 12 times the minimum monthly base rate.

Meter Test Fee – A fee assessed by the Corporation upon written request of the Member for testing the accuracy of the meter.

Public Utility Commission of Texas (“PUC”) – State regulatory agency having jurisdiction over water and sewer service utilities and appellate jurisdiction over the rates and fees charged by Non-profit Water and Sewer Service Corporations.

Proof of Ownership – For the purpose of this tariff, applicants for service and membership shall provide proof of ownership of the real estate to be served by deed of trust, warranty deed, or other recorded documentation. (See [Tex. Prop. Code §§ 12.001, .0011](#).)

Rural Utilities Service (“RUS”) – An agency of the United States Department of Agriculture Rural Development Mission Area that provides loan and grant funds for development of rural water and sewer systems serving communities with a population of less than 10,000 people. (See Sample Application Packet, [Form RUS-TX 442-8](#) (Rev. 6-06), [Form RUS-TX 442-9](#) (Rev. 6-06).)

Renter – A customer who rents or leases property from a Member or who may otherwise be termed a tenant. (See Tariff [§ E.18](#).)

Re-Service – Providing service to an Applicant at a location for which service previously existed and where there is an existing setting for a meter. Costs of such re-servicing shall be based on justifiable expenses in connection with such re-servicing. (See Tariff [§ E.1.2](#).)

Service Application and Agreement – A written agreement between the Member/Applicant and the Corporation defining the specific type of service requirements requested on the current service application and agreement form, and the responsibilities of each party required before service is furnished. (See Sample Application Packet [RUS-TX Bulletin 1780-9](#) (Rev. 05/17) or Nonstandard Service Contract.)

Service Investigation Fee – A fee for costs associated with determining if service is available and determining cost of service.

Service Trip Fee – A fee charged for any service call or trip to the Member's tap as a result of a request by the Member or tenant for response to damage of the Corporation's or another Member's

facilities; for customer service inspections due to suspicion of meter tampering, bypass or diversion of service; or for the purpose of disconnecting or collecting payment for services.

Service Unit – The base unit of service used in facilities design and rate making. For the purpose of this Tariff, a service unit is a $5/8" \times 3/4"$ water meter. Rates are based on the basis of population served or demand. (See Tariff §§ [G.8](#), [G.15](#).)

Subdivide – To divide the surface area of land into lots or tracts intended primarily for residential use. ([Tex. Loc. Gov't Code § 232.021\(11\)](#).)

Subdivider or Person who Subdivides Land – An individual, firm, corporation, or other legal entity that owns any interest in land and that directly or indirectly subdivides land into lots as a part of a common promotional plan in the ordinary course of business. (See [Tex. Loc. Gov't Code §§ 212.012\(i\)\(2\)](#), [232.021\(12\)](#); Tariff § [F.2](#).)

Subdivision – An area of land that has been subdivided into lots or tracts. ([Tex. Loc. Gov't Code § 232.021\(13\)](#).)

Tap fee – all current labor and materials necessary to provide individual metered water or wastewater service.

Tariff – The operating policies, service rules, service extension policy, service rates, water use restriction policies, sample application packet, and miscellaneous transaction forms adopted by the Board of Directors. A copy of this Board approved tariff is on file at the Corporation office and as required by law at the State Office of the PUC.

Temporary Service – The classification assigned an applicant that is in the process of construction. This could also apply to service for uses other than permanent (e.g., agricultural, road construction, drilling, or livestock). Management will set the length of time associated with this classification. This classification will change to permanent service after requirements in [§ E](#) are met. Applicant must have paid an Indication of Interest Fee.

Texas Commission on Environmental Quality (“TCEQ”) – State regulatory agency having jurisdiction over drinking water, water supply and water quality issues for Nonprofit Water and Sewer Service Corporations.

Transfer Fee – A fee assessed by the Corporation for costs associated with transferring membership. (See Tariff §§ [E.19.3](#), [G.22](#); [Tex. Water Code § 67.016](#).)

Transferee – An Applicant receiving a Dripping Springs WSC Membership by legal means from a Transferor desiring to forfeit and transfer current rights of Membership to another person or entity. (See Tariff §§ [E.19.3](#), [G.22](#); [Tex. Water Code § 67.016](#).)

Transferor – A Member who transfers Membership by legal means to another person or entity desiring to qualify for service at a property for which the Membership is currently issued or to the Corporation. ([Tex. Water Code § 67.016](#).)

Usage – Amount billed for water or sewer service based on actual or estimated usage.

- **Actual Usage** – Amount billed or to be collected based on actual meter reading.
- **Estimated Usage** – Amount billed or to be collected based on either the member's historical average usage for the prior month or for the same month of the prior year where date is available. (See Tariff [§ E.5.2](#); see also [16 TAC § 24.165\(i\)](#).)

Water Conservation Penalty – A penalty that may be assessed under [§ H](#) of this Tariff to enforce customer/member water conservation practices during drought contingency or emergency water demand circumstances. (See [Tex. Water Code § 67.011\(b\)](#); Tariff [§ H.6](#).)

SECTION D. GEOGRAPHIC AREA SERVED

1. Current certificate of convenience and necessity.



Public Utility Commission of Texas

By These Presents Be It Known To All That

Dripping Springs Water Supply Corporation

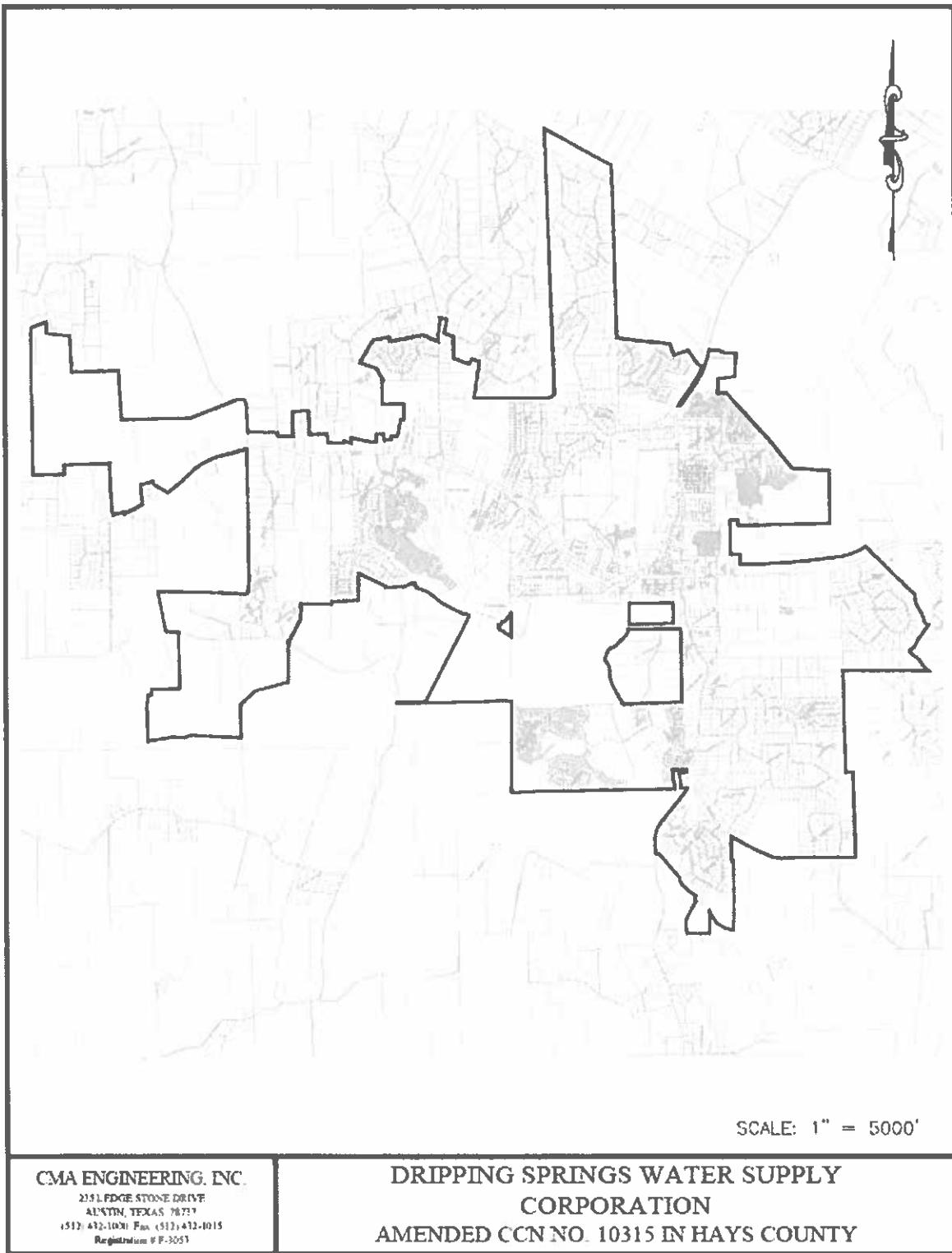
having obtained certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, Dripping Springs Water Supply Corporation is entitled to this

Certificate of Convenience and Necessity No. 10315

to provide continuous and adequate water utility service to that service area or those service areas in Hays County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 50371 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of the Dripping Springs Water Supply Corporation, to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

Issued at Austin, Texas, this 4th day of December 2020.

2. Map of CCN area.



SECTION E. SERVICE RULES AND REGULATIONS

1. **Activation of Standard Service.** Before receiving service, applicants must comply with all the following requirements, as applicable:
 - 1.1 **New Tap.** The Corporation shall charge a nonrefundable service installation fee as required under [§ G](#) of this tariff. The service installation fee shall be quoted in writing to the applicant. Any debt owed to the Corporation and all fees shall be paid, or a deferred payment shall be approved by the Board of Directors and have a signed contract prior to installation. ([16 TAC § 24.163\(a\)\(1\)\(A\)](#).)
 - 1.2 **Re-Service.** On property where service previously existed, the Corporation shall charge the Membership Fee (where the Membership Fee has been liquidated or refunded), reconnection costs, any debt owed to the Corporation if the applicant is the person that previously incurred those charges, seasonal reconnect fee as appropriate, a customer service inspection, and other applicable costs necessary to restore service.
 - 1.3 **Performance of Work.** All tap and equipment installations specified by the Corporation shall be completed by the Corporation staff or designated representative after all requirements for service have been met. The tap for a standard service request shall be completed within 10 working days after requirements for service have been met. This time may be extended for installation of equipment for Non-standard Service Request. ([16 TAC § 24.161\(a\)\(4\)](#); see Tariff [§ F](#).)
 - 1.4 **Inspection of Customer Service Facilities.** The property of the Applicant/Member shall be inspected to ensure compliance with state required Minimum Acceptable Operating Practices for Public Drinking Water Systems as promulgated by the Texas Commission on Environmental Quality or successor agency. The customer must, at his or her expense, properly install, inspect, test, maintain, and provide all required documentation of any approved backflow prevention device required by the Corporation. ([30 TAC § 290.46\(j\)](#); see Tariff [§ I](#).)
2. **Activation of Nonstandard Service.** Activation of Nonstandard Service shall be conducted as prescribed by terms of [§ F](#).
3. **Applicant's or Transferee's Recourse.** In the event the Corporation refuses to serve an Applicant under the provisions of these rules, the corporation must notify the applicant, in writing, on the basis of its refusal. The Applicant may file for an appeal, in writing, with the Board of Directors of the Corporation.
4. **Back-billing.** If a Member is undercharged, the Corporation may back-bill the Member. Back-billing may not exceed 12 months unless such undercharge is a result of meter tampering, bypass, or diversion by the customer as defined in this tariff (See [16 TAC](#)

§ 24.165(h).) If the underbilling is \$25 or more, the utility shall offer to such member/customer a deferred payment plan option for the same length of time as that of the underbilling.

5. Bill Adjustment.

5.1 Due to Meter Error. The Corporation shall test any Member's meter upon written request of the member. In the event the meter tests within the accuracy standards of the American Water Works Association, a test fee as prescribed in § G shall be imposed. In the event the test results indicate that the meter is faulty or inaccurate, the test fee shall be waived, the meter shall be calibrated or replaced, and a billing adjustment may be made as far back as 6 months. The billing adjustment shall be made to the degree of the meter's inaccuracy as determined by the test. The Member shall complete a Meter Test Request Form prior to the test. (See Tariff § J.)

5.2 Due to Estimated Billing. If the Corporation has estimated usage because the Corporation is unable to access the meter due to circumstances beyond the Corporation's control, such as a natural disaster; or because access is hindered or denied by a Member, the Corporation shall adjust the bill once access has been regained and actual usage is determined. (See Tariff § E.20.1.)

6. Billing Cycle Changes. The Corporation reserves the right to change its billing cycles if the workload requires such practice. After a billing period has been changed, the billings shall be sent on the new change date unless otherwise determined by the Corporation.

7. Changes in Service Classification. If at any time the Corporation determines that the customer service needs changed from those originally applied for to a different service classification and the Corporation determines that additional or different facilities are necessary to provide adequate service, the Corporation shall require the Applicant/Member to re-apply for service under the terms and conditions of this Tariff. Applicant/Members failing to comply with this provision shall be subject to the Disconnection with Notice Provisions of this Tariff. (See Tariff § E.11.1.)

8. Charge Distribution and Payment Application.

8.1 Base Rate. The Base Rate is for the billing period from the first day of the month to the last day of the month. Billings for this amount shall be mailed on the last day of the month preceding the month for which this charge is due. All services shall be subject to this charge whether or not the service is in use by the Member.

8.2 Gallonage Charge. Gallonage Charge shall be billed at the rate specified in § G, and billing shall be calculated in 100 gallon increments. Water charges are based on monthly meter readings and are calculated from reading date to reading date.

Readings used in all billing calculations shall be taken by the Corporation's employees or designated representative.

8.3 Posting of Payments. All payments shall be posted against previous balances and late fees prior to posting against current billings.

8.4 Forms of Payment. The Corporation will accept the following forms of payment: cash, personal check, cashier's check, money order, credit card, automatic debit on customer's bank account, or draft on bank. The Corporation will not accept two-party checks, pay checks, or any other instrument of payment that is not made out to the Corporation. The Corporation reserves the right to require exact change and may refuse to accept payments made using more than \$1.00 in coins. The Corporation will not assess the credit card processing fee associated with credit card payments to those customers which make payment by credit card in accordance with consumer laws.

9. Deferred Payment Agreement. The Corporation may offer a deferred payment plan to a Member or rental tenant who cannot pay an outstanding balance in full and is willing to pay the balance in reasonable installments as determined by the Corporation, including any late penalty fees or interest on the monthly balance to be determined as per agreement. Failure to make required and timely payments as provided in any deferred payment agreement will void that agreement and service will be discontinued. The Corporation may consider another deferred payment agreement provided payments will be made by automatic bank draft or credit/debit card. Nonpayment of any amount under an additional deferred payment agreement will cause service to be disconnected immediately and service will not be restored until the account is paid in full and all other charges resulting from the disconnection of service are fully paid. In the event the requestor is a tenant of rental property the Corporation shall notify the owner/member of the deferred payment agreement.

10. Denial of Service. The Corporation may deny service for any of the following reasons:

1. Failure of the Applicant or Transferee to complete all application requirements, including granting an easement, completing all forms, and paying all required fees and charges;
2. Failure of the Applicant or Transferee to comply with rules, regulations, policies, and bylaws of the Corporation;
3. Existence of a hazardous condition at the Applicant's property which would jeopardize the welfare of the Members/Users of the Corporation upon connection;
4. Failure of Applicant or Transferee to provide representatives or employees of the Corporation reasonable access to property, for which service has been requested;
5. Failure of Applicant or Transferee to comply with all governmental rules and regulations of the Corporation's tariff on file with the state regulatory agency governing the service applied for by the Applicant;

6. Failure of Applicant or Transferee to provide proof of ownership, to the satisfaction of the Corporation, of property for which the tap has been requested;
7. Applicant's service facilities are known to be inadequate or of such character that satisfactory service cannot be provided;
8. Failure of Applicant or transferee to comply with applicable regulations for on-site sewage disposal systems if the Corporation has been requested to deny service by the TCEQ or the TCEQ's designated representative under [Chapter 366 of the Texas Health and Safety Code](#); or
9. Failure of the Applicant or Transferee to pay any previous outstanding delinquent account(s) in full. This could be delinquencies resulting from the same account location or other service location(s) within the system where the Applicant or Transferee received service. (See Tariff [§ E.19](#).)

11. Disconnection of Service Rules. The following describes the rules and conditions for disconnection of service. Notwithstanding any language to the contrary in the Service Application and Agreement Form, the Corporation may only discontinue service for the reasons set forth in this section. For the purposes of disconnecting sewer service under these policies, water service will be terminated in lieu of disconnecting sewer service. In instances of nonpayment of sewer service or other violations by a Member who is not a water customer.

11.1 Disconnection with Notice. Water utility service may be disconnected for any of the following reasons after proper notification has been given:

- (A) Returned Checks – The Corporation shall mail, via the U.S. Postal Service, a notice requiring redemption of the returned instrument within 10 days of the date of the notice to be made in the Corporation office. Redemption of the returned instrument shall be made by cash, money order, or certified check. Failure to meet these terms shall initiate disconnection of service. Any such instruments returned as insufficient or nonnegotiable for any reason for any 2 billing periods within a 12-month period shall be considered evidence of bad credit risk by the Corporation. The Member/Customer in violation shall be placed on a “cash-only” basis for a period of 12 months.
NOTE: “cash only,” means certified check, money order, or cash;
- (B) Failure to pay a delinquent account for utility service, failure to timely provide a deposit or other security under [§ E.10](#), or failure to comply with the terms of a deferred payment agreement;
- (C) Violation of the Corporation's rules pertaining to the use of service in a manner which interferes with the service of others or the operation of non-standard equipment if a reasonable attempt has been made to notify the Member and the Member is provided with a reasonable opportunity to remedy the situation;

- (D) Failure of the Member to comply with the terms of the Corporation's Service Agreement, Tariff (including, where appropriate, § H), Bylaws, or Special Contract provided that the Corporation has given notice of said failure to comply, and Member has failed to comply within a specified amount of time after notification;
- (E) Failure to provide access or hindering access to the meter under the terms of this Tariff or to property at which water service is received when there is reason to believe that a hazardous condition or policy violation exists for which access is necessary to verify. Conditions that may hinder access include, but are not limited to, fences with locked gates, vehicles, landscaping, or objects placed on top of meters or meter boxes, and unrestrained animals;
- (F) Misrepresentation by any Applicant or Transferee of any fact on any form, document, or other agreement required to be executed by the Corporation;
- (G) Failure of Member to re-apply for service upon notification by the Corporation that Member no longer meets the terms of the service classification originally applied for under the original service application;
- (H) Failure to pay for sewer utility service or solid waste service provided by **City of Dripping Springs** pursuant to the Corporation's Agreement with the **City of Dripping Springs**. (See 16 TAC §§ 24.165(g), .167(e); Tex. Water Code §§ 13.147, .250(b)(2));
- (I) Cancellation of membership by Member on an account that the Member holds for water service to the Member's renter/lessee, even if the renter/lessee has kept the account balance current under an Alternate Billing Agreement. **(Note: The cancellation of membership must be in writing and signed by the Member. CORPORATION ASSUMES NO LIABILITY TO RENTER/LESSEE; MEMBER IS SOLELY RESPONSIBLE FOR COMPLIANCE WITH, AND LIABILITY UNDER ANY FEDERAL, STATE OR LOCAL LAW CREATING OR PROTECTING RIGHTS OF RENTERS/LEESSEES.)**
- (J) Violation of any applicable regulation or pertaining to on-site sewage disposal systems if the Corporation has been requested in writing to disconnect service by the TCEQ or the TCEQ's designated representative under Chapter 366 of the Texas Health and Safety Code;
- (K) Failure to pay charges arising from service trip fee as defined in § G.22;
- (L) Failure by a Member to pay for all repair or replacement costs resulting from the Member damaging system facilities including, but not limited to water lines, service taps, meter boxes, valves, or meters by engaging in activities such as property excavations, installment of a driveway or roadway requiring encasements, lowering or re-routing of lines or system components, or by any other action. The Corporation will provide the Member with notice detailing the extent of the damage, the location of the damage,

the cost of repair, and whether the damage occurred on private property or on a public right-of-way. Failure to pay the cost of repair or replacement will result in the Member's service being disconnected in accordance with the Disconnection with Notice Provisions in this section. Service will remain disconnected until payment is received or an acceptable payment plan is approved; or

(M) Failure to disconnect or secure additional service tap(s) for additional buildings, RV's, or other service connection (see Tariff § [E.24](#)) after notification by the Corporation of violation of the Prohibition of Multiple Connections.

11.2 Disconnection Without Notice. Water utility service may be disconnected without notice for any of the following conditions:

(A) A known dangerous or hazardous condition exists for which service may remain disconnected for as long as the condition exists, including but not limited to a public health nuisance as defined in [Texas Health and Safety Code §§ 341.011 or 343.011](#). If there is reason to believe a dangerous or hazardous condition exists, the Corporation may conduct a customer service inspection (CSI) to verify the hazardous condition and may notify the local county health office. The Corporation will disconnect without notice if the Member refuses to allow access for the purpose of confirming the existence of such condition and/or removing the dangerous or hazardous condition. ([30 TAC §§ 290.46\(i\), 46\(j\)](#)) Service will be restored when a CSI confirms no health hazard exists, the health hazard has been removed or repaired, or the health hazard has been isolated from the Corporation's water system by the installation of a backflow prevention device.

(B) A line leak on the member's side of the meter is considered a potential hazardous condition under § E.11.2(A), as stated above. If the Corporation conducts a CSI and discovers that the line leak has created a hazardous condition, the Corporation will provide the member up to 5 business days, or another time period determined reasonable under the circumstances, to repair the line prior to disconnection of service.

(C) Service is connected without authority by a person/entity who has not made application for service or who has reconnected service without authority following termination of service for nonpayment; and

(D) In instances of tampering with the Corporation's meter equipment, by-passing the meter or equipment, or other diversion of water. **NOTE: Where reasonable, given the nature of the reason for disconnection, a written statement providing notice of disconnection and the reason therefore shall be posted at the place of common entry or upon the front door of each affected residential unit as soon as possible after service has been disconnected.**

11.3 Disconnection Prohibited. Utility service may not be disconnected for any of the following reasons:

- (A) Failure of the Member to pay for merchandise or charges for nonutility service provided by the Corporation, unless an agreement exists between the Applicant and the Corporation whereby the Member guarantees payment of nonutility service as a condition of service;
- (B) Failure of the Member to pay for a different type or class of utility service unless a fee for such service is included in the same bill;
- (C) Failure of the Member to pay charges arising from an underbilling occurring due to any misapplication of rates more than 6 months prior to the current billing;
- (D) Failure of the Member to pay the account of another Member as guarantor thereof, unless the Corporation has in writing the guarantee as a condition precedent to service;
- (E) Failure of the Member to pay charges arising from an underbilling due to any faulty metering unless the meter has been tampered with or unless such underbilling charges are due under § E.14.
- (F) Failure of the Member to pay estimated bill other than a bill rendered pursuant to an approved meter reading plan unless the Corporation is unable to read the meter due to circumstances beyond its control.

11.4 Disconnection on Holidays and Weekends. Unless a dangerous condition exists or the Member requests disconnection, service shall not be disconnected on a day, or on a day preceding a day when personnel of the Corporation are not available to the public for the purpose of making collections and reconnecting service.

11.5 Disconnection Due to Utility Abandonment. The Corporation may not abandon a Member or a Certificated Service Area without written notice to its Members and all similar neighboring utilities and approval from the PUC.

11.6 Disconnection for Ill Customers. The Corporation may not discontinue service to a delinquent residential Member or tenant under an alternative billing agreement permanently residing in an individually metered dwelling unit when that Member or tenant establishes that discontinuance of service will result in some person at that residence becoming seriously ill or more seriously ill if service is discontinued. To avoid disconnection under these circumstances, the Member or tenant must provide a written statement from a physician to the Corporation prior to the stated date of disconnection. Service may be disconnected in accordance with § E.11.1 if the next month's bill and the past due bill are not paid by the due date of the next month's bill, unless the Member or tenant enters into a Deferred Payment Agreement. The

Corporation shall provide notice to an owner of rental property in the event a tenant requests service not be discontinued due to illness as per this section.

11.7 Disconnection Per S.B. 3.

11.8 Disconnection of Master-Metered Accounts. When a bill for water utility services is delinquent for a master-metered service complex (defined as a complex in which a single meter serves 2 or more residential dwelling units), the following shall apply:

- (A) The Corporation shall send a notice to the Member as required. This notice shall also inform the Member that notice of possible disconnection will be provided to the tenants of the service complex in 5 days if payment is not rendered before that time;
- (B) At least 5 days after providing notice to the Member and at least 5 days prior to disconnection, the Corporation shall post at notices, stating "Termination Notice" in public areas of the service complex notifying the residents of the scheduled date for disconnection of service; and
- (C) The tenants may pay the Corporation for any delinquent bill on behalf of the owner to avert disconnection or to reconnect service to the complex.

11.9 Disconnection of Temporary Service. When an applicant with temporary service fails to comply with the conditions stated in the Service Application and Agreement Form or other rules of this Tariff, service may be terminated with notice.

12. Disputed Bills. In the event of a dispute between the Member and the Corporation regarding any bill, the Corporation shall make and conduct an investigation as required by the particular case and report the results in writing thereof to the Member. All disputes under this section must be submitted to the Corporation, in writing, prior to the due date posted on said bill.

13. Due Dates, Delinquent Bills, and Service Disconnection Date.

1. The Corporation shall mail all bills on or about the 28th of the month. All bills are considered the responsibility of each person signing the Service Application and Agreement Form. All bills shall be due and payable upon receipt and are past due beyond the date indicated on the bill (allowing approximately 15 days to pay), after which time a penalty shall be applied as described in [§ G.11](#). The time for payment by a political subdivision may be different than your regular due date. (See [Tex. Gov't Code § 2251.021](#).) A bill is delinquent if not paid on or before the past due date. Payments made by mail will be considered late if postmarked after the past due date. A 1-day grace period may then be allowed for delayed payments prior to mailing of final notices. Final notices shall be mailed with our disconnect policy.
2. The board of directors or general manager may elect to not charge a late fee or disconnect fee in accordance with this Tariff during or after the occurrence of a

natural disaster or other incident that impacts the property of members or interrupts the management and operation of the system.

3. Upon written request, any residential customer 60 years of age or older who occupies the entire premises of a dwelling receiving water utility service from the Corporation shall receive extension of the past due date, without penalty. The extension shall not exceed 10 days beyond the usual 15-day payment period for a total of no more than 25 days from the date the bill is issued. The request may specify extension of the late payment periods for current and subsequent billings. ([Tex. Util. Code §§ 182.001–.005](#).) If this request originates from a tenant at a rental property, the owner/member will be notified in writing of any extension request.
4. All insufficient fund checks, accounts closed or money orders that have had a “stop payment order” issued for payment of a water bill will be deemed delinquent as if no payment was received and the meter is subject to disconnection with notice on the regular disconnection day.

14. Inoperative Meters. Water meters found inoperative will be repaired or replaced within a reasonable time. If a meter is found not to register for any period, unless by-passed or tampered with, the Corporation shall make a charge for units used, but not metered, for a period not to exceed 6 months, based on amounts used under similar conditions during the period preceding or subsequent thereto, or during corresponding periods in previous years.

15. Insufficient Grounds for Refusal of Service. The following shall not constitute sufficient cause for the refusal of service to an Applicant:

1. Delinquency in payment for service by a previous member or occupant of the premises to be served;
2. Failure to pay a bill to correct previous underbilling due to misapplication of rates more than 6 months prior to the date of application;
3. Violation of the Corporation’s rules pertaining to operation of nonstandard equipment or unauthorized attachments which interferes with the service of others, unless the customer has first been notified and been afforded reasonable opportunity to comply with said requirements;
4. Failure to pay a bill of another member or customer as guarantor thereof unless the guarantee was made in writing to the Corporation as a condition precedent to service; and
5. Failure to pay the bill of another member or customer at the same address except where the change of customer identity is made to avoid or evade payment of a utility bill.

16. Line Extension Reimbursement. An approved Applicant may have to pay on a prorated basis a line reimbursement fee to the Corporation for the purpose of reimbursing a member or other party that made the capital outlay to extend service to that area.

17. **Master Metered Account Regulations.** An apartment building, condominium, manufactured housing (modular, mobile or RV) community, business center or other similar type enterprise may be considered by the Corporation to be a single commercial facility if the owner applies for a meter as a “master metered account” and complies with the requirements set forth in PUC rules, this Tariff, and applicable law. The Corporation may allow master metering to these facilities at an Applicant’s request. ([16 TAC § 24.281\(e\)\(1\)](#).)
18. **Members and Renters.** Any Member having complied with the requirements of this Tariff, renting or leasing property designated to receive service according to the terms of this tariff to other parties, is responsible for all charges due to the Corporation. The membership for rental or leased properties shall be in the name of the Member as required by this Tariff. The Corporation may bill the renter or lessee for utility service (at Member Request) as a third party, but the Member is fully responsible for any and all unpaid bills left by the renter/lessee. The Member shall be required to sign an Alternate Billing Agreement if the Member requests that the tenant be billed for utility service. The Corporation will notify the Member of the renter’s past due payment status.
19. **Membership.**
 - 19.1 **Eligibility.** Eligibility for Membership shall not guarantee service to the Applicant or Transferee; however, qualification for service is a prerequisite to Membership eligibility for new Applicants or continued Membership for Transferees.
 - 19.2 **Membership.** Upon qualification for service, qualification for Membership, payment of the required fees, and any debt owed to the Corporation, the Corporation shall certify the Applicant as a Member. The Membership shall entitle the Member to 1 connection to the Corporation’s water utility service and 1 share of Corporation Stock. The Membership entitles the Member to 1 vote in the election of directors and in such other matters requiring the approval of the Corporation’s Members at any Annual or Special Membership Meeting of the Corporation as prescribed by the Corporation Bylaws. Ownership of more than 1 Membership shall not authorize the Member to cast more than 1 vote at any annual or special meeting. Each Membership and Stock thereby represented may be assigned to the specified parcel of land originally designated to receive service at the time of application.
 - 19.3 **Transfers of Membership.** ([Tex. Water Code § 67.016](#).)
 - (A) A Member or executor of estate (court order or other legal instrument) is entitled to transfer Membership in the Corporation only under the following circumstances:
 - (1) The Membership is transferred by will to a person related to the Transferor within the second degree by consanguinity;
 - (2) The Membership is transferred without compensation to a person related to the Transferor within the second degree by consanguinity;

- (3) The Membership is transferred without compensation or by sale to the Corporation; or
- (4) The Membership is transferred as a part of the conveyance of real estate from which the Membership arose.

(B) In the event that Membership is transferred pursuant to the provisions of [§ E.19.3\(A\)](#), such transfer shall not be completed or recorded on the books and records of the Corporation until such time as the transferor has provided satisfactory evidence to the Corporation of such transfer. A transfer of Membership shall be considered a new application for service and is not binding on the Corporation until such transfer has been approved as provided by [§ E.19.3\(C\)](#).

(C) Qualifications for service upon transfer of Membership set forth in [§ E.19.3\(A\)](#) and [\(B\)](#) shall be subject to approval of the Corporation and shall be recorded on the books and records of the Corporation only upon the following terms and conditions:

- (1) The Transferee has completed the required Application Packet including granting the Corporation with a private utility easement on the form provided by the Corporation;
- (2) The membership has not been fully or partially liquidated; and
- (3) The Transferee demonstrates satisfactory evidence of ownership of the property designated to receive service and from which the Membership originally arose.

(D) If the application packet and other information is not completed on the day transfer of membership is requested the corporation will give the transferee written notice of 10 additional days to produce completed documentation to the corporation office. Service will be disconnected on the day following the 10th day according to disconnection with notice requirements. Additional time may be allowed at the directions of the manager or board.

19.4 Cancellation of Membership. To keep a Membership in good standing, a Base Rate must be paid monthly to the Corporation, whether or not water is used. Failure to pay this monthly charge to the Corporation shall jeopardize the Member's Membership standing and give rise to liquidation of the Membership Fee and forfeiture of the Membership. A Member may be relieved of this obligation to pay by surrendering the Membership, properly documented, to the Corporation. The Member shall also complete a Service Discontinuance Request Form prior to termination of service. However, a Member is not relieved of any obligations incurred prior to the date of surrender of a properly endorsed Membership prior to termination of

service. Rights to future service at this tap shall be extended on an as-available basis and subject to the terms of [§ E.1. \(Tex. Water Code § 67.016.\)](#)

19.5 Liquidation Due to Delinquency. When the amount of the delinquent charges owed by the Member equals the Membership Fee, the Membership Fee shall be liquidated, and the Membership canceled and transferred back to the Corporation. In the event the Member leaves a balance due on an account guaranteed under the terms of a Service Application and Agreement, and the delinquent Member owns more than 1 Membership, the Corporation may liquidate as many of the Member Guarantor's Membership Fees as necessary to satisfy the balance due the Corporation, provided proper notice has been given. (*See Tariff § E.11.1.*) The Corporation shall collect any remaining account balances by initiation of legal action. Re-instatement of service shall be subject to the terms of [§ E.1.2.](#)

19.6 Cancellation Due to Policy Noncompliance. The Corporation may cancel a Membership anytime a Member fails to comply with policies of the Corporation, including but not limited to Member's failure to provide proof of ownership of the property from which the Membership arose. ([Tex. Water Code § 67.016.](#))

19.7 Re-assignment of Canceled Membership.

- (A) The Corporation, upon cancellation of Membership under the provisions of this Tariff, may re-assign the canceled Membership to a person or entity that has legal title to the real estate from which the canceled membership arose and for which water is requested. ([Tex. Water Code § 67.016.](#)) Membership will not be re-assigned unless the person or entity that has legal title to the real estate has complied with the corporation's current rates, charges, and conditions of service, including current membership fee, set forth in the tariff and service application package.
- (B) The Corporation shall reassign a canceled Membership to a person or entity that acquires the real estate from which the Membership arose through judicial or nonjudicial foreclosure. The Corporation will require proof of ownership resulting from the foreclosure and compliance with the corporation's current rates, charges, and conditions of service, including current membership fee, set forth in the tariff and service application package. In the event of foreclosure by a mortgage institution, the Corporation may allow a property management company to acquire the Membership if the management company provides written documentation showing that the management company is legally responsible for the management of the property and it is not feasible for the mortgage institution to be the Member.

19.8 Mortgaging of Memberships. Nothing herein shall preclude a Member from mortgaging his/her Membership. Prior to the cancellation of any Membership as provided under [§ E.19.4](#), the Corporation will notify the holder of any security interest in the Membership. The holder of the security interest also must hold a security interest in the real property at which water service is provided under the

Membership. The Corporation may transfer the Membership to the holder of such security interest in lieu of cancellation, provided the holder of the security interest pays in full all delinquent and unpaid obligations and provided further that the holder of the security interest has secured title to the real property from which the Membership arose. The Corporation may withhold cancellation of a Membership pending the resolution of any foreclosure proceedings or similar legal proceedings by the holder of the security interest.

19.9 Cancellation and Re-Assignment of Membership as a Result of Bankruptcy Proceedings. Upon notice of the filing of a petition in bankruptcy, the Corporation may require the posting of a deposit or other form of security, acceptable to the Corporation, as a condition for continuing utility service. Unless special circumstances require otherwise, the amount of security shall equal the amount of charges for the month of greatest use during the preceding 12 months. The Corporation shall not require the payment of any security prior to the expiration of 20 days following the date on which the petition is filed. Failure to provide this security by the date specified by the Corporation may result in termination of service according to § E.11.1, with a copy of the notice to the bankruptcy Trustee.

19.10 Cancellation and Re-Assignment of Membership as a Result of Divorce or Death (or Dissolution of Joint Tenancy). The Corporation shall transfer the membership to a spouse (or joint tenant) or heir who has been awarded the property designated to receive service. The Corporation must be provided adequate documentation of the ownership rights of the spouse (or joint tenant) or heir requesting transfer, such as final divorce decree, temporary court order, probate decree, affidavit of heirship, or agreement. In no event shall any membership(s) be transferred if the transferee does not otherwise meet the qualifications for membership and for service.

20. Member's Responsibility.

20.1 Meter Access. The Member shall provide access to the meter location as per the easement and service agreement. If access to the meter is hindered or denied preventing the reading of the meter, an estimated bill shall be rendered to the Member for the month; and a notice shall be sent to the effect that access could not be gained. If access is denied for 3 consecutive months after proper notification to the Member, then service shall be discontinued, and the meter removed with no further notice. Conditions that may hinder access include, but are not limited to, fences with locked gates, vehicles or objects placed on top of meters or meter boxes, and unrestrained animals.

20.2 Compliance with Laws. The Member shall be responsible for compliance with all utility, local, and state codes, requirements, and regulations concerning on-site service and plumbing facilities, including laws providing that:

- (A) all water connections shall be designed to ensure against on-site sewage contamination, back-flow or siphonage into the Corporation's water supply. In particular, livestock water troughs, shall be plumbed above the top of the trough with air space between the discharge and the water level in the trough. ([30 TAC § 290.46](#); [Tex. Health & Safety Code § 366.001–.0923](#).); and
- (B) the use of pipe and pipe fittings that contain more than 0.25% lead or solder and flux that contain more than 0.2% lead is prohibited for any plumbing installation or repair of any residential or nonresidential facility providing water for human consumption and connected to the Corporation's facilities. Customer service pipelines shall be installed by the applicant. ([30 TAC § 290.46](#); [RUS-TX Bulletin 1780-9](#) (Rev. 05/17).)

20.3 Current Payment Status. A Member owning more than 1 Membership shall keep all payments current on all accounts. Failure to maintain current status on all accounts shall be enforceable as per Service Application and Agreement executed by the Member.

20.4 Charges for Damage. The Corporation's ownership and maintenance responsibility of water supply and metering equipment shall end at the meter or other service equipment as installed. Therefore, all water usage registering upon and/or damages occurring to the metering equipment owned and maintained by the Corporation shall be subject to charges as determined by the Corporation's Tariff as amended from time to time by the Board of Directors.

20.5 Cut-off Valve. The Corporation shall require each Member to have a cut-off valve within 2' of the meter on the Member's side of the meter for purposes of isolating the Member's service pipeline and plumbing facilities from the Corporation's water pressure. The valve shall meet American Water Works Association standards (a ball valve is preferred). The Member's use of the Corporation's curb stop or other similar valve for such purposes is prohibited. Any damage to the Corporation's equipment shall be subject to service charges. (This cut-off valve may be installed as a part of the original meter installation by the Corporation.)

20.6 Digging or Excavation Notice. The Member is required to notify the system 48 hours prior to digging or excavation activities along or near water lines and appurtenances.

21. Meter Relocation. Relocation of services shall be allowed by the Corporation provided that:

1. The relocation is limited to the existing property designated to receive service;
2. A current easement for the proposed location has been granted to the Corporation; and
3. The Member pays the actual cost of relocation plus administrative fees.

22. Meter Tampering and Damage to Property.

22.1 Definitions.

For the purposes of this section:

- (A) “Tampering” means meter-tampering, by-passing, or diversion of the Corporation’s service equipment, or other instances of diversion, including:

 - (1) removing a locking or shut-off devise used by the Corporation to discontinue service;
 - (2) physically disorienting the meter;
 - (3) attaching objects to the meter to divert service or to by-pass;
 - (4) inserting objects into the meter;
 - (5) other electrical and mechanical means of tampering with, by-passing, or diverting service;
 - (6) connection or reconnection of service without Corporation authorization;
 - (7) connection into the service line of adjacent customers of the Corporation; and
 - (8) preventing the supply discharge from being correctly registered by a metering device due to adjusting the valve so that flow is reduced below metering capability.

- (B) “Offending party” means the person who committed the Tampering or damaged the property.

22.2 Burden of Proof. The burden of proof of Tampering is on the Corporation. Photographic evidence or any other reliable and credible evidence may be used; however, any evidence shall be accompanied by a sworn affidavit by the Corporation’s staff when any action regarding Tampering is initiated. A court finding of Tampering may be used instead of photographic or other evidence, if applicable. Unauthorized users of services of the Corporation shall be prosecuted to the extent allowed by law under [Texas Penal Code §§ 28.03, 12.21, and 12.22](#).

22.3 Disconnection and Charges for Tampering. If the Corporation determines under [§ E.22.2](#) that Tampering has occurred, the Corporation shall disconnect service without notice as set forth in [§ E.11.2](#) and charge the person who committed the Tampering the total actual loss to the Corporation, including the cost of repairs, replacement of damaged facilities, and lost water revenues.

22.4 Charges and Prosecution for Damage to Property. A person who otherwise destroys, defaces, damages, or interferes with Corporation property will be charged the total actual loss to the Corporation including but not limited to the cost of repairs, replacement of damaged facilities, and lost water revenues. The Corporation

also will prosecute the offending party to the extent allowed under law pursuant to [Texas Water Code § 49.228](#) and other applicable laws.

22.5 Penalty for Tampering. In addition to actual damages charged under [§ E.22.3](#), the Corporation may assess a penalty against the offending party. The penalty shall not exceed 6 times the Base Rate.

23. Ownership of Equipment. All water meters and equipment and materials required to provide water service to the point of customer connection; water meter or service tap, is the property of the Corporation upon installation, and shall be maintained by the water system only.

24. Prohibition of Multiple Connections to a Single Tap.

24.1 Definitions. For the purposes of this section, the following definitions shall apply:

- (A) “Multiple connection” means the connection to any portion of a Member’s water system that is connected to a primary delivery point already servicing 1 residence, 1 commercial or industrial facility or a water line serving another residence or commercial or industrial facility. Water lines to outbuildings, barns or other accessory structures shall not be considered a multiple connection if: (i) those structures are located on the same tract as the primary delivery point and (ii) such structures are not used as a residence or as a commercial or industrial facility.
- (B) “Primary delivery point” means the physical location of a meter that is installed in accordance with this Tariff and applicable law and which provides water service to a Member’s residence or commercial or industrial facility.
- (C) “Residence” means any structure which is being used for human habitation, which may include kitchen and bathroom facilities, or other evidence of habitation as defined by the Corporation.
- (D) “Commercial facility” means any structure or combination of structures at which any business, trade, occupation, profession, or other commercial activity is conducted. A business conducted within a Member’s residence or property that does not require water in addition to that provided to the Member’s residence shall not be considered a separate commercial facility.

24.2 Prohibition. No more than 1 residential, commercial, or industrial service connection is allowed per meter. The Corporation may consider allowing an apartment building, mobile home/RV park, or commercial business to apply as a “Master Metered Account” and have a single meter. (See Tariff [§ E.17](#).) If the Corporation has sufficient reason to believe a Multiple Connection exists, the Corporation shall discontinue service under the Disconnection with Notice provisions of this Tariff for

a first violation and for subsequent violations, service will be disconnected without notice in accordance with [§ E.11.2](#).

25. **Service Entitlement.** The Applicant(s) shall be considered qualified and entitled to water utility service when proper application has been made, terms and conditions of Service and Membership have been met and continue to be met, and all fees have been paid as prescribed. ([16 TAC § 24.161\(a\)](#).)
26. **Service Location and Classification.** For the purposes of this Tariff, service requested by the Applicant(s) shall be for real estate designated to receive the service provided by the Corporation. Service shall be through a meter located on that designated real estate unless otherwise approved by the board. Service shall be divided into the following 2 classes:
 - 26.1 **Standard Service.** Standard Service is defined as service on a specific property designated to receive service on an existing pipeline where pipeline or service facility extensions are not required, and special design and/or engineering considerations are not necessary. Typically, this would include a 5/8" × 3/4" meter.
 - 26.2 **Nonstandard Service.** Nonstandard Service is defined as any service request which requires a larger meter service, service to a Master Metered Account (see Tariff [§ E.17](#)), or an addition to the supply, storage and/or distribution system. The service requirements as prescribed by [§ E](#) of this Tariff shall be required of the Non-standard Service Applicant prior to providing service.
27. **Service Requirements.** The Corporation's Service Application and Agreement Form shall be completed in full and signed by the Applicant(s). Where applicable, in addition to the applicant, any other person sharing an ownership interest in and receiving service at that property shall sign the Service Application and Agreement Form; however, even if the spouse or other person sharing an ownership interest does not sign the Service Application and Agreement Form, they are still responsible for all terms set forth therein, and for any debt obligation related to the account.
 - 27.1 **Easements.** A Right-of-Way Easement Form, Sanitary Control Easement, or other such easement form, required by the Corporation, must be completed by the Applicant for the purpose of allowing future facility additions. **NOTE: This requirement may be delayed for Nonstandard Service requests.**
 - 27.2 **Property Ownership.** The Applicant shall provide proof of ownership to property for which service has been requested in a manner acceptable to the Corporation. Proof of ownership shall consist of warranty deed, deed of trust or other recordable documentation of title to the real estate designated to receive service. ([Tex. Water Code §§ 13.002\(11\), 67.016\(d\)](#); *see also Tex. Prop. Code §§ 23A.001–013.*)
 - 27.3 **Notice of Application Approval.** Notice of application approval and costs of service determined by the Corporation shall be presented to the Applicant in writing

and shall remain in effect for a period not to exceed 30 days. After that time, the Applicant must re-apply for service. (16 TAC § 24.153(a)(1).)

27.4 Water Main Relocation to an Easement. If the water main has been located in the public right-of-way and is adjacent to Applicant's property due to the current or previous landowner's refusal to grant easement to the Corporation for the purpose of installing the water main and appurtenances, and the Corporation has documentation of such refusal, the Applicant, prior to receiving the requested service, shall grant the easement(s) required under this Tariff and in addition to the normally required fees for new customer service, shall pay such sums as are reasonably necessary to cap the existing line in the public right-of-way and construct the appropriate line or lines within that easement or easements for the Corporation's system-wide service.

SECTION F. DEVELOPER, SUBDIVISION, AND NONSTANDARD SERVICE REQUIREMENTS

1. **General Requirements.** This section details the requirements for all types of nonstandard service requests.
 - 1.1 **Purpose.** It is the purpose of this section to define the process by which the specific terms and conditions for service to subdivisions and other kinds of Nonstandard Service are determined, including the Nonstandard Service Applicant's and the Corporation's respective costs. For purposes of the section, the term "Applicant" shall refer to the individual or entity that desires to secure Nonstandard Service from the Corporation. The Applicant must be the same person or entity that is authorized to enter into a contract with the Corporation setting forth the terms and conditions pursuant to which Nonstandard Service will be furnished to the property. In most cases, the Applicant shall be the owner of real property for which Nonstandard Service is sought. In the event that the Applicant is other than the owner of real property, the Applicant must furnish evidence to the Corporation that it is authorized to request Nonstandard Service on behalf of such owner, or that it otherwise has authority to request Nonstandard Service for the real property.
 - 1.2 **Application of Rules.** This section is applicable to subdivisions, additions to subdivisions, developments, or whenever additional service facilities are required for a single tract of property. Examples of nonstandard services for a single tract of land can include, but are not limited to, road bores, extensions to the distribution system, or service lines exceeding 3/4" diameter. Nonresidential or residential service applications requiring a larger sized meter typically will be considered non-standard. For the purposes of this Tariff, Applications subject to this section shall be defined as Nonstandard. This section may be altered or suspended for planned facility expansions when the Corporation extends its indebtedness. The Board of Directors of the Corporation or their designee shall interpret on an individual basis whether or not the Applicant's service request shall be subject to all or part of the conditions of this section. This section sets forth the general terms and conditions pursuant to which the Corporation will process Nonstandard Service Requests. The specific terms and conditions pursuant to which the Corporation will provide non-standard service in response to any request will depend upon the nature of such request and may be set forth in a legally enforceable, contractual agreement to be entered into by the Corporation and the service Applicant. The agreement may not contain any terms or conditions that conflict with this section.
 - 1.3 **Nonstandard Service Application.** The Applicant shall meet the following requirements prior to the initiation of a Nonstandard Service Contract by the Corporation:

- (A) The Applicant shall provide the Corporation a completed Nonstandard Service Application. The Applicant shall specify any Special Service Needs, such as large meter size, size of subdivision or multi-use facility.
- (B) A final plat (*see Tariff § C*) approved by the Corporation must accompany the Application showing the Applicant's requested service area. The plat must be approved by all governmental authorities exercising jurisdiction over lot sizes, sewage control, drainage, right-of-way, and other service facilities. Plans, specifications, and special requirements of such governmental authorities shall be submitted with the plat. Applicants for single taps involving extension or upsizing of facilities shall be required to submit maps or plans detailing the location of the requested extension and details of demand requirements. **NOTE: It is the responsibility of the Applicant to secure all necessary approvals of the subdivision once an Agreement is in place between the Corporation and the Applicant.**
- (C) A Nonstandard Service Investigation Fee shall be paid to the Corporation in accordance with the requirements of § G. for purposes of paying initial administrative, legal, and engineering fees. The Corporation shall refund any balance that remains after it has completed its service investigation and has completed all legal and engineering services associated with processing a request. In the event such a fee is not sufficient to pay all expenses incurred by the Corporation, the Applicant shall pay to the Corporation upon the Corporation's request all additional expenses that have been or will be incurred by the Corporation and Corporation shall have no obligation to complete processing of the Application until all remaining expenses have been paid.
- (D) If after the service investigation has been completed, the Corporation determines that the Applicant's service request is for property located, in whole or in part, outside the area described in the Corporation's Certificate of Convenience and Necessity (CCN), service may be extended provided that the:
 - (1) service location is not in an area receiving similar service from another retail Corporation;
 - (2) service location is not within another retail Corporation's CCN; and
 - (3) Corporation's CCN shall be amended to include the entirety of Applicant's property for which service is requested. Applicant shall pay all costs incurred by Corporation in amending its CCN, including but not limited to engineering and professional fees. If the service location is contiguous to or within one-fourth (1/4) mile of Corporation's CCN, Corporation may extend service prior to completing the amendment to its CCN, but will do so only upon Applicant's legally enforceable agreement to fully support such amendment (including but not limited to payment of all professional fees, including administrative, legal, surveying and engineering fees incurred by Corporation in securing the amendment).

1.4 Design. The Corporation shall approve the design requirements of the Applicant's required facilities prior to initiation of a Nonstandard Service Contract in accordance with the following schedule:

- (A) The Corporation shall review and approve plans for, all on-site and off-site service facilities for the Applicant's requested service within the Corporation's specifications, incorporating any applicable municipal or other governmental codes and specifications.
- (B) The engineer's fees shall be paid out of the Nonstandard Service Investigation Fee under § F.1.3.
- (C) The applicant shall submit to the Corporation a set of detailed plans sealed by a professional engineer, specifications, and cost estimates for the project.
- (D) The Corporation shall ensure that all facilities for any Applicant meet the demand for service as platted and/or requested in the plans or plat submitted in the application for service. The Corporation reserves the right to upgrade design of service facilities to meet future demands provided however, that the Corporation shall pay the expense of such upgrading in excess of that which is reasonably allocable to the level and manner of service requested by the Applicant.

1.5 Nonstandard Service Contract. Applicants requesting Nonstandard Service may be required to execute a written contract, drawn up by the Corporation's Attorney, in addition to submitting the Corporation's Nonstandard Service Application. Said contract shall define the terms of service prior to construction of required service facilities. The service contract may include, but is not limited to:

- (A) All costs associated with required administration, design, construction, and inspection of facilities for water service to the Applicant's service area and terms by which these costs are to be paid.
- (B) Procedures by which the Applicant shall accept or deny a contractor's bid, thereby committing to continue or discontinue the project.
- (C) Terms by which service capacity shall be reserved for the Applicant and duration of reserved service with respect to the demand which the level and manner of the service will have upon the Corporation's system facilities.
- (D) Terms by which the Applicant shall be reimbursed or compensated for fees duplicated in assessments for monthly rates and Equity Buy-In Fees.
- (E) Terms by which the Corporation shall administer the Applicant's project with respect to:
 - (1) Design of the Applicant's service facilities;
 - (2) Securing and qualifying bids;
 - (3) Execution of the Service Contract;

- (4) Selection of a qualified bidder for construction;
- (5) Dispensing advanced funds for construction of facilities required for the Applicant's service;
- (6) Inspecting construction of facilities; and
- (7) Testing facilities and closing the project.

(F) Terms by which the Applicant shall indemnify the Corporation from all third-party claims or lawsuits in connection with the project.

(G) Terms by which the Applicant shall dedicate, assign, and convey to the Corporation all constructed facilities and related rights (including contracts, easements, rights-of-way, deeds, warranties, and so forth) by which the Corporation shall assume operation and maintenance responsibility for the Applicant's project. The Applicant shall also provide reproducible as-built drawings of all constructed facilities. The as-built drawings must verify that all facilities have been properly located within the easements conveyed to the Corporation.

(H) Terms by which the Board of Directors shall review and approve the Service Contract pursuant to current rules, regulations, and bylaws.

1.6 Construction of Facilities by Applicant Prior to Execution of Service Contract. The Corporation and the Applicant must execute a Nonstandard Service Contract prior to the purchase of supplies and materials or initiation of construction of facilities by the Applicant. In the event that the Applicant commences construction of any such facilities prior to execution of a Contract with the Corporation, then the Corporation may refuse to provide service to the Applicant or, in a subdivision, to any person purchasing a lot or home from the Applicant. Alternatively, the Corporation may require full costs of replacing/repairing any facilities constructed without prior execution of a contract from any person buying a lot or home from Applicant. At a minimum, the Corporation will require that all facilities be uncovered by the Applicant for inspection by the Corporation, require that any facilities not approved by the Corporation be replaced, and take any other lawful action determined appropriate by the Board of Directors of the Corporation.

1.7 Dedication of Water System Extension/Improvements to Corporation.

(A) Upon proper completion of construction of all on-site and off-site service facilities (the "Facilities") to meet the level and manner of service requested by the Applicant, the Facilities shall become the property of the WSC. The Facilities shall thereafter be owned and maintained by WSC subject to the warranties required of Applicant under § F.1.7(B). Any connection of individual customers to the Facilities shall be made by the WSC.

(B) Upon transfer of ownership of the Facilities, Applicant shall warrant materials and performance of the Facilities constructed by Applicant for 24 months following the date of the transfer.

1.8 Property and Right-of-Way Acquisition. With regard to construction of facilities, the Corporation shall require private right-of-way easements or purchase of private property as per the following conditions:

- (A) If the Corporation determines that right-of-way easements or facility sites outside the Applicant's property are required, the Applicant shall secure easements or else title to facility sites in behalf of the Corporation. All right-of-way easements and property titles shall be researched, validated, and filed by the Corporation at the expense of the Applicant.
- (B) All additional costs associated with facilities that must be installed in public rights-of-way on behalf of the Applicant, due to the inability of the Applicant to secure private right-of-way easements, such as road bores and TxDOT approvals shall be paid by the Applicant. Alternatively, Applicant shall pay all costs, including administrative, legal, and other professional fees and the condemnation award in the event Corporation secures such private easements or facility sites through eminent domain proceedings.
- (C) The Corporation shall require an exclusive dedicated right-of-way easement on the Applicant's property (as required by the size of the planned facilities and as determined by the Corporation) and title to property required for other on-site and off-site facilities.
- (D) Easements and facilities sites shall be prepared for the construction of the Corporation's pipelines and facility installations in accordance with the Corporation's requirements at the expense of the Applicant.

1.9 Pre-Payment for Construction and Service. After the Applicant has executed the Service Agreement, the Applicant shall pay to the Corporation all costs necessary for completion of the project prior to construction and in accordance with the terms of the Nonstandard Service Contract.

1.10 Construction.

- (A) All roadwork pursuant to state, county and/or municipal standards (as applicable) shall be completed prior to facility construction to avoid future problems resulting from road right-of-way completion and excavation. Subject to approval of the requisite authority, approved road sleeves/casings may be installed prior to road construction to avoid road damage during construction of Applicant's facilities;
- (B) The Corporation shall, at the expense of the Applicant, inspect the facilities to ensure compliance with Corporation standards;
- (C) Construction plans and specifications shall be strictly adhered to, but the Corporation reserves the right to issue change-orders of any specifications, due to unforeseen circumstances during the design phase, to better facilitate construction or operation of the Applicant's facility. All change-order amounts shall be charged to the Applicant;

- (D) The Applicant shall execute the Service Contract evidencing willingness to proceed with the project and shall pay all costs in advance of construction associated with the project;
- (E) The Contractor shall provide an adequate bid bond under terms acceptable to the Corporation;
- (F) The Contractor shall secure adequate performance and payment bonding for the project under terms acceptable to the Corporation;
- (G) The Contractor shall supply favorable references acceptable to the Corporation;
- (H) The Contractor shall qualify with the Corporation as competent to complete the work (including but not limited to current water license, OSHA competent person training, and other licenses/certificates as required to complete the project); and
- (I) The Contractor shall provide adequate certificates of insurance as required by the Corporation.

1.11 Drought Tolerance. Developers shall design and install, and/or cause all residential, commercial, institutional, and/or other entities located within the Property that will be provided potable water by the Corporation, to use permanent water conservation-oriented fixtures and devices. Additionally:

- (A) Developers shall design and install or require its contractors or builders to whom the Developer may sell lots within the property, all landscaping and related facilities in compliance with the City of Dripping Springs “Landscape Ordinance”, as codified at City of Dripping Springs Code of Ordinances, Article 28.06, as amended.
- (B) Developers may install only drought tolerant native grasses, landscaping vegetation, and trees.
- (C) Installation of Saint Augustine grass, at any time, is expressly prohibited.
- (D) Irrigation of new landscapes or new turf grass during drought stage 4 or stage 5 is prohibited. Installation of new landscapes during drought stage 3 only with an approved variance.
- (E) Irrigation variances during drought stage 4 or stage 5 are prohibited.
- (F) Filling or refilling of pools during drought stage 4 or stage 5 is prohibited unless water is sourced outside the boundaries of the Corporation’s Service Area.
- (G) During declared drought stage 4, all dedicated irrigation connections will be locked and turned off by DSWSC staff.

2. **Request for Service to Subdivided Property.** This section contains additional requirements for applicants that are developers as defined in § C.

2.1 Sufficient Information. Applicants shall provide the Corporation sufficient information describing the level and manner of service requested and the timeline for initiation of this service. The following is the minimum information needed for an engineering evaluation of the requested service to the property described in the application.

- (A) Completion of requirements described in [§ F.1](#), including completing the Nonstandard Service Application.
- (B) Applicant shall provide the Corporation with details concerning access to the property during evaluation of application.
- (C) Applicant shall be notified in writing by the Corporation or designated representative the timeframe within which the requested service can be provided and the costs for which the applicant will be responsible, in accordance with the details described on the Applicant's request for service.

2.2 Service within Subdivisions. The Corporation's obligation to provide service to any customer located within a subdivision governed by this section is strictly limited to the level and manner of the nonstandard service specified by the Applicant. The Applicant is responsible for paying for all costs necessary for nonstandard service to a subdivision as determined by the Corporation under the provisions of this Tariff and specifically the provisions of this section. If the Applicant fails to pay these costs, the Corporation has the right to require payment of these costs by any one or more of the persons purchasing lots or homes within such subdivision before the Corporation is obligated to provide water service. ([Tex. Water Code § 13.2502](#).) In addition, Corporation may elect to pursue any remedies provided by the Non-standard Service Contract if one has been executed. Applicant is advised that purchasers of lots also may have legal recourse against the Applicant under Texas law, including but not limited to [Texas Water Code § 13.257](#) and the Deceptive Trade Practices-Consumer Protection Act ([Tex. Bus. & Com. Code §§ 17.41–.63](#)).

2.3 Additional Required Information. The Applicant must provide the following in addition to all other information otherwise required by this section:

- (A) Map and legal description of the area to be served using map criteria in [16 TAC § 24.257\(a\)](#).
- (B) Time frame for:
 - (1) Initiation of service; and
 - (2) Service to each additional or projected phase following the initial service.
- (C) Detailed description of the nature and scope of the project/development for:
 - (1) Initial needs; and

- (2) Phased and final needs, including a map showing each phase, and the projected land uses that support the requested level of service for each phase.
- (D) Flow and pressure for anticipated level of fire protection requested, including line size and capacity.
- (E) Specific infrastructure needs for anticipated level of fire protection requested, including line size and capacity.
- (F) Any additional information requested by the Corporation necessary to determine the capacity and the costs for providing the requested service.
- (G) Copies of all required approvals, reports and studies done by or for the Applicant to support the viability of the proposed development.

2.4 Application Requirements. Applicant must provide reasonably sufficient information, in writing, to allow the Corporation to determine whether the level and manner of service specified by the Applicant can be provided within the time frame specified by the Applicant and to generally determine what capital improvements, including expansion of capacity of the Corporation's production, treatment and/or storage facilities and/or general transmission facilities properly allocable directly to the service request are needed. If the Applicant proposes development in phases, the Applicant should specify the level and manner of service and the estimated time frame within which that service must be provided for each phase, and the Applicant must depict the currently estimated location of each phase on the maps required under 16 TAC § 24.257(a). It is important that the Applicant's written request be complete. A complete service application by the Applicant should include:

- (A) The proposed improvements to be constructed by the Applicant;
- (B) A map or plat signed and sealed by a licensed surveyor or registered professional engineer;
- (C) The intended land use of the development, including detailed information concerning the types of land uses proposed;
- (D) The projected water demand of the development when fully built out and occupied, the anticipated water demands for each type of land use, and a projected schedule of build-out;
- (E) A schedule of events leading up to the anticipated date upon which service from the CCN holder will first be needed; and
- (F) A proposed calendar of events, including design, plat approval, construction phasing and initial occupancy.

2.5 Service Demands and Expedited Decertification from the PUC. Applicant must establish that current and projected service demands justify the level and manner of service being requested. In making his/her written request for service, the

Applicant must advise the Corporation that he/she may request expedited decertification from the PUC.

- 2.6 **Corporation Review of Service Request.** Upon payment of the required fees, the Corporation shall review Applicant's service request. If no additional information is required from Applicant, the Corporation will prepare a written report on Applicant's service request, subject to any final approval by the Corporation's governing body (if applicable) which must be completed within the 90 days from the date of application and payment of the required fees. The Corporation's written report will state whether the requested service will be provided, whether the requested service can be provided within the time frame specified by the Applicant, and the costs for which the Applicant will be responsible (including capital improvements, easements or land acquisition costs, and professional fees).
- 2.7 **Corporation Request for Additional Information.** In the event the Corporation's initial review of the Applicant's service shows that additional information is needed, the Corporation will notify Applicant of the need for such additional information. Notice of the need for additional information will be made to the applicant within 30 days of the date the Corporation receives the Applicant payment of the required fees. Applicant shall respond to the Corporation's request for additional information within 15 days of receipt of the Corporation's written request. The Corporation will provide the written report, including any final approval by the Corporation's Board (if applicable) within 90 days from the date of the initial written application and payment of all required fees. By mutual written agreement, the Corporation and the Applicant may extend the time for review beyond the 90 days provided for expedited petitions to the PUC.
- 2.8 **Final approval.** Upon final approval by the Corporation and acceptance of proposal for service by the Applicant, a nonstandard service contract will be executed, and the Corporation shall provide service according to the conditions contained in the Nonstandard Service Contract.

SECTION G. RATES AND SERVICES FEES

Unless specifically defined in this Tariff, all fees, rates, and charges as stated shall be nonrefundable.

1. **Additional Assessments.** In the event any federal, state, or local government imposes on the Corporation a “per meter” fee or an assessment based on a percent of water charges, this fee or assessment will be billed and collected as a “pass through” charge to the customer.
2. **Assessments.** If at the end of the fiscal year, or in the event of emergency repairs, the Board of Directors determines the total amount derived from the collection of water charges to be insufficient for the payment of all costs incident to the operation of the Corporation’s system during the year in which such charges are collected, the Board shall make and levy an assessment against each Member of the Corporation as the Board may determine or as may be required by Rural Development, so that the sum of such assessments and the amount collected from water and other charges is sufficient to fully pay all costs of the operation, maintenance, replacement, and repayment on indebtedness for the year’s operations.
3. **Data Consumption Report Fee.** A fee of \$5 shall be charged to provide a copy of the Member’s record of past account information in response to a Member’s request for such a record.
4. **Leak Adjustment Rate.** The corporation may adjust a Member’s bill in the event of a leak, after the leak has been repaired and the meter no longer has a continuous flow. The adjustment rate will not exceed \$4.25/1,000 gallons.
5. **Customer Service Inspection Fee.** A fee of \$100 will be assessed each Applicant before permanent continuous service is provided to new construction.
6. **Easement Fee.** When the Corporation determines that private right-of-way easements and/or facilities sites are necessary to provide service to the Applicant, the Applicant shall be required to make good faith efforts to secure easements on behalf of the Corporation and/or pay all costs incurred by the Corporation in validating, clearing, and retaining such right-of-way in addition to tap fees otherwise required pursuant to the provisions of this Tariff. The costs may include all legal fees and expenses necessary to attempt to secure such right-of-way and/or facilities sites on behalf of the Applicant.
7. **Equipment Damage Fee.** If the Corporation’s facilities or equipment have been damaged by tampering, bypassing, installing unauthorized taps, reconnecting service without authority, or other service diversion, a fee shall be charged equal to the actual costs for all labor, material, and equipment necessary for repair, replacement, and other Corporation actions. This fee shall be charged and paid before service is re-established. If the Corporation’s equipment has not been damaged, a fee equal to the actual costs for all labor, material, equipment, and other actions necessary to correct service diversions, unauthorized taps, or reconnection of service without authority shall be charged. All components of this fee will

be itemized, and a statement shall be provided to the Member and tenant if an Alternate Billing Agreement is in place. If the Corporation's facilities or equipment have been damaged due to negligence or unauthorized use of the Corporation's equipment, right-of-way, or meter shut-off valve, or due to other acts for which the Corporation incurs losses or damages, the Member shall be liable for all labor and material charges incurred as a result of said acts or negligence.

8. **Capital Contribution Fee.** In addition to the Membership Fee, each Applicant for new service that requires a new service tap shall be required to achieve parity with the contributions to the construction or acquisition of the Corporation's assets related to capacity that have been made previously by existing Members. This fee shall be assessed immediately prior to providing service on a per-service unit basis for each service requested and shall be assigned and restricted to that property for which the service was originally requested. This fee shall be set aside for future capacity improvements such as line upgrades, new tanks, treatment, or production. The formula applied to such fee calculated annually after receipt of the system audit is as follows:

LUE Schedule: \$8,614.00

Meter Size:	LUEs:	Capital Contribution Fee:
5/8"	1	\$8,614
3/4"	1.5	\$12,921
1"	2.5	\$21,535
1.5"	5	\$43,070
2"	8	\$68,912
3"	16	\$137,824
4"	25	\$215,350

9. **Information Copy Fee.** A fee for the copying of any public information will be charged to the person requesting that information in compliance with the cost rules of [Texas Government Code § 552.261](#).

10. **Installation Fee.** The Corporation shall charge an installation fee for service as follows:

10.1 **Standard Service.** Standard service shall be charged on a per tap basis as computed immediately prior to such time as metered service is requested and installed and include:

- (A) Tap fee – all current labor and materials necessary to provide individual metered water;
- (B) Customer service inspection fee (\$100.00); and
- (C) Any additional site-specific equipment or appurtenances necessary to provide water service.

10.2 Nonstandard Service. Nonstandard service shall include:

- (A) Facility improvement costs including, but not limited to, tanks, piping, main lines, hydrants, and other labor materials necessary to provide service at the level required by Water Code and as requested by the applicant;
- (B) line and facility inspection fees;
- (C) administrative costs including, but not limited to, contract administration costs, processing invoices, disbursement of checks to contractors;
- (D) legal fees, including but not limited to, contract development, easements, water rights, permits, and CCN amendments for the area;
- (E) engineering fees; and
- (F) any additional site-specific equipment or appurtenances necessary to provide water service as determined by the Corporation under [§ F](#) (includes tap fees).

10.3 Pipeline Relocations. Standards and Nonstandard Service Installations shall include all costs of any pipeline relocations as per [§ E.27.4](#).

- 11. Late Payment Fee.** Once per billing period, a penalty of 10% shall be applied to delinquent bills. This late payment penalty shall not be applied to any balance to which the penalty was applied in a previous billing period but shall be applied to any unpaid balance during the current billing period. **NOTE: The Corporation cannot charge political subdivisions and state agencies the late payment fee. (See [Tex. Gov't Code § 2251.021](#); Tariff [§ E.13](#).)**
- 12. Line Extension Reimbursement Fee.** An approved Applicant may have to pay, on a pro-rated basis, a line reimbursement fee to the Corporation for the purpose of reimbursing a Member or other entity that made the initial capital outlay to extend service to that area.
- 13. Membership Fee.** At the time the application for service is approved, a refundable Membership Fee must be paid for each service requested before service shall be provided or reserved for the Applicant by the Corporation. The Membership Fee cannot be more than 12 times the minimum monthly base rate.
 - The Membership Fee for water service is \$100 for each service unit.
 - Membership Fee for oversized or Master Metered Accounts shall be based on multiples of meter size equivalence. (See Tariff [§ G.15.1\(A\)](#).)
- 14. Meter Tampering and Damage to Property Penalty.** In addition to the Equipment Damage Fee, the Corporation may charge a penalty for "Tampering" as defined in [§ E.22.1](#). The penalty may only be assessed against the person who committed the Tampering. The

penalty cannot be assessed against the Member for the Tampering committed by their tenant. The penalty shall not exceed 6 times the Base Rate.

15. Monthly Charges.

15.1 Base Rate.

(A) **Water Service.** The monthly charge for standard metered water service is for a $5/8" \times 3/4"$ meter. The $5/8" \times 3/4"$ meter charge is used as a base multiplier for larger nonstandard meters in accordance with the following chart based on American Water Works Association maximum continuous flow specifications:

Meter Size:	5/8" \times 3/4" Meter Equivalents:	Monthly Rate:
5/8" \times 3/4"	1	\$35.00
3/4"	1.5	\$52.50
1"	2.5	\$87.50
1 1/2"	5	\$175.00
2"	8	\$280.00
3"	16	\$560.00
4"	25	\$875.00
6"	50	\$1,750.00
8"	80	\$2,800.00

(B) **Bulk Water Station Monthly Surcharge.** \$100 added to invoices with 50,000 gallons or more per month.

(C) **Bulk Water Hydrant/Truck Meter.** \$200.00 per month per meter and a one-time, nonrefundable fee for each meter at the most current market price.

15.2 Gallonage Charge.

In addition to the Base Rate, a gallonage charge shall be added at the following rates for usage during any 1 billing period.

(A) **Water: Residential/Irrigation/Commercial without Separate Irrigation Meter.**

Billing Period Usage (Gallons):	Gallon Charge per 1,000 Gallons:
0–4,000	\$2.25
4,001–8,000	\$3.75
8,001–12,000	\$4.25
12,000–20,000	\$5.25
20,001–30,000	\$15.25

Billing Period Usage (Gallons):	Gallon Charge per 1,000 Gallons:
30,001–50,000	\$20.25
50,001 and above	\$25.00

(B) Water: Commercial with Separate Irrigation Meter.

Billing Period Usage (Gallons):	Gallon Charge per 1,000 Gallons:
0–4,000	\$2.25
4,001–8,000	\$3.75
8,001–12,000	\$4.25
12,000–30,000	\$4.75
30,001–50,000	\$7.25
50,001 and above	\$9.25

(C) Water: Separate Irrigation Meter.

Billing Period Usage (Gallons):	Gallon Charge per 1,000 Gallons:
0–30,000	\$15.25
30,001–50,000	\$20.25
50,001 and above	\$25.00

(D) Bulk Water.

- (1) Residential: \$10 per 1,000 gallons.
- (2) Commercial: \$15 per 1,000 gallons.

16. Meter Test Fee. The Corporation shall test a Member's meter upon written request of the Member. Under the terms of § E, an administrative fee of \$20 shall be imposed on the affected account.

- In the event the meter is tested with results within 3% accuracy, the customer will be responsible for both the cost of the meter test, conducted by the third party, and an installation fee.
- If the meter is tested and found to be measuring outside of the 3% accuracy, then the customer's bill will be adjusted accordingly for no more than a period of 6 months of prior meter readings.

17. **Other Fees.** All services outside the normal scope of utility operations that the Corporation may be compelled to provide at the request of a Member or the general public shall be charged to the recipient based on the cost of providing such service.
18. **Reconnect Fee.** The Corporation shall charge a fee of \$35 for reconnecting service after the Corporation has previously disconnected the service for any reason provided for in this Tariff except for activation of service under [§ E.1.2](#).
19. **Regulatory Assessment.** A fee of 0.5% of the amount billed for water will be assessed each customer; this assessment is required under Texas law and TCEQ regulations. **NOTE:** The regulatory assessment is not to be collected from state agencies, wholesale customers, or buyers of non-potable (not drinkable) water. (See [30 TAC § 291.76\(c\)](#).)
20. **Returned Check Fee.** In the event a check, draft, or any other similar instrument is given by a person, firm, corporation, or partnership to the Corporation for payment of services provided for in this Tariff, and the instrument is returned by the bank or other similar institution as insufficient or nonnegotiable for any reason, the account for which the instrument was issued shall be assessed a return check charge of \$40.
21. **Service Investigation Fee.** The Corporation shall conduct a service investigation for each service application submitted to the Corporation. An initial determination shall be made by the Corporation, without charge, as to whether the service request is Standard or Nonstandard. An investigation shall then be conducted, and the results reported under the following terms:
 1. All Standard Service requests shall be investigated without charge and all applicable costs for providing service shall be quoted in writing to the Applicant within 10 working days of application.
 2. All Nonstandard Service requests shall be subject to a fee, appropriate to each project, of sufficient amount to cover all administrative, legal, and engineering fees associated with investigation of the Corporation's ability to deliver service to the Applicant to:
 - (A) to present a Nonstandard Service Contract to the Applicant; and
 - (B) to provide other services as required by the Corporation for such investigation. A Nonstandard Service Contract shall be presented to the Applicant within a suitable amount of time as determined by the complexity of the project. (See Tariff [§ F.5](#).)
22. **Current Transfer Fee.** A fee of \$20 shall be assessed for the transfer of any membership.

SECTION H. DROUGHT CONTINGENCY AND EMERGENCY WATER DEMAND MANAGEMENT PLAN

1. **Introduction.** The goal of this Plan is to cause a reduction in water use in response to drought or emergency conditions so that the water availability can be preserved. Since emergency conditions can occur rapidly, responses must also be enacted quickly. This Plan has been prepared in advance considering conditions that will initiate and terminate the water use restriction program. The Plan will be implemented according to the 3 stages of water use restrictions as imposed by the Board. Section 4 describes the conditions that will trigger these stages.
2. **Drought/Emergency Management Committee.** A Drought/Emergency Management Committee consisting of 2 Board Members and the General Manager will monitor usage patterns and public education efforts and will make recommendations to the Board on future conservation efforts, demand management procedures, or any changes to this Plan. The Committee can develop public awareness notices, bill stuffers, and other methods that will begin and continue as a constant type of reminder that water should be conserved at all times, not just during a drought or emergency. This Committee will also review and evaluate any needed amendments or major changes due to changes in the WSC service area population, distribution system or supply. This review and evaluation will be done on a regular basis of 5 years unless conditions necessitate more frequent amendments.
3. **Coordination with Regional Water Planning Groups.** The service area of the Corporation is located within the Lower Colorado (Region K) Regional Water Planning Area, and the Corporation has provided a copy of this Plan has been provided to the Lower Colorado (Region K) Regional Water Planning Group.
4. **Trigger Conditions.** The Drought Emergency Management Committee is responsible for monitoring water supply and demand conditions on a monthly basis (or more frequently if conditions warrant) and shall determine when conditions warrant initiation or termination of each stage of the Plan, that is, when the specified triggers are reached. The Committee will monitor monthly operating reports, water supply or storage tank levels, aquifer levels, and/or rainfall as needed to determine when trigger conditions are reached. The triggering conditions described in the drought contingency plan: the vulnerability of the water source under drought of record conditions, the production, treatment and distribution capacities of the system, and member usage based upon historical patterns.
5. **Initiation and Termination Procedures.**
 - 5.1 **Initiation of Water-Use Restrictions.** Once a trigger condition occurs, the Corporation, or its designated responsible representative, shall, based on recommendation from the Chair of the Drought/Emergency Management Committee, decide if the appropriate stage of water use restrictions shall be initiated. The initiation may be delayed by the board or if there is a reasonable possibility the water system performance will not be compromised by the condition. If water allocation is to be instituted, written notice to the customers shall be given.
 - 5.2 **Customer Notice of Water-Use Restrictions.** Notice of the proposed water use restrictions measure shall be provided to each affected customer upon the initiation of each

stage. Notice may be sent electronically or by email only if the customer chooses the option to receive email notices instead of mailed notices and provides a valid email address. The customer notice shall contain the following information:

- (A) The date water restriction shall begin;
- (B) The stage (level) of water allocations to be employed;
- (C) Penalty for violations of the water allocation program; and
- (D) Affected area or areas.

5.3 Extension of Water-Use Restrictions. If the water allocation program extends 30 days, then the Chairperson of the Drought/Emergency Management Committee or manager shall present the reasons for the allocations at the next scheduled Board Meeting and shall request the concurrence of the Board to extend the allocation period.

5.4 Termination of Water-Use Restrictions. When the trigger condition no longer exists then the responsible official may terminate the water allocations provided that such an action is based on sound judgment. Notice of the end of allocations shall be given to customers. A water allocation period may not exceed 60 days without extension by action of the Board.

6. Penalties for Violations. These provisions apply to all customers of the Corporation.

6.1 First Violation. The customer/member will be notified by a written notice of their specific violation and their need to comply with the tariff rules. The notice will also inform the customer that additional violations will trigger more severe penalties and may result in termination of service regardless of whether the customer pays the penalties.

6.2 Second Violation. The Corporation will assess a penalty of \$100. (See Tariff § 6.5.) The notice of second violation will show the amount of penalty to be assessed and will inform the customer that failure to pay the penalty will result in termination of service to be restored only upon full payment of penalty and service call to restore service. The notice will also inform the customer that additional violations will trigger more severe penalties and may result in termination of service regardless of whether the customer pays the penalties.

6.3 Subsequent Violations. The Corporation will assess an additional penalty of **6 times the minimum monthly bill** for violations continuing after the Second Violation. The notice of subsequent violation will show the amount of the penalty to be assessed and will inform the violator that failure to pay the penalty will result in termination of service to be restored only upon full payment of penalty and service call to restore service. The notice will also inform the customer that the Corporation may also install a flow restricting device in the customer's meter service to limit the amount of water that will pass through the meter in a 24-hour period. The costs of this procedure will be for the actual work and equipment and shall be paid by the customer. Removal of this device will be considered Meter Tampering and will result in disconnection of service without further notice. The notice of subsequent violation will also inform the customer that additional penalties will be assessed for additional violations; and in addition to penalties, that water service will be terminated for a

period of 3 days regardless of whether the customer pays the penalties for the additional violations.

6.4 Termination. For each continuing violation, the Corporation will assess an additional penalty of **6 times the minimum monthly bill** of Service will also be terminated for a period of 3 days. The notice of termination will show the date on which water service will be terminated and the date on which service will be restored, unless the customer has failed to pay delinquent penalties, assessments, or charges. Service will remain off until any delinquent penalty or other assessment is fully paid including a charge for the service call to restore service.

6.5 Penalty Authority. The Corporation is allowed to charge a reasonable water-conservation penalty to customers that fail to comply with the water use restriction procedures in accordance with 16 TAC § 24.101(j) and Texas Water Code § 67.011(b), as added by Chapter 512 (H.B. 1152), Acts of the 78th Legislature, Regular Session, 2003, if:

- (A) The penalty is clearly stated in the tariff;
- (B) The penalty is reasonable and does not exceed 6 times the minimum monthly bill stated in the Corporation's current tariff; and
- (C) The Corporation has deposited the penalty in a separate account dedicated to enhancing water supply for the benefit of all the Corporation's customers.

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

- Compliance with this Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is in effect.
- Alternative methods can be implemented which will achieve the same level of reduction in water use.

8. Petition for Variance. Persons requesting an exemption from the provisions of this Plan shall file a petition for variance with the Drought/Emergency Management Committee within 5 days after the Plan or a particular drought response stage has been invoked or after a condition justifying the variance first occurs. All petitions for variances shall be reviewed by the Committee or designee and shall include the following:

- Name and address of the petitioner(s);
- Purpose of water use;
- Specific provision(s) of the Plan from which the petitioner is requesting relief;
- Detailed statement as to how the specific provision of the Plan adversely affects the petitioner or what damage or harm will occur to the petitioner or others if petitioner complies with this Plan;
- Description of the relief requested;

- Period of time for which the variance is sought;
- Alternative water use restrictions or other measures the petitioner is taking or proposes to take to meet the intent of this Plan and the compliance date; and
- Other pertinent information, as requested by the Committee.

9. **Plan Variance Conditions.** Variances granted by the Committee shall be subject to the following conditions, unless specifically waived or modified by the Committee or Board of Directors:

- Variances granted shall include a timetable for compliance.
- Variances granted shall expire when the water allocation is no longer in effect, unless the petitioner has failed to meet specified requirements. No variance allowed for a condition requiring water allocation will continue beyond the termination of water allocation. Any variance for a subsequent water allocation must be petitioned again. The fact that a variance has been granted in response to a petition will have no relevance to the Committee's decision on any subsequent petition.
- No variance shall be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

10. **Implementation.** The Board establishes a Drought/Emergency Management Committee by Resolution, the chairperson of which will be the responsible representative to make Drought and Emergency Water Management actions. This Committee will review the procedures in this plan annually or more frequently. Modifications may be required to accommodate system growth, changes in water use demand, available water supply, and/or other circumstances. This Plan was amended and adopted by the Board at a properly noticed meeting held on January 19, 2026.

Corporation Official: Charlie Busbey

Title: President

SECTION I: SAMPLE APPLICATION PACKET

SAMPLE
Dripping Springs Water Supply Corporation
Nonstandard Service Application

Please Print or Type Clearly

Applicant's Name/Company

Address/City/State/ZIP:

Phone number (____) ____ - _____ FAX (____) ____ - _____

E-mail

Please attach a legal description of the proposed development as listed in the deed records as a filed plat or parcel of land where other types of nonstandard water/sewer service is requested. Plat requirements include the name of subdivision, owner/developer's name, lot sizes and lot lines, lot numbers, right of way dimensions and dedicated utility easements, legal description, highway and county road numbers, total acreage, adjoining property owners, flood plain, and vicinity map. Instrument must show proof of ownership; preliminary plats are acceptable for discussion purposes but an "approved plat" must be provided before contract closing.

Check type of service application or development:

Residential Subdivision Multi-family Mobile Home Park Trailer Park School
 Line Extension Commercial/Industrial Park Large Meter (>1")
 Multi-use Facility Other

Please list all water demand criteria for each meter or meter equivalent, or attach any engineering studies completed for the proposed service:

Maximum number of proposed lots: _____ Range of standard lot sizes: _____

Acreage(s) _____

Please describe in detail the nature and scope of the project/development.

Initial needs

Phased and final needs, including a map showing each phase, and the projected land uses that support the requested level of service for each phase.

Please list any additional special service needs not listed above.

Please provide the flow, pressure and infrastructure needs for anticipated level of fire protection requested or required by ordinance, including line sizes and capacity.

Please provide the timeline for initiation of this service, and for service to each additional or projected phase following initial service, including a schedule of events leading up to the anticipated date of service. Specify this for all additional or projected phases.

Please describe how the utility may access the property during evaluation of application.

Please attach the following information, as applicable:

- A proposed calendar of events, including design, plat approval, construction phasing and initial occupancy.
- If applying for a single tap that requires a line extension, road bore, or upsizing of facilities, maps or plans detailing the location of the requested service installation and/or extension and details of demand requirements.

Required Fees

Applicant is required to pay a Nonstandard Service Investigation Fee of \$ _____ to the Corporation in accordance with § G of the Corporation's tariff for purposes of paying initial administrative, legal, and engineering fees. The Corporation will refund any balance that remains after it has completed its service investigation and has completed all legal and engineering services associated with processing a request.

In the event the Investigation Fee is not sufficient to pay all expenses incurred by the Corporation, the Applicant agrees to pay all additional expenses that have been or will be incurred by the Corporation and Corporation will have no obligation to complete processing of the Applications until all remaining expenses have been paid.

Corporation's response to service request

The Corporation will prepare a written response to Applicant's service request within 90 days from the date the application was submitted, and the required fees were paid. The Corporation's response will state the timeframe within which the requested service can be provided, and the costs for which the Applicant will be responsible, which may include capital improvements, easements or land acquisition costs, and professional fees.

Applicant has received and reviewed § F of the Corporation's tariff and agrees to comply with all the requirements contained therein.

Under penalties of perjury, I declare that I have reviewed the information presented in this Application, including accompanying documents, and to the best of my knowledge and belief, the information is true, correct, and complete.

Print Applicant/Name of Company _____

Signature of Authorized Representative _____

Date _____

For Corporation Use Only

Date application received _____

Amount Fees Paid / Date Paid _____

Signature WSC staff member _____

SAMPLE
Dripping Springs Water Supply Corporation
Notice of Prohibition of Multiple Connections to a Single Tap

DATE: _____

FROM: _____, Corporation Official, Dripping Springs WSC

TO: _____, you are hereby notified that Dripping Springs Water Supply Corporation (“Corporation”) has sufficient reason to believe a Multiple Connection exists on your property at _____ in violation of the Corporation’s tariff, § E (Prohibition of Multiple Connections). Pursuant to the tariff, no more than 1 residential, commercial, or industrial service connection is allowed per meter or sewer tap.

The Corporation shall discontinue service under the Disconnection with Notice provisions of the Corporation’s tariff if the Multiple Connection is not rectified within _____ (days or date).

See 16 Texas Administrative Code § 24.169(a)(4) and 30 Texas Administrative Code §§ 290.38(18) and 290.44(d)(4).

Corporation Official: _____

Title: _____

SECTION J. MISCELLANEOUS

[Intentionally left blank.]