

Tariff

Section F

SECTION F.
DEVELOPER, SUBDIVISION AND NON-STANDARD SERVICE
REQUIREMENTS

Part I. General Requirements. This section details the requirements for all types of non-standard service requests.

1. ***Corporation's Limitations.*** All Applicants shall recognize that Corporation must comply with local, state, and federal rules and regulations as promulgated from time to time, and with covenants of current indebtedness. The Corporation is not required to extend retail utility service to an Applicant in a subdivision where the party responsible (Applicant/Developer) of the applicable property (subdivision) has failed to comply with the terms of this policy. Section 13.2502 of the Texas Water Code requires that notice be given herein or by publication (See Miscellaneous Transaction Forms) or by alternative means to the Developers/Applicants. (Also see Section F. Part II 2.)

2. ***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 Non-Standard Service are determined, including the Non-Standard 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 Non-Standard 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 Non-Standard Service will be furnished to the property. In most cases, the Applicant shall be the owner of real property for which Non-Standard 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 Non-Standard Service on behalf of such owner, or that it otherwise has authority to request Non-Standard Service for the real property. The purpose of this Section is to also govern agreements and service procedures for subdivisions, apartments, nursing homes, motels, RV and mobile home parks, strip centers for multiple businesses, or developments where service to more than one tract is necessary, and/or for additional pipe extensions, service facilities, etc., required to accommodate individual, multiple, commercial, or industrial Applicants. For the purposes of this Tariff, Applications subject to this Section shall be defined as Non-Standard. The intent is that the Applicant, including Developers making application to the Corporation, will bear 100% of all Legal, Engineering, Construction, Administration and other expenses incurred in connection with the Agreement, acquiring service to the property, ensuring water availability to the property, and the transaction contemplated, whether or not such transaction shall be completed as expected, with no cost to Oak Hills Water Supply Corporation or its Members.

3. ***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 non-standard services for a single tract of land can include, but are not limited to, road bores, extensions to the distribution system, service lines. Non-residential 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 Non-Standard. 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 Non-Standard Service Requests. Applicants who fall into this category will pay 100 percent of all legal, engineering, construction, and all other expenses incurred by the Corporation while acting on this service request. This Section sets forth the general terms and conditions pursuant to which the Corporation will process Non-Standard 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.

4. ***Non-Standard Service Application.*** The Applicant shall meet the following requirements prior to the initiation of a Non-Standard Service Contract by the Corporation:

****NOTE:** *Service Extension Documentation Requirements and Sequence of Events for Water Service Extension*, as set forth in this Tariff, Section F, shall apply in addition to the following:

- a) The Applicant shall provide the Corporation an original, signed, written request for water service containing all information pertinent to the design and construction of the proposed development. Application will also include a master plan for the development that might include any future phases of the development, so that the Corporation can plan accordingly for water supply needs.
- b) At the time the Applicant tenders the Application, the Sub-Divider or Developer will pay a Non-Standard Service Extension Processing/Investigation Fee that is dependent on the number of lots being subdivided and reflected in the table below. This fee is to cover administrative, legal, engineering, geo-location*, and filing fees. The balance of actual expenses shall be refundable to the Applicant, and any additional expenses incurred as a result of efforts by the Corporation to study service requirements for the Applicant shall be billed to and paid by the Applicant. The Corporation may request that an additional amount be added to this fee to continue processing the application if the original amount has been expended or exceeded by administrative cost(s):

Fee	Number of Lots to Be Subdivided
\$5,500.00	Under 50 Lots
\$10,000.00	50 – 200 Lots
\$16,500.00	201 – 500 Lots
\$25,500.00	501 Lots or more

- c) If the applicant meets all prerequisites for Non-standard Service, the Oak Hills Water Supply Corporation's duly authorized representative will prepare a letter for the Wilson County Subdivision Review Committee recommending approval. This letter will NOT be forwarded, or may recommend disapproval, if the Non-standard Service Extension Fee has not been paid or application is incomplete.
- d) Prior to the Applicant submitting the preliminary Plat to the proper Wilson County approval authority(ies), the Applicant shall provide the Corporation with the preliminary

Plat as it is to be submitted to the relevant County approving agency. The Corporation's President or Manager will approve, stamp, and sign the plat prior to submitting it for final approval once a Water Availability study has been accomplished by the Corporation's Engineer, presented to the Applicant, and the applicant has agreed to the terms and requirements of the study.

- e) After the Plat is approved and signed by the appropriate County Officials, it is then filed with the County Clerk. The Applicant will provide the Corporation with two (2) copies of the filed plat and pay the Corporation's Subdivision Capital Recovery Fees.
- f) Subdivision Capital Recovery Fees are to be paid to the Corporation by the Developer. These fees are calculated by multiplying the prevailing Capital Improvement Fee (CIF) at the time of application, times the number of lots being developed by the Applicant as shown in the approved and properly filed Plat. As of this writing, the CIF is **\$2,750** and may be changed from time-to-time by the Board of Directors to ensure compliance with applicable regulations.
- g) In addition to the Capital Recovery Fee described above, the Developer will also pay any Aid of Construction Cost upfront that was determined by the Corporation's Engineer in the Water Availability Study. This cost could include any allocable cost of providing water to the property, any immediate improvements needed to supply water availability, or approach cost of pipeline extensions to the property or subdivision.
- h) Applicants for single taps involving the extension or up-sizing of facilities shall be required to submit maps or plans detailing the location of the requested extension and details of demand requirements. Applicants for subdivisions will submit maps or plans detailing the location of the requested extension and details of subdivision and pipeline layout, including all pertinent information from their engineer to the Corporation.
- i) Reserve Service Fees may be established if the Corporation will incur any cost associated with reserving the available water until service is needed by the applicant.
- j) Construction Inspection Fees will be established to periodically inspect lines and or facilities during the construction phase to ensure construction is meeting industry and corporate standards.
- k) If, after the service investigation has been completed, the Corporation determines that the Applicant's service request is for property outside the Corporation's service area or Certificate of Convenience and Necessity (CCN), service may be extended provided that:
 - i. The service location is contiguous to the Corporation's CCN;
 - ii. The service area is not in an area receiving similar service from another water utility;
 - iii. The service area is not within the CCN of another similar utility;
 - iv. The Corporation and Applicant are not using the same engineer; and
 - v. The Developer pays one hundred percent (100%) of all legal, engineering, and filing fees associated with the CCN extension.

5. **Design.** The Corporation shall approve the design requirements of the Applicant's required facilities prior to initiation of a Non-Standard Service Contract in accordance with the following schedule:

- a. The Applicant's Engineer shall submit to the Corporation a set of detailed plans and specifications for the project.
- b. The Corporation's Engineer shall review the service and all water line structure for the applicant's requested service, as submitted by the Applicant's Engineer

- c. The Corporation's Engineer shall review the Applicant's proposed facilities to ensure that they meet the demand for service as platted and/or requested in the plans or plat as submitted. The Corporation reserves the right to upgrade the design of the service facilities and/or line sizes to meet future demands provided; however, that the Corporation pays the expense of such upgrading above the Applicant's facility requirements
 - d. The Corporation Engineer will also determine if any *pro rata* share of Aid in Construction Cost requirements exists to meet the requirements of the Corporation's Master Plan. Developers will be required to pay an allocable cost to provide facilities to meet the requirements of the new subdivision or master planning for infrastructure improvements that are justified through the Corporation's Professional Engineer and are above the cost of the current Capital Recovery Fee.
 - e. Corporation's engineer shall design, or 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.
 - f. The Corporation's engineer's fees shall be paid out of the Non-Standard Service Investigation Fee under Tariff Section F 4.
 - g. The Corporation's engineer shall submit to the Corporation a set of detailed plans, specifications, and cost estimates for the project.
 - h. The Corporation's engineer 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 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.
 - i. The Corporation's Engineer will ensure that all line extensions meet the Corporation's minimum six (6) inch water main line diameter requirement, that all American Water Works Association (AWWA) design requirements are met, that minimum discharge pressures and flows for the provision of fire service are satisfied, that Corporation requirements for minimum retail/wholesale flow pressures and state/federal minimums for water storage and fire service flows are met, and that the distribution system is looped to maximize water flows and to reduce flushing requirements.
 - j. The design for any non-standard service request, including new subdivisions, based on density, type of structure, and other factors.
6. ***Non-Standard Service Contract***—All applicants subject to this Section shall enter into a written agreement, which defines the terms of service prior to construction of required service facilities. Guidelines for the Service Agreement may include, but are not limited to:
- a. Definition of cost 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. Definition of any immediate improvements to the water system that the applicant or developer is required to fund;
 - c. Definition of any *pro rata* or allocable cost associated with Aid of Construction Cost in providing water to the development;
 - d. The total cost of the approach main as a developer or applicant cost;
 - e. Definition of monthly Service Availability Charges as applicable to the Service Request.
 - f. Definition of terms by which reserved service shall be provided to the Applicant, and duration of reserved service with respect to the impact the Applicant's service

request will have upon the Corporation's system capability to meet other service requests.

- g. Definition of terms by which the Corporation shall administer the Applicant's project with respect to:
 - i. Design of the Applicant's service facilities;
 - ii. Specific materials to be used in construction of facilities, specified by name of manufacturer or comparable part number, nomenclature, or item specifications;
 - iii. Execution of the Service Agreement;
 - iv. Approval of qualified bidder selected for construction;
 - v. Inspecting construction of facilities; lines and
 - vi. Testing facilities, lines and closing the project.
- h. Definition of terms by which the Applicant shall compensate the Corporation from all third-party claims or lawsuits in connection with the project contemplated;
- i. Definition of terms by which the Applicant shall deed all constructed facilities to the Corporation, and by which the Corporation shall assume operation and maintenance Responsibility, including any enforcement of warranties in connection with the Construction of the Applicant's project;
- j. Definition of terms by which the Applicant shall grant title or easement right-of-ways and facility sites, and/or terms by which the Applicant shall provide for the securing of required right-of-ways and sites;
- k. Definition of terms by which the Corporation's Board of Directors shall review and approve the Service Agreement pursuant to current rules, regulations, and By-Laws.

- 7. ***Construction of Facilities by Applicant Prior to Execution of Service Contract.*** – The Corporation and the Applicant must execute a Non-Standard 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.
- 8. ***Dedication of Water System Extension to WSC.*** Upon proper completion of construction of all on-site and off-site service facilities to meet the level and manner of service requested by the Applicant (the "Facilities"), 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 Subsection (b). Any connection of individual customers to the Facilities shall be made by the WSC. Upon transfer of ownership of the Facilities, Applicant shall warrant materials and performance of the Facilities constructed by Applicant for 12 months following the date of the transfer.

9. ***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 Applicants property are required, the Corporation shall require the Applicant to secure easements or title to facility sites on 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 facilities installed in public rights-of-way on behalf of the Applicant, due to inability to secure private right-of-way easements, shall be subject to an amount equal to the original cost of the facility installation, plus the estimated cost of future location to private rights-of-way provided, however, that funds are not received at a later date from other sources for such relocation.
 - c. The Corporation shall require free and clear Title to all property required for on-site facilities, and an exclusive dedicated right-of-way on the Applicant’s property, as required by the size of the planned facilities and as determined by the Corporation. The term “free and clear Title” as it pertains to this subsection means that the Applicant shall ensure the Corporation is not inhibited from exercising access to easements or dedicated rights-of-way on the Applicant’s property that may arise from the existence of any third-party liens placed on the property for which service is being sought.
 - d. Easements in subdivisions shall be fifteen (15) feet wide parallel to and along the sides and rear of each lot, and twenty (20) feet parallel to and across the front of each lot and at the expense of the Applicant.
10. ***Bids For Construction.*** – The Corporation’s Consulting Engineer shall advertise for bids for the construction of the Applicant’s proposed facilities in accordance with generally accepted practices. Plans and specifications shall be made available, with or without charge (as per Engineer’s determination), to prospective bidders. Although the Corporation reserves the right to reject any bid or contractor, the Corporation shall generally award the contract to the lowest qualified bidder in accordance with the following criteria:
- a) The Applicant shall sign the Service Contract noting willingness to proceed with the project and shall pay all costs in advance of construction associated with the project.
 - b) The Contractor shall provide an adequate bid bond under terms acceptable to the Corporation.
 - c) The Contractor shall secure adequate performance and payment bonding for the project under terms acceptable to the Corporation;
 - d) The Contractor shall supply favorable references acceptable to the Corporation;
 - e) 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
 - f) The Contractor shall provide adequate certificates of insurance as required by the Corporation. The Applicant shall procure or cause its contractor(s) and subcontractor(s) to procure and maintain throughout the term of the Agreement (Contract) Workman’s Compensation, Auto and General Liability

coverage insurance policy, or policies in an amount of not less than one million dollars (\$1,000,000.000) in respect to property damage or destroyed in any one occurrence. Said Workman's Compensation, Auto and General Liability coverage insurance policy, or policies and Certificates of Insurance shall contain a cancellation clause which will allow cancellation by the builder, its contractor(s) or subcontractor(s) only after thirty (30) days prior written notice to the Corporation.

- g) Applicant will agree to indemnify, defend, and hold the Corporation harmless from and against any and all liabilities, penalties, damages, losses, claims, costs, and expenses (including reasonable attorney's fees and expenses for the defense of any claim which, if proved, would give rise to an obligation of hereunder, whether or not such claim may be ultimately proved) arising out of or resulting directly or indirectly from (a) any misrepresentation or breach of any representation or warranty by Applicant; (b) failure of Applicant to fully pay or satisfy or cause to be paid or satisfied any liabilities not expressly assumed by the Corporation pursuant to the terms hereof, and (c) non-performance of any obligations or covenants on the part of Applicant under the Agreement (Contract) and to hold the Corporation harmless from any claims arising out of Applicant's request to limit installation of the Subdivision's internal distribution transmission line.
- h) If requested by the Corporation, the Contractor shall qualify as competent by providing the Corporation with a list of the (5) most recent projects completed, and the name, address and phone number for whom.

11. ***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 Non-Standard Service Contract.

12. ***Construction.*** The Corporation and/or its consulting Engineer shall, at the expense of the Applicant:

- a. Inspect the construction process to ensure Corporation standards are achieved, and
- b. To ensure construction plans and specifications are strictly adhered to. However, the Corporation reserves the right to change-order any specifications due to unforeseen circumstances during the construction phase to better facilitate operation of the Applicant's facility. All change-order amounts shall be charged to the Applicant.
- c. 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.
- d. The Corporation shall, at the expense of the Applicant, inspect the facilities to ensure compliance with Corporation standards.

- e. 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.

13. **Fees and Service Agreement (Contract).** If the proposed subdivision plat and layout plans are approved by the Corporation's General Manager and Consulting Engineer, the Applicant shall do the following:

- a. The Service Agreement (Contract) Draft between the Applicant and the Corporation will be prepared by the Corporation's Attorney and returned to the Corporation's Manager; and then to the Corporation's Board of Directors and Applicant for review. After completion of the Contract Draft review by all parties, the General Manager will prepare the final contract incorporating any changes agreed upon by all parties.
- b. The Corporation's Manager will procure from the Applicant the following documentation, if applicable:
 - i. Applicant will warrant that his is a Corporation duly organized, validly existing, and in good standing under the laws of the State of Texas. Contemporaneous to the execution of the agreement, the Applicant shall deliver to the Corporation any and all certificates evidencing Applicant's existence and good standing in the State of Texas.
 - ii. Applicant is, and at all times prior to the date of Application has been, in full compliance with all statutes, ordinances, codes, restrictions, regulations, and other governmental requirements applicable to its business or operation, including but not limited to 15 USC Chapter 42, Interstate Land Sales, and the Interstate Land Sales Full Disclosure Act, 15 United States Code § 1701 et. Seq.
 - iii. Certified documentation stating that the Applicant has full right, power and authority to execute, deliver, and perform the contractual Agreement. The execution, delivery, and performance of the Agreement by Applicant has been duly authorized by all requisite corporate action on its part, including action by the Directors as authorized by Applicants.
 - iv. Concurrently with the execution of the Agreement, the Applicant shall deliver to the Corporation, Resolutions of the Board of Directors of Applicant's Corporation evidencing the authorization of the execution, delivery and performance of the Agreement by Applicant (through its authorized agent), and the consummation of the transaction(s) contemplated thereby. Said resolutions shall be certified by the Secretary of the Applicant's Corporation.
- c. Final Contract, applicable documentation, Certified Plat, and Subdivision plans or facility layout will be forwarded to Corporation's Board of Directors and Attorney for final review and approval.
- d. Prior to the signing of the Agreement (Contract), the Applicant

(Developer) must do the following if applicable:

- i. Meters requested by the Applicant will be in compliance with Section E of this Tariff for the individual membership request.
 - ii. Applicants agree to one family residence per lot. There will be no subdividing of existing lots, unless Applicant and Corporation agree to construct, at the Applicant's expense, adequate lines and connections to accommodate future lot subdividing.
 - iii. In respect to the Notice of Proceed issued by the Applicant to his contractor(s), the Applicant will, or cause to have at the Applicant's expense, a line or lines constructed, including but not limited to individual service line taps, service lines, angle stops and meter boxes, in addition to any necessary connections suitable for the transportation of potable water as advised by the Corporation's Engineer; the cost and expense of which will include any administrative, legal, and engineering fees for the Corporation.
 - iv. Upon completion of the water lines and connections, and payment of all expenses and fees, the Applicant will by proper Bill of Sale, transfer and assign all its rights, title interest and easements to the Corporation, free and clear of any indebtedness.
- e. Mobile Homes and/or Apartments: Membership and Capital Improvement Fees per Section G of this Tariff will be paid on each individual lot and/or individual living unit, and a Monthly Service Availability Charge will be billed as follows:
- i. If standard size (5/8") meters are installed for each individual lot and/or individual living unit, a Monthly Service Availability Charge and Gallonage Usage Fee for each standard size meter will be charged, or
 - ii. If a non-standard size Master meter is installed, a Monthly Service Availability Charge and Gallonage Usage Fee for a standard size meter will be billed for each individual living unit in place on the day the meter is read.
- f. RV Parks. The owner/requester will submit an RV Park Bulk Meter Application consisting of a proposed site plan, property plat, warranty deed, and a \$3,500 RV Bulk Meter Application fee at the time of application. The application fee will be used to pay the cost of the system's engineer to determine water availability and meter size to meet the applicant's requirements. Application will consist of a drawing of the proposed park, including any onsite amenities and sewage disposal systems. All bulk meters installed for the purpose of RV Parks will require proper installation of a backflow device that is tested when installed and annually by a currently licensed Backflow Prevention Assembly Tester (BPAT) in the State of Texas. After the service is installed and the owner wishes to increase the capacity, an additional application will need to be submitted.

- i. A Membership will be paid on each bulk meter, and the Capital Improvement Fee or Impact Fee will be based on the meter equivalent chart below:

Meter Size/# Units	Meter Equivalent Connections	Capital Improvement Fee
¾ Bulk Meter/ 1-5 Units	2.5 (x \$3,570 CIF)	\$9,775
1-inch/ 6-25 Units	8	\$22,000
1 ½-inch/26-50 Units	20	\$55,000
2-inch/51-100 Units	32	88,000

- ii. The Monthly Service Availability Charge and Gallonage Usage Fee for the size of the Master Meter installed will apply.

- g. Combined RV and Mobile Home Park: An individual Mobile and/or Manufactured Home living unit Monthly Service Availability Charge and Gallonage Usage Fee per Section G for a standard size meter will be billed for each unit in place on the day the meter was read. RV Park will be charged according to the size of the Master Meter installed (See f. (i) above)

- i. Nursing Homes, Hospitals, Motels: Membership and Capital Improvement Fees will be paid. The Monthly Service Availability Charge and Gallonage Usage Charge will be billed for a non-standard size meter.

- ii. Commercial Businesses and Strip Shopping Centers for Multiple Businesses: Membership and Capital Improvement Fees will be paid for each separate business, and a Monthly Service Availability Charge or Gallonage Usage Fee will be charged according to installed meter size.

14. **Corporation Responsibility Statement.** In the event a platted lot is later subdivided or has more than one family residence thereon, which is in violation of the Service Agreement and this Tariff, the Corporation has the right to refuse water service to the additional residence/lot under the option granted to said Corporation in HB 2387, passed by the 74th Texas Legislature, amending Chapter 13 of the Texas Water Code in respect to the aforementioned circumstance.
15. **Additional Information.** The Corporation reserves the right, at its sole discretion, to require additional information, including information pertaining to the financial capabilities of the subdivision Applicant, to require letters of credit, and to make any other requests that are

reasonable in relation to the Corporation's Board of Directors' ability to make a final decision as to supplying potable water to any subdivision.

16. **Service Within Subdivisions.** The Corporation's objective, to provide service to any customer located within a subdivision governed by this Section, is strictly limited to non- standard service as specified by the Applicant. The purchaser of any lot, who do not receive service because this service has not been specified or paid for by the Applicant, shall have no recourse to the Corporation but may have recourse to the Applicant/Developer (HB 2387Amendment to Chapter 13 of the Texas Water Code, Effective September 1, 1995).

17. **Private Fire System Protection Connections.** This section addresses the Corporation's policies and requirements to submit a non-standard service extension request for connections utilized exclusively for closed-circuit automatic sprinkler head systems; open-head sprinkler system, standpipes, hose connection outlets, external private fire hydrants on the premises or other outlets used solely for the purpose of fire protection purposes.
 - a. Requirements for Private Fire System Protection Connections:
 - b. Must meet the definition of an A-3 structure designated by the International Building Code dated 2003 and mandated by the Texas 79th Legislature in unincorporated areas of Texas on September 1, 2005. By definition, an A-3 structure is any Commercial/Public facility that has the occupancy capacity of 300 or more individuals, is over 12,000 square feet of construction, or has occupancy space on a floor that does not contain exits.
 - i. Must own and maintain an existing membership in good standing with the Corporation.
 - ii. Other commercial property that requests a private fire protection connection will be evaluated on a case-by-case basis based on need and availability of water.
 - c. Application Process Includes all the following items plus any additional information as determined by the Corporation's Management:
 - i. Capacity Requirements – Architectural or Engineering Certifications of flow requirements and the sustainability requirements of flow rates.
 - ii. Drawing of the facility and a statement of the stated use of the facility.
 - iii. Professional Fees. Any legal and engineering expenses incurred by the Corporation to determine what improvements or line extensions that are required for the distribution system, or to determine the size of the connection. Typically, a \$1,000 fee will be paid at the time of application to pay for these costs, but the Corporation will notify the applicant if additional fees are needed if the engineering or legal work required is beyond what the Corporation would consider to be normal for this type of request.

- d. Fees to be paid to Corporation prior to construction phase of the connection:
 - i. Tap fees are determined in the estimate. Tap fees will vary based on the size of the connection needed to support the capacity and sustainability requirements.
 - ii. Line Extension Fees. Any upsizing of the main lines to support the capacity and sustainability requirements are the responsibility of the Applicant.
 - iii. System Improvement Fees. Any upgrades to the system to support the request of the private fire protection connection are to be paid by the Applicant.
 - iv. All devices required by the Corporation's Tariff to install the connection, including but not limited to shut off valves, meter(s), and any backflow prevention devices.
 - v. Labor Cost. Labor cost to install the connection could be either an in-house or contract cost.
- e. Standby fees will not normally be imposed on the user for this type of connection, but the Corporation reserves the right to impose these fees if the user does not abide by the terms of the agreement. These fees could amount to two – four monthly minimums being billed to the account to cover the cost to service these connections.
- f. User Fees. User fees will be imposed by the Corporation for any water discharge for maintenance of the fire protection system, leaks that occur in the system, or actual discharge for firefighting purposes. Usage fee will be charged at the basic rate specified in Section G of this Tariff. Each user will be responsible to provide the Corporation with a meter reading at the beginning of each quarter of the calendar year, with the first quarter being January – March. Failure to provide this reading could result in the Corporation imposing a standby fee for this connection.
- g. The applicant is required to sign a Non-Standard Service Agreement for a Private Fire Protection System that will state:
 - i. The Corporation does not guarantee fire-flow capacity;
 - ii. The applicant will have the proper backflow protection devices installed by a licensed installer and tested by a currently licensed Backflow Prevention Assembly Tester (BPAT) in the State of Texas prior to the connection to the water supply system, and that the devices will be tested by a licensed BPAT annually;
 - iii. Any water usage will be reported to the Corporation on a **quarterly** basis as detailed above; and
 - iv. Owner is required to notify the Corporation 72 hours in advance of any system test or maintenance action being performed

**SECTION F: WATER SERVICE EXTENSION SEQUENCE OF EVENTS
FOR DEVELOPERS AND/OR SUB-DEVELOPERS**

NOTE:

Applicants will bear all Legal, Engineering, Administrative and other expenses incurred by the Corporation in connection with the preparation for any Proposed Development, whether or not such transaction shall be completed as expected. The expenses shall be paid from the Non-Standard Service Extension Processing Fee. Any portion of the Fee remaining after completion of the Project will be refunded to the Applicant with an itemized accounting of expended funds. Additional expenses over and above the Non-Standard Service Extension Processing Fee incurred because of efforts by the Corporation for/toward the Applicant shall be billed to and paid by the Applicant.

SEQUENCE OF EVENTS

The following is the sequence of events for a water service extension request for a proposed subdivision or Development. See “SERVICE EXTENSION DOCUMENTATION REQUIREMENTS” for a list of required documents.

1. Applicant makes a formal request, in writing, to Oak Hills. Water Supply Corporation(OHWSC) for water service.
2. Applicant pays the Non-Standard Extension Processing Fee. This fee is to cover all administrative, legal, and engineering costs arising from developing contracts, filing easements, determining water availability and any other cost(s) associated with determining water needs for the new subdivision. An itemized cost sheet will be kept, any additional fees will be billed to the applicant, and any portion not used will be returned to the applicant.
3. Applicant will provide the Corporation a complete description of the proposed subdivision with the request.
4. A copy of the preliminary Plat showing utility easements shall be submitted to the Corporation for review and approval.
5. Corporation will have a Water Availability Study performed by the Corporation’s Engineer at the Applicant’s expense.
6. Corporation will present the details of the Water Availability Study to the applicant.
7. The Corporation’s Manager will sign the Plat as the Corporation’s representative.
****NOTE: The Plat must have the Corporation’s Approval Stamp prior to its submittal to the Wilson County Subdivision Review Committee for its approval before**

- submission to Wilson County Commissioner's Court for final approval.
8. Once the Plat has been approved in Wilson County Commissioner's Court and properly filed and recorded at the County Clerk's office, the Applicant will provide the Corporation with two (2) certified copies of the recorded plat and pay Subdivision Capital Recovery Fees, any associated pro-rata costs, aid-in-construction fees, or approach costs.
 9. Applicant shall provide the Corporation with two (2) complete copies of the proposed water system plans showing water distribution layout, identifying line sizes, fire protection, services, lot numbers, street names, and any other pertinent information that must be indicated. The layout must be designed and engineered by a currently licensed Professional Engineer in the State of Texas using hydraulic modeling software in common use among engineering firms. The Corporation will provide fixed grade pressures for use by Engineer.
 10. Applicant shall also provide all required documentation to the Corporation as per the Documentation Requirements listed in this Section/Appendices prior to Contractual Agreement drafting.
 11. Layout Plans will then be forwarded to the Corporation's Engineer for a system impact study and review of the plans.
 12. Plans are returned to the Corporation with Engineer's approval and/or recommended changes.
 13. The Applicant is informed in writing as to what changes, if any, need to be made to the plans. The Contract Information Package is sent to the Corporation's Attorney for contract drafting.
 14. The Contract Draft is forwarded to the Corporation's Manager for review. If no changes are needed to the Contract Draft, it is then brought before the Corporation's Board of Directors at the next regularly scheduled Board meeting for approval. Any recommended changes will be made after mutual agreement among the Applicant, the Corporation's Board of Directors and Corporation Attorney. The Corporation's
 15. Manager will then prepare the Contract Final Draft and all required Documentation.
 16. The Final Plans and Contract are then presented to the Attorney and the Corporation's Board of Directors for review.
 17. The Contract and the Final Plans are then presented to the Corporation's Board of Directors for approval, and the Board President's signature.
 18. The Contract is then forwarded to the Applicant for signature.

19. Applicant will then be authorized to proceed with system construction. A “Notice To Proceed” will be issued to Applicant by the Corporation. OHWSC Management and/or its Engineer will make periodic inspections during construction.

All work accomplished must be certified by the Design Engineer.

20. After project completion, the system shall be pressure tested by the Contractor, allowing for verification by the Corporation. The Contractor will then send water samples to a state-approved laboratory for bacteriological testing at the Applicant’s expense.

21. When the water analysis approval is received, the Bill of Sale and Blanket Easement are executed and turned over to the Corporation. The Development will then be formally approved and accepted for water service.

OAK HILLS WATER SUPPLY CORPORATION
NON-STANDARD SERVICE APPLICATION SERVICE EXTENSION
DOCUMENTATION REQUIREMENTS FOR DEVELOPER(S) AND/OR
SUB-DIVIDER(S)

SUPPLEMENT TO OHWSC WATER TARIFF, SECTION F.

The following documents shall be executed prior to any water system construction in the proposed development. This process could require from thirty (30) to ninety (90) days for completion and final approval.

PART A.

1. A signed, **WRITTEN REQUEST FOR WATER SERVICE**, to and for the proposed Development, containing the location, a complete description and proposed number of units.

2. **A COPY OF THE PLAT, PRIOR TO SUBMITTAL TO COMMISSIONER'S COURT AND RECORDING**, noting a fifteen (15) foot utility easement across the front, rear and down the sides of each lot in the Development, and a twenty (20) foot utility easement extending from the property lines to and paralleling the Developer's interior and exterior roads. Plat will be validated by Corporation to ensure these requirements are indicated on the Plat.

Validation will be provided via signature and date signed by the Corporation's General Manager. Any changes to the Plat shall require revalidation by the Corporation.

3. **TWO (2) COPIES OF THE PLAT AFTER RECORDING.**

4. **TWO (2) COPIES OF THE PROPOSED SYSTEM DESIGN** as submitted by the Applicant's Engineer. Fire flow (fire hydrants, etc.) and hydraulic modeling software results/criteria for within the Development should be enumerated. Design should anticipate maximum build-out within the Development, and be specifically related by the Engineer to the distribution line size, the looping of the distribution system, meter size anticipated or allowed system flow requirements (including relationship to Deed restrictions), and estimated population based on socioeconomic level, census data, etc.

**NOTE: As a matter of business ethics and to prevent a possible conflict of interest, the Applicant and OHWSC shall use different Engineering firms.

5. **A SIGNED AND EXECUTED COPY OF THE APPLICANT'S**

CONTRACT WITH THE CONTRACTOR chosen to install the water system, a copy of the construction and material specifications and **A SIGNED COPY OF THE FOLLOWING INSURANCE REQUIREMENTS:**

- a. Workman's Compensation

- b. Auto and General Liability, naming OAK HILLS WATER SUPPLY CORPORATION and its Engineer as an Additional Insured and shall be maintained throughout the Agreement. The limits of the Workman's Compensation, Auto and General Liability Coverage Insurance Policy or Policies, shall be in an amount of not less than one million U.S. dollars (\$1,000,000) in respect to injuries to, or death of, any number of persons arising out of any one occurrence, and in the amount of one million U.S. dollars (\$1,000,000) in respect to property damaged or destroyed in any one occurrence. Said Workman's Compensation, Auto and General Liability Coverage Insurance Policy or Policies, and Certificate of Insurance, shall contain a Cancellation Clause which will allow cancellation by the Builder or its contractor(s) or subcontractor(s) only after thirty (30) days prior written notice to the Corporation.

PART B.

If the Applicant is a Corporation, or several Corporations, the following documents will be needed from **EACH** Corporation:

1. A **CERTIFIED** copy of the Corporation's **CERTIFICATE OF GOOD STANDING** to evidence that the Corporation can do business in Texas, for each Corporation; from the Texas State Comptroller of Public Accounts.
2. A **CERTIFIED** copy of the **CORPORATE RESOLUTION** to contract with the Corporation for water service
3. A **CERTIFIED** copy of the **CORPORATE AUTHORIZATION** allowing indicated individual(s) to execute documents on behalf of said Corporation(s).

PART C.

When the foregoing requirements have been met, construction of the Development's Water Distribution System may begin. Prior to OHWSC's acceptance of the system for service, the following documents shall be in the Corporation's possession:

1. A **BILL OF SALE** to OAK HILLS WATER SUPPLY CORPORATION assigning ownership of all water lines and appurtenances to the same.
2. A completed and **ACCEPTABLE SYSTEM PRESSURE CHECK** and receipt of **CERTIFIED, ACCEPTABLE LABORATORY WATER TEST RESULTS.**

NON-STANDARD SERVICE APPLICATION FOR DEVELOPERS
AND SUB-DEVELOPERS

SUPPLEMENT #2 TO OHWSC WATER TARIFF, SECTION F.

1. _____ is requesting that OAK HILLS WATER SUPPLY CORPORATION (OHWSC) execute a Non-Standard Service Application to provide water service to the following (please include location, a complete description and proposed number of units):

2. For development engineering/design, I intend to:

Use my own engineer/firm*

Use OHWSC's engineer.

* If using your own engineer, we will need two (2) copies of the proposed system design as submitted by the Applicant's Engineer. Fire flow (fire hydrants, etc.) and hydraulic modeling software results/criteria for within the Development should be enumerated. Design should anticipate maximum build-out within the Development, and be specifically related by the Engineer to the distribution line size, the looping of the distribution system, meter size anticipated or allowed system flow requirements (including relationship to Deed restrictions), and estimated population based on socioeconomic level, census data, etc.

** NOTE: As a matter of business ethics and to prevent a possible conflict of interest, the Applicant and OHWSC shall use different Engineering firms.

3. _____ (Initial) I intend to enter a Contract with OHWSC to provide water service as described in Section F and Supplement(s) of OHWSC's Tariff.
4. _____ (Initial) I understand that I cannot sell lots in the development before Capital Improvement Fees for each connection have been paid to the Corporation per OHWSC's Tariff.

PART II. Request for Service to Subdivided Property

This section contains additional requirements for applicants that are developers as defined in Section C Definitions.

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 Section F Part I, including completing the *Non-Standard 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. **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 non-standard 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 (Texas Water Code Section 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 to the Applicant under Texas law, including but not limited to Texas Water Code Section 13.257, and the Texas Business and Commerce Code Chapter 17, Subchapter E Deceptive Trade Practices & Consumer Protection Act.
 - a.) The Applicant must provide the following in addition to all other information otherwise required by this Section:
 - i) Map and legal description of the area to be served using map criteria in 30 TAC 291.105(a)(2)(A-G).
 - j) Time frame for:
 1. Initiation of service
 2. Service to each additional or projected phase following the initial service.
 - k) Detailed description of the nature and scope of the project/development for:
 1. Initial needs
 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.
 - l)
 - m) Flow and pressure for anticipated level of fire protection requested, including line size and capacity.
 - n) Specific infrastructure needs for anticipated level of fire protection requested, including line size and capacity.

- o) Any additional information requested by the Corporation necessary to determine the capacity and the costs for providing the requested service.
- p) Copies of all required approvals, reports and studies done by or for the Applicant to support the viability of the proposed development.

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 30 TAC Section 291.105(a)(2)(A-G). It is important that the Applicant's written request be complete. A complete 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 and/or sewer demand of the development when fully built out and occupied, the anticipated water/sewer 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.

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 TCEQ.

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).

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 in writing within 30 days of the date the Corporation receives the Applicant payment of the required fees. Applicant should respond to the Corporation's request for additional information within 15 days of receipt of the Corporation's written request. In any case, 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 TCEQ.

3. ***Final approval*** – Upon final approval by the Corporation and acceptance of proposal for service by the Applicant, a non-standard service contract will be executed and the corporation shall provide service according to the conditions contained in the Non-Standard Service Contract.