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May 7, 2019

Public Utility Commission 1701 N. Congress Ave Austin, Texas 78701

Re:

Amended Tariff Filing of Barton Creek Water Supply Corporation

Tariff No. 46816

Ladies and Gentlemen:

Enclosed for filing are two copies of the recently amended Tariff for the above-referenced water supply corporation (Tariff No. 46816). The effective date of the Tariff change is June 15, 2019. Notice was sent to the affected 212 customers on April 30, 2019.

Very truly yours,

Ausly 5 Consett

Anthony S. Corbett

# TARIFF BARTON CREEK WATER SUPPLY CORPORATION

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#### <u>Chapter 1 - Introduction</u>

#### Sec. 1.01 Authority:

- (a) This Tariff was adopted by the Board of Directors of the Corporation pursuant to Order No. 95-0222-1, adopted on February 22, 1995, and as subsequently revised on July 1, 2009, January 29, 2011, April 28, 2011, July 12, 2012, December 19, 2016, January 19, 2017, and April 25, 2019. This Tariff supersedes all policies and tariffs adopted or passed by the Board of Directors prior to the date of adoption hereto.
- (b) The adoption of this Tariff shall not affect any offense or act committed or done, or any penalty or forfeiture incurred, or any contract or vested right established or accruing prior to the effective date of this Tariff.
- (c) An official copy of this Tariff shall be available to the customers of the Corporation during regular office hours of the Corporation. Requests for copies of this Tariff shall be subject to reproduction charges. The Authorized Representative of the Corporation shall maintain the original copy as approved, and clearly exhibit all additions, deletions and amendments thereto.
- (d) This Tariff shall take effect immediately upon its approval. Rules and regulations of state and federal agencies having applicable jurisdiction, promulgated under any applicable State or Federal law, shall supersede all terms of this Tariff that directly conflict with such state and federal rules and regulations. If any section, paragraph, sentence, clause, phrase, word or words of these Rules are declared unconstitutional or in violation of law, the remainder of this Tariff shall not be affected thereby and shall remain in full force and effect.

#### Sec. 1.02 Definitions:

As used in these Rules, the term:

- (a) "Applicant" means a person, partnership, cooperative corporation, corporation, agency, public or private organization of any character applying for service with the Corporation.
- (b) "Authorized Representative" refers to the Manager of the Corporation or a representative or employee of the Corporation engaged in carrying out the terms of or performing services prescribed by this Tariff pursuant to either general or specific authorization to do so from the Manager or the Board of Directors of the Corporation.
- (c) "Board of Directors" refers to the directors of the Corporation elected by the members of the Corporation in accordance with the Corporation By-laws.
- (d) "Disconnection of Service" means the locking or removal of a water meter to prevent the use of water by a customer of the Corporation.
  - (e) "Corporation" means Barton Creek Water Supply Corporation.

- (f) "Hazardous Condition" means a condition which jeopardizes the health or welfare of the customers of the Corporation as determined by the Corporation or any other regulatory authority with jurisdiction.
- (g) "Minimum Monthly Charge" means the monthly charge assessed to each customer of the Corporation utilizing service or each customer who has the opportunity to utilize service via a metering device installed by the Corporation.
- (h) "Person" means any natural person, partnership, cooperative corporation, association, private corporation, agency or public or private organization of any nature.
- (i) "Rules" refers to membership and water service rules and requirements set forth in this Tariff.
- (j) "Service Application and Agreement" refers to a written agreement between an Applicant and the Corporation outlining the responsibilities of each party regarding the service of water.
- (k) "Service Classification" refers to the type of water service required by an Applicant as may be determined by the Corporation based on specific criteria such as usage, meter size, demand, type application, etc. Different charges may be assessed different service classifications.
- (l) "Temporary Water User" means a party involved in a construction project in the Corporation or in other activities who needs a water supply on a temporary basis and who does not desire to make a regular connection to the Corporation water system.

#### Chapter 2 - Statements

# Sec. 2.1 Organization:

(a) Barton Creek Water Supply Corporation (the "Corporation") is a non-profit water supply corporation organized and operating under the terms and conditions of Texas law. It exists for the purpose of furnishing a potable water utility service to its Members. The management of the Corporation is controlled by the Board of Directors, the Members of which are elected by the members of the Corporation residing within the Corporation's boundaries.

#### Sec. 2.2 Non-discrimination Policy:

(a) Service is provided to all customers who comply with the requirements of these Rules regardless of race, creed, color, national origin, sex or marital status.

# Sec. 2.3 Rules:

(a) These Rules specify the terms and conditions pursuant to which water service will be provided to the Members of the Corporation. Failure on the part of any member to comply with these Rules, after due notice of such failure, shall give the Corporation the right and authority to discontinue the furnishing of water service to that member.

#### Sec. 2.4 <u>Liability of Corporation</u>:

(a) The Corporation is not liable for damages caused by service interruptions, events beyond its control and for normal failures of the water system. The limit of the liability of the Corporation is the extent of the cost for the service provided.

#### Sec. 2.5 Availability of Corporate Records:

(a) The records of the Corporation shall be kept in the offices of the Authorized Representative. These records may, upon request, be examined by any member of the Corporation. The records may not be removed from the Corporation's office and the Corporation reserves the right to require reasonable notice of requests for information and the opportunity to consult its governing body and/or legal counsel prior to disclosure. A reasonable charge may be assessed to any person requesting copies of Corporate records.

#### Sec. 2.6 Notice of Change of Rates:

(a) The Corporation shall give written notice of monthly water rate changes by mail or hand delivery to all affected Members at least thirty (30) days prior to the effective date of the new rate. 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 Corporate representative designated to address inquiries about the rate change.

#### Chapter 3 - Membership

# Sec. 3.1 Eligibility:

- (a) 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 Membership Transferees.
- (b) Upon qualification for service, qualification for Membership, and payment of the required fees, the Corporation shall issue a Membership Certificate to the Applicant. The Membership Certificate provides proof of Membership in the Corporation and shall entitle the Applicant/Member to one (1) connection to the Corporation's water system. The Membership Certificate also entitles the Member to one (1) vote in the conducting of the affairs of the Corporation at any annual or special membership meeting of the Corporation as prescribed by the Corporation Bylaws. An original or a copy of each Membership Certificate shall be held on file in the Corporation office. Ownership of more than one (1) Membership Certificate shall not authorize the Member to cast more than one (1) vote at any annual or special meeting. In the event a member leases the property for which the Membership Certificate has been assigned, the owner of property (and not the tenant) shall be authorized to vote in the conducting of the affairs of the Corporation at any annual or special meeting.
- (c) Each Membership Certificate shall be assigned to the specified parcel of land originally designated to receive service at the time of application.

# Sec. 3.2 Transfers of Membership:

- (a) A Member is entitled to transfer Membership in the Corporation only as part of the conveyance of the real estate from which the Membership arose.
- (b) In the event that a Membership is transferred, the transferor must provide satisfactory evidence to the Corporation of such transfer. A transfer of Membership shall not be binding on the Corporation until such transfer has been approved in accordance with Par. 3.2.3 of these rules.
- (c) Approval of a transfer of Membership shall be granted only upon the following terms and conditions:
  - 1. The transferee has completed the required application;
  - 2. All indebtedness due the Corporation has been paid;
  - 3. The Membership Certificate has been surrendered and properly endorsed by the record Transferor; and
  - 4. The transferee demonstrates satisfactory evidence of ownership of the property designated to receive service and from which the Membership originally arose.

# Sec. 3.3 Cancellation of Membership:

- (a) A Member may surrender its Membership Certificate to the Corporation in order to cancel its Membership. However, a Member is not relieved of any obligations incurred prior to the date of surrender of a properly-endorsed Membership Certificate.
- (b) The Corporation may cancel a Membership at any time that a Member fails to comply with the policies of the Corporation, including without limitation, a Member's failure to provide proof of ownership of the property from which Membership arose.

# Chapter 4 - Procedures for Services

# Sec. 4.1 Applications for Connections and Services:

- (a) Any Applicant shall be entitled to water service when proper application has been made, all conditions of service have been met, and all required fees have been paid.
- (b) Applications for connection to or services from the Corporation's water system shall be made by the record owner of the property or the tenant of an individually metered dwelling unit. Proof of ownership or tenancy may be required by the Corporation at the time the application for connection or service is made.
- (c) The applicable tap or connection fees for the initial connection to the Corporation's water system, including connection fees paid pursuant to contracts with the Corporation for service to out-of-service area properties and properties annexed to the Corporation, where applicable, shall be received by the Corporation for each connection made to or served by the Corporation's water system. On an undeveloped tract or lot, the tap or connection fees shall be paid before construction of any improvements on the tract or lot is commenced, even though the connection itself is not to be made until a later date.
- (d) The Member of record shall be responsible for posting and maintaining the applicable service deposit described herein. The applicable service deposit as set forth in Chapter 6 shall be received by the Corporation before service is actually commenced to any property connected to the Corporation's water system. The service deposits shall not be transferrable and shall be held by the Corporation in escrow to assure prompt payment of all charges for water services to the property. The Corporation at its option may apply all or any part of a Member's service deposit to the payment of all or any part of the delinquent account of a Member. The unexpended and unobligated portion of a Member's service deposit shall be refunded to him on application therefor following termination of services to the property. No interest will be allowed or paid on the service deposit. If services to a property which has been sold are disconnected at the time of sale, the Corporation shall not recommence services to the property until the new Member complies with the provisions herein. If services to a property which has been sold were not disconnected at the time of sale, the Corporation may disconnect services to the property until the new Member complies with the provisions herein.

#### Sec. 4.2 Service Classification:

- (a) For purposes of these Rules, service requested by an Applicant and provided by the Corporation may be divided into the following two (2) classes:
  - 1. "Standard Service" 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 only 5/8" x 3/4" to 3/4" sized meter services set on existing pipelines.

2. "Non-Standard Service" - any service applied for which is not Standard Service. In addition to the requirements set forth in Section 4.2(b) (which apply to all applicants), the Board of Directors may establish separate requirements applicable to such non-standard service. At the time non-standard service is applied for, the Board of Directors and the Applicant shall enter into an agreement specifying the terms and conditions of non-standard service.

# (b) <u>Requirements for Service</u>.

- 1. The Corporation's Standard Service Application and Agreement Form shall be completed in full and signed by the Applicant.
- 2. The provisions set forth in Section 5.2, regarding the design and facilities used, shall be complied with by the Applicant.
- 3. The Applicant shall provide proof of ownership or title to property which service has been requested.
- 4. A service deposit is required by each applicant that is a resident and a builder in the amounts set forth in Chapter 6 of this Tariff. The amount of the service deposit required for builders and residents may differ.
- 5. The Corporation may require proof that an application has been made to the proper regulatory authorities for approval and installation of on-site sewage disposal facilities, as authorized under Chapter 341, Texas Health and Safety Code.
- 6. All service applications approved and cost of service fees quoted by the Corporation or an Authorized Representative shall remain approved at quoted costs for a period not to exceed thirty days, provided such approval and cost of service fees quotes are obtained in writing. After the expiration of thirty days, an Applicant shall re-apply for service in accordance with these Rules.
- 7. Commercial, Industrial, or Wholesale Service refers to non-residential service. No mains will be replaced or enlarged at the Corporation's expense to facilitate a commercial, industrial or wholesale connection. The Corporation may require the applicant to pay capital contribution fees, to install water production, storage, treatment and transmission facilities to the Corporation's specifications; and to donate such system, other suitable easements, and necessary documentation to the Corporation as a condition for providing commercial, industrial, or wholesale service. Upon demand, the applicant must provide satisfactory proof that all appropriate regulatory authority permits or licenses have been obtained.
- 8. All connections and reconnections (including taps) to the Corporation's water system shall be made by an Authorized Representative. The lead to a water tap from the building or premises to receive service shall not be covered in the ground until it has been inspected and approved by an Authorized Representative as being in compliance with these

rules and the Orders of the Corporation governing the making of taps to the Corporation's water system.

(c) <u>Change in Service Classification</u>. If at any time the Corporation determines that the Member service needs change from those needs 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 Member to re-apply for service under the terms and conditions of these Rules. Members failing to comply with this provision shall be subject to Disconnection, in accordance with these rules.

# (d) <u>Temporary Water Connections</u>.

- 1. <u>Renters</u>. Any owner of property within the Corporation renting or leasing the property to other parties are responsible for all charges due to the Corporation in the event a renter or lessee leaves the Corporation with any unpaid bills. The Corporation will bill the renter or lessee for water service as a third party, but the owner is fully responsible for any and all unpaid bills left by the renter/lessee.
- 2. A Temporary Water User may, upon obtaining approval of an Authorized Representative, make connection to the Corporation's water system at a surface flushing-valve or fire hydrant. The amount of water used shall be determined by a temporary water meter installed at the connection or by agreement between the Temporary Water User and an Authorized Representative. Any meter used shall be provided or arranged for by an Authorized Representative. The Temporary Water User shall make the request for a temporary water connection to the Authorized Representative and shall state the location where the connection is desired, the approximate size of the connection, the anticipated pattern of use of the water correlated as to volumes and periods of time during the day, and the approximate duration of the connection. If the Authorized Representative determines that the Temporary Water User's requirements from the Corporation's water system will not unreasonably interfere with the operation of the Corporation's water system or the use thereof by the regular Members of the water system, he shall approve the temporary connection. The Authorized Representative may also impose such reasonable limitations and conditions on the Temporary Water User as in the judgment of the Authorized Representative are necessary to prevent unreasonable interference with the operation of the Corporation's system or the

use thereof by regular Members. All costs of temporary connection to and disconnection from the water system and use of any temporary water meter shall be the expense of the Temporary Water User. The Temporary Water User shall also make a service deposit in the amount determined by the Board of Directors for the size of the temporary connection. The charges for water service shall be computed and paid monthly on the basis of the rates set forth in this Tariff or by agreement with the Authorized Representative.

# Sec. 4.3 Denial of Service:

(a) The Corporation may deny service for any one of the following reasons:

- 1. failure of an applicant or Member to complete all required forms or to pay all required fees, deposits and charges;
- 2. failure of the applicant or Member to comply with all rules and policies of the Corporation related to the receipt of water service;
- 3. existence of hazardous conditions at the applicant's property which would jeopardize the welfare of the other Members of the Corporation upon connection;
- 4. failure of the applicant or Member to provide representatives or employees of the Corporation reasonable access to the property for which water service has been requested;
- 5. failure of the applicant or Member to comply with all governmental rules related to water service;
- 6. failure of the applicant to provide proof of ownership to the satisfaction of the Corporation of the property for which service is requested; or
- 7. applicant's service facilities are known to be inadequate or of such character that satisfactory service cannot be provided.
- (b) In the event the Corporation refuses to serve an Applicant under the provisions of these rules, the Corporation must notify the Applicant, in writing, of the basis for its refusal and the Applicant may file an appeal of the decision, in writing, with the Corporation's Board of Directors.

# Sec. 4.4 Maintenance and Repair:

(a) It shall be the responsibility of each user of the Corporation water system to maintain the water line(s) leading from the points of connection on the Corporation's water system to the building or premises served.

# Sec. 4.5 Water Service Billings:

- (a) Monthly rates for water services are as set forth in Chapter 6. Charges for water shall be billed monthly. All bills shall be due when rendered and are delinquent unless paid by the date specified in the bill. A late charge as set forth in Chapter 6 shall be made for each monthly payment date the delinquent amount remains unpaid. A person who pays a bill with a check or draft that is not honored by the drawee may be charged an amount established from time to time by the Authorized Representative, which amount shall be based on the prevailing or usual charge made for dishonored checks and drafts by other vendors in the same general area as the Corporation.
- (b) The Corporation may offer a deferred plan to a Member 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 under terms to be determined within the reasonable discretion of the Board and as agreed to by the Board and the Member.

- (c) <u>Charge Distribution and Payment Application.</u>
- 1. The Minimum Monthly Charge is applied from the first day of the month to the last day of the month. Charges shall be prorated during the calendar month. All services shall be subject to this charge, whether or not the service is in use by the Member.
- 2. Gallonage Charge is defined as water usage in excess of the water allotment included in the Minimum Monthly Charge and billed at the rate specified in Chapter 6, and shall be billed in one thousand (1,000) gallon increments. Water charges for usage exceeding the monthly allotment are based on monthly meter readings and are calculated from reading date to reading date.
- 3. Posting Payments All payments shall be posted against previous balances prior to posting against current billing.
- (d) <u>Due Dates, Delinquent Bills, and Service Disconnection Date</u>. All bills shall be due by the date indicated on the bill (allowing approximately 16 days to provide payment), after which time a late payment charge shall be applied. A bill is delinquent if payment in full is not received by the due date. Payments made by mail will be considered late if received by the Authorized Representative of the Corporation after the due date. Delinquent notices will be mailed approximately 10 days after the due date, allowing for ten (10) additional days for payment prior to disconnection. The ten (10) additional day period shall begin on the date the delinquent notice is deposited with the U.S. Postal Service with sufficient postage. If the due date for the regular or final billing is on a weekend or holiday, the next due date for payment purposes shall be the next day the Corporation office is open for business after said weekend or holiday.
- (e) <u>Billing Cycle Changes</u>. The Corporation reserves the right to change its billing cycles. After a billing period has been changed, the billings shall be sent on the new change date unless otherwise determined by the Corporation.
- (f) <u>Backbilling</u>. The Corporation may back-bill a Member for up to four (4) years (48 months) for meter error, incorrect meter readings, or error in computing a Member's bill.
- (g) <u>Disputed Bills</u>. In the event of a dispute between a Member and the Corporation regarding any bill, the Corporation shall forthwith make and conduct an investigation as shall be required by the particular case, and report the results in writing thereof to the Member. All disputes under this Subsection must be submitted to the Corporation, in writing, prior to the due date posted on said bill.
- (h) <u>Inoperative Meters</u>. 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 bypassed or

tampered with, the Corporation shall make a charge for units used, but not metered, for a period not to exceed three (3) months, based on amounts used under similar conditions during the period preceding or subsequent thereto, or during corresponding periods in previous years.

(i) <u>Bill Adjustment Due to Meter Error</u>. 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 Chapter 6 of these Rules shall be imposed. In the event the test results indicate that the meter is faulty or inaccurate within AWWA accuracy standards, the test fee shall be waived, the meter shall be calibrated or replaced, and billing adjustment may be made as far back as six (6) months. The billing adjustment shall be made to the degree of the meter's inaccuracy as determined by the test.

#### Sec. 4.6 Meter Tampering and Diversion:

(a) For purposes of this Section, meter-tampering, by-passing, or diversion shall all be defined as tampering with the Corporation's meter or equipment, by-passing the same, or other instances of diversion, such as removing a locking or shut-off device used by the Corporation to discontinue service, physically disorienting the meter, attaching objects to the meter to divert service or to bypass, inserting objects into the meter, and other electrical and mechanical means of tampering with, by-passing or diverting service. The burden of proof of meter-tampering, by-passing, or diversion 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 Authorized Representative when any action regarding meter-tampering as provided for in these Sections is initiated. A court finding of meter-tampering may be used instead of photographic or other evidence, if applicable. Unauthorized users of services of the Corporation, or persons who are found to have performed meter-tampering, by-passing or diversion shall be prosecuted to the extent allowed by law.

#### Sec. 4.7 Meter Relocation:

- (a) Relocation of meter/taps shall be allowed by the Corporation provided that:
- 1. An easement for the proposed location has been granted to the Corporation.
- 2. The property of the new location is owned by the current owner of the property from which the meter is to be moved; and,
- 3. The Member pays the actual cost of relocation plus an administrative fee.

#### Sec. 4.8 Prohibition of Multiple Connections to a Single Tap:

(a) In order for the Corporation to maintain adequate records of the actual number of users on its system to assure compliance with governmental Rules and Regulations on minimum service standards, to ensure that charges are received for each user on the system, and to ensure that the Corporation's metering device is adequately sized for proper flow and accurate measurement of water used, all connections of any dwelling, household, business, and/or water-consuming establishment currently receiving or planning to receive water service, either directly or indirectly from the Corporation's water system, shall individually apply for service under these

rules. Any unauthorized submetering of service shall be considered a Multiple Connection and subject to disconnection of service. If the Corporation has sufficient reason to believe a Multiple Connection exists, the Corporation shall discontinue service in accordance with these Rules.

# Sec. 4.9 Members' Responsibility:

- (a) The Members of the Corporation shall have the following responsibilities:
- 1. The Member shall provide the Corporation's Authorized Representative with access to the meter at all times for the purposes of reading, installing, checking, repairing, or replacing the meter. Access to meters shall not be impaired by gates, fences, hostile dogs, or other obstructions. If the Corporation's Authorized Representative is prevented access to a meter, an estimated bill shall be rendered to the Member for the preceding billing period; and a notice shall be sent to the Member requiring that unrestricted access to the meter be restored. In the event the Member fails to restore access in accordance with the timeframe set forth in the notice, then the Authorized Representative may terminate water service until such time as unrestricted access to the meter is restored.
  - 2. The Member shall see that all plumbing connections shall be made to comply with the all applicable governmental Rules and Regulations.
    - (a) All connections shall be designed to ensure against back-flow or siphonage into the Corporation's water supply.
    - (b) The use of pipe and pipe fittings that contain lead in quantities exceeding governmental standards is prohibited for any plumbing installation or repair of any residential or non-residential facility providing water for human consumption and connected to the Corporation's facilities.

Service shall be discontinued without further notice when installations of new facilities or repair of existing facilities are found to be in violation of this regulation until such time as the violation is corrected.

- 3. All Members shall keep all payments current on all accounts.
- 4. The Corporation's ownership and maintenance responsibility of water supply and metering equipment shall end at the point where the Member connects to the equipment provided by the Corporation during the installation of the metering equipment. Therefore, all water usage registering upon and/or damages occurring to the metering equipment owned and provided by the Corporation shall be subject to charges as determined by the Corporation's rules as amended from time to time by the Board of Directors.
- 5. All Members shall be responsible for ensuring that their meter boxes are not covered by debris or other obstructions.

#### Sec. 4.10 Unauthorized Use of Water System:

- (a) It is a violation of these Rules to:
  - 1. Use water from the Corporation water system other than through:
  - (a) an authorized tap for which necessary connection fees and deposits have been made; or
  - (b) a temporary water connection (including a fire line connection) as authorized by Section 4.2 of this Chapter 4; or
- (b) Any person who violates this Sec. 4.10 shall pay for the water service on the basis of three (3) times the applicable rate specified in Chapter 6, plus all costs of the Corporation and its officers, directors, employees, agents and attorneys incurred in enforcing this provision and repairing any damage or injury which may be caused to the water system as a result of the unauthorized use. The amount of water used shall be determined by the Authorized Representative on the basis of information and data reasonably available to him. In the absence of fraud, capriciousness or grossly arbitrary action on his part, the determination of the Authorized Representative shall be final.

#### Sec. 4.11 Disconnection and Reconnection:

- (a) Failure of a Member receiving water service from the Corporation to comply with any of the provisions of this Chapter, or to pay when due all fees, deposits and other charges owed to the Corporation under these Rules, or any other charges owed to the Corporation, is a breach of the contract for service, and the Corporation may, after notice and hearing, disconnect all Corporation service to the property (hereafter referred to as the "delinquent property"), and also to any other properties for which the Member is the Member of record, until any such breach is remedied. Notice of hearing shall be given to the Member of record of the delinquent property at his address as shown in the records of the Corporation or at a more current address if the administrative office of the Corporation has actual knowledge of a more current address. If the occupant of the property is other than the Member of record, notice shall also be given to the occupant at the address of the delinquent property. The matter shall be heard by the Authorized Representative of the Corporation and the Board of Directors of the Corporation, as described below.
- (b) The matter shall be heard by the Authorized Representative of the Corporation. The Authorized Representative who hears the matter shall not be involved in the investigation, preparation of evidence, presentation, or negotiations on the matter except as such activities are related to and occur in the context of the hearing. The Authorized Representative may authorize and direct the disconnection of water service to the delinquent property on such terms and conditions as he in his judgment deems appropriate; may establish a deferred payment schedule for the delinquent amount, subject to disconnection if the schedule is not observed; or may take any other action that is reasonable under all of the circumstances. The decision shall be publicly announced by the Authorized Representative at the conclusion of the hearing and before it is closed. A Member aggrieved by the action of the Authorized Representative may appeal to the Board of Directors of the Corporation. Notice of appeal shall be given at the date and time the

Authorized Representative announced his decision and before he closes the hearing, and not thereafter. To perfect an appeal, the Member shall pay the amount determined by the Authorized Representative who conducts the hearing to be owing to the Corporation, which amount may be paid under protest and shall be held in escrow pending the outcome of the appeal, at which time it shall be disbursed in accordance with the decision of the Board of Directors.

- (c) If service to a property is disconnected for any cause, there shall be charged reconnection fees as determined by the Board of Directors before service is again commenced to the property. Reconnection may be performed only by an Authorized Representative. A Member requesting re-service shall also be responsible for all labor and materials costs necessary to restore service. If the service is reconnected or restored by someone other than an Authorized Representative before all charges related to the termination of service are paid or arrangements for the payment thereof satisfactory to the Authorized Representative have been made, the Corporation may physically sever the service connection including removing the water meter at the delinquent property.
- (d) The Corporation may temporarily disconnect water service to a property at the request of the Member of record, provided that in cases where the Member of record does not occupy the property, the request must be made by both the Member of record and the occupant of the property. The fee for this service shall be determined by the Board of Directors.
- (e) <u>Rules for Disconnection of Service</u>. The following describes the rules and conditions for disconnection of service:
  - 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 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 these Rules, and the instrument is returned by the bank or other similar institution as insufficient or non-negotiable for any reason, the Corporation shall mail, via the U.S. Postal Service, a notice requiring redemption of the returned instrument within ten (10) days of the date of notice 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 result in disconnection of service.
    - (b) Failure to pay a delinquent account for utility service or failure to comply with the terms of a deferred payment agreement.
    - (c) Violation of the Corporation's rules 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 terms of the Corporation's Service Agreement or rules, 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 to the meter under the terms of these rules or to the 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.
- (f) Misrepresentation by an Applicant of any fact on any form, document, or other agreement required to be executed by the Corporation.
- (g) Failure of Member to meet requirements of the regulatory authority for construction or maintenance of on-site sewage facilities in accordance with Chapter 341, Texas Health and Safety Code.
- (h) 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.
- 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 it may remain disconnected for as long as the condition exists, including but not limited to violation of Chapter 341, Texas Health and Safety Code, or there is reason to believe a dangerous or hazardous condition exists and the Member refuses to allow access for the purpose of confirming the existence of such condition and/or removing the dangerous or hazardous condition;
  - (b) Service is connected without authority by a person who has not made application for service or who has reconnected service without authority following termination of service for non-payment; and
  - (c) In instances of tampering with the Corporation's meter or equipment, by-passing the meter or equipment, or other diversion of service.

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.

- 3. Disconnection Due to Utility Abandonment The Corporation may not abandon a Member located within the Corporation's Certificated Service Area without written notice to the Member and the Texas Natural Resource Conservation Commission.
- 4. Disconnection for Ill and Disabled The Corporation will not discontinue services to a delinquent residential Member permanently residing in an individual metered dwelling if that Member establishes that discontinuance of service will result in some person at that residence becoming seriously ill or more seriously ill if service is discontinued. Each time

- a Member seeks to avoid termination of service under this Subsection, the Member must have the attending physician call or contact the Corporation within sixteen (16) days following issuance of the bill. A written statement must be received by the Corporation from the physician within twenty-six (26) days of the issuance of the utility bill or such lesser period as may be agreed upon by the Corporation and Member's physician. The Member shall enter into a Deferred Payment Agreement.
- 5. Disconnection of Master-Metered Services 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 two (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 six (6) days if payment is not rendered before that time;
  - (b) At least six (6) days after providing notice to the Member and at least four (4) days prior to disconnection the Corporation shall post at least five (5) notices in the public areas of the service complex notifying the residents of the scheduled date for disconnection of service.
  - (c) The tenants may pay the Corporation for any delinquent bill in behalf of the owner to avert disconnection or to reconnect service to the complex.

#### Sec. 4.12 No Free Service:

(a) No free service shall be granted to any user for service provided by or through the Corporation's water system, whether such user be a charitable or eleemosynary institution, a political subdivision, or a municipal corporation, and all charges for water service shall be made as required herein.

#### Sec. 4.13 Indigent Policy:

(a) Members demonstrating an inability to pay for monthly water service shall be extended an opportunity to apply for waiver of part or all of water charges according to the terms and within the discretion of the Corporation.

# <u>Chapter 5 - Standards and Procedures for Water Connections</u>

# Sec. 5.1 Applications for Connections:

- (a) Any person desiring to make a connection to the water distribution system in the Corporation shall first apply to and obtain permission from an Authorized Representative. Section 4.1 of these Rules contain other information and procedures pertaining to applications for service.
  - (b) The application for a connection shall include the following:

- 1. The name and address of the applicant.
- 2. The persons for whom the connection will be made.
- 3. The exact location where the connection will be made and the house or building which will be served by the connecting line.
- 4. The date and time when the connection will be made.
- 5. The type or description of the materials to be used for the connecting line and for the physical connections between the connecting line and the house or building.
- 6. The manner or method by which the connecting line will be installed and connected to the water distribution line and the house or building; e.g., hand excavation, machine excavation, boring, etc.
- 7. An application fee (to be determined by the Board of Directors) for each separate connection to be made.
- (c) The Authorized Representative shall review every application submitted pursuant to this Section 5.1. Upon finding that the application complies with the requirements of this Section 5.1 and that in his judgment and opinion the materials to be used for the connecting line and the connections, and the methods and procedure to be followed in laying the line and making the connections, are at least equivalent to the minimum governmental standards and the criteria set forth in this Chapter 5, the Authorized Representative may approve the application and grant permission for the connection to be made upon such terms and conditions as in his judgment and opinion are necessary or desirable to accomplish the purposes and objectives of this Chapter 5.
- (d) After a connection is made to the water distribution system of the Corporation pursuant to permission granted by the Authorized Representative, and before the connecting line and connections are covered or enclosed with dirt or any other material, an Authorized Representative shall inspect the same to determine whether or not they have been properly installed in accordance with the requirements of this Chapter 5. The Authorized Representative shall also determine whether the bedding material to be used to cover or enclose the connecting line and connections are suitable under the standards required by this Chapter 5 to insure the connecting line will operate and function properly and remain functional and operational after it is placed in use, under normal and usual operating conditions. The Member shall be responsible for enclosing all lines after inspection. The Member shall at the time the tap or taps are purchased to pay an inspection fee (for the Initial and Final Inspections) as set forth in Chapter 6. The Corporation may charge an additional inspection fee as set forth in Chapter 6, for each necessary additional inspection.

#### Sec. 5.2 Standards Governing Water Service Lines and Connections:

(a) These rules govern the installation of all water service connections within the Corporation. These regulations are intended as a supplement to the Uniform Plumbing Code and

any other applicable governmental standards.

- (b) As used in this Section 5.2, "service line" means the water service pipe from the foundation of the house or commercial building to the water service stub or water main owned by the Corporation.
- (c) Only one service line connection to the Corporation's water system is permitted for each single family dwelling. Each single family dwelling unit shall have one water meter though which all water to the unit shall flow and be metered.
- (d) Water pipe and fittings shall be of brass, copper, cast iron, galvanized malleable iron, galvanized wrought iron, galvanized steel, lead or other approved materials. Asbestos-cement, PE, or PVC water pipe manufactured to recognized standards may be used for cold water distribution systems outside a building.
  - (e) Cast iron fittings up to and including two inches (2") in size shall be galvanized.
  - (f) All malleable iron water fittings shall be galvanized.
- (g) Piping and tubing which has previously been used for any purpose other than for potable water systems shall not be used.
- (h) Valves up to and including two inches (2") in size shall be brass or other approved material. Sizes over two inches (2") may have cast iron or brass bodies. Each gate valve shall be a full-way type with working parts of non-corrosive material.
- (i) A full way gate valve controlling all outlets shall be installed on the discharge side of each water meter.
- (j) Water service pipes and wastewater house lines shall be not less than three feet apart horizontally and shall be separated by undisturbed or compacted earth.
- (k) A minimum of four feet (4') of type "L" soft copper pipe shall be installed at the end of the water service pipe at the connection to the water meter.
- (l) Water service pipes shall be bedded in river run sand to provide six inches (6") of cushion below the pipe and six inches (6") of cover above the top of the pipe. A minimum of twelve inches (12") of cover above the top of the pipe is required. The trench bottom and walls shall be cleared of all protruding rocks which could damage the pipe before the sand bedding is placed.
- (m) Potable water supply piping, water discharge outlets, backflow prevention devices or similar equipment shall not be located so as to make possible the submergence in any contaminated or polluted liquid or substance.
- (n) Lawn sprinkling systems shall be equipped with an approved vacuum breaker installed in the discharge side of each of the last valves. The vacuum breaker shall be installed at least six inches (6") above the surrounding ground and above a sufficient number of heads so at

no time will the vacuum breaker be subjected to back pressure or drainage.

- (o) No private water supply shall be interconnected with the public water supply.
- (p) Swimming pool makeup water shall be protected by means of an approved backflow preventer or an adequate air gap.
- (q) No water supply system or portion thereof, shall be covered or concealed until it first has been tested, inspected and approved.

#### Sec. 5.3 Interconnection With Private Water Sources

- (a) No customer may interconnect, either directly or indirectly, the Corporation's water system and a private water source of any kind, including but not limited to private wells, lake water, or harvested rainwater, except as provided in this Section 5.3. The Corporation may refuse to serve or discontinue service to customers or potential customers in violation of this Section 5.3.
- (b) A customer intending to interconnect, either directly or indirectly, the Corporation's water system and a private water source shall provide notice of such intention to the Corporation's Authorized Representative prior to making the interconnection and shall allow the Authorized Representative or his designee to inspect the customer's premises for all such interconnections. Prior to placing an interconnected private water source in service, Customer shall install a backflow prevention assembly of a type approved by the Authorized Representative on the service line connecting the Corporation's meter to the customer's premises on the customer's side of the meter.
- (c) The backflow prevention device must be tested and certified upon installation and then retested and recertified annually by a licensed backflow prevention assembly tester. The initial certification and annual re-certifications shall be done at the customer's expense and copies of all test results and certifications conducted on the backflow prevention assembly must be submitted to the Corporation at the address of the Authorized Representative. If the customer fails to submit the initial certification or any annual recertification, the Corporation is authorized to conduct the inspection and test and charge the customer for all costs incurred, including but not limited to any labor or management costs incurred by the Authorized Representative.
- (d) If the Corporation discovers that a customer's private water source has been interconnected, either directly or indirectly, with the Corporation's water system, the customer shall upon reasonable notice allow the Authorized Representative to inspect the water systems in question and shall install, test and certify a backflow prevention assembly as specified by the Authorized Representative. A customer's failure to permit inspection or failure to install, test and certify a backflow prevention assembly as required by this section shall be grounds for termination of water service by the Corporation.
- (e) No connection between a private water source and the Corporation's water system shall allow water to be returned to, or enter, the public water system. If such a connection is discovered or a malfunctioning backflow prevention assembly allows backflow to occur, the Corporation may immediately cease service to the customer on whose property the connection or

malfunctioning backflow prevention assembly exists, and take all actions related to physically disconnect the customer's service line from the Corporation's water system.

#### Chapter 6 - Water Fees and Deposits

#### Sec. 6.1 Fees:

(Unless specifically provided for in these Rules all fees, rates, and charges as herein stated shall be non-refundable.)

- (a) <u>Service Investigation Fee</u>. The Corporation shall conduct a service investigation for each service application submitted at the Corporation office. An initial determination shall be made by the Corporation, without charge, as to whether the service request is Standard or Non-Standard. 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 ten (10) working days of application.
  - 2. All Non-Standard Service requests shall be subject to a fee, unique 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 provide cost estimates of the project, to present detailed plans and specifications as per final plat, to advertise and accept bids for the project, to present a Non-Standard Contract to the Applicant, and to provide other services as required by the Corporation for such investigation. A Non-Standard Service Contract shall be presented to the Applicant within a suitable amount of time as determined by the complexity of the project. (See Chapter 4)
- (b) <u>Easement Fee</u>. If 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 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 in behalf of the Applicant.
- (c) <u>Installation Fee</u>. The Corporation shall charge an installation fee for service as follows:
  - 1. Standard Service shall include all current labor, materials, engineering, legal, and administrative costs necessary to provide individual metered service and shall be charges on a per tap basis as computed immediately prior to such time as metered service is requested and installed.
  - 2. Non-Standard Service shall include any and all construction labor and materials, administration, legal, and engineering fees, as determined by the Corporation under these Rules.

- 3. Standard and Non-Standard Service Installations shall include all costs of any pipeline relocations as per these Rules.
- (d) <u>Service Deposits</u>. The Corporation shall charge a service deposit for service as set forth in the Water Rate Schedule attached to this Chapter 6 subject to periodic review by the Board of Directors.

# (e) <u>Monthly Charges</u>.

- 1. Minimum Monthly Charges The monthly charge for metered water service, including allowable gallonage, is based on demand by meter size. The minimum monthly charge for consumption shall be as set forth in the Water Rate Schedule attached to this Chapter 6.
- 2. In addition to the Minimum Monthly Charge, a gallonage charge shall be added at the rate set forth in the Water Rate Schedule attached hereto.
- (f) <u>Late Payment Fee</u>. A penalty shall be made on delinquent bills. This late payment penalty shall be applied to any unpaid balance owed to the Corporation.
- (g) 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 non-negotiable for any reason, the account for which the instrument was issued shall be assessed a charge in the amount set forth in the schedule attached to this Chapter.
- (h) <u>Service Trip Fee</u>. The Corporation shall charge a trip fee in the amount set forth in the schedule attached hereto for any service call or trip to the Member's tap as a result of a request by the Member or resident (unless the service call is in response to damage of the Corporation's facilities or another Member's facilities) or for the purpose of disconnecting or reconnecting service due to non-payment for services.
- (i) Equipment Damage Fee. If the Corporation's facilities or equipment have been damaged by tampering, by-passing, installing unauthorized taps, reconnecting service without authority, or other service diversions, a fee shall be charged 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. 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.
- (j) <u>Meter Test Fee</u>. The Corporation shall test a Member's meter upon written request of the Member. A charge in the amount set forth in the schedule attached hereto shall be imposed on the affected account.

- (k) <u>Application Fee</u>: The Corporation shall charge each applicant for service a one-time fee of \$25.00 to cover the cost of administering the service application and establishing service in the name of the new customer. The fee shall be included in the new customer's first monthly bill for water service.
- (l) <u>Plumbing Inspection Fee</u>. Plumbing inspections for new construction shall be conducted in accordance with the Texas Occupation Code, Chapter 1301. The plumbing inspection fee shall be \$40.00 per inspection. In the event of a failure, an additional charge of \$40.00 per additional inspection shall be charged. Irrigation system inspections shall be \$40.00 per inspection.
- (m) <u>Private Water Source Inspection Fee</u>. The inspection fee for customers that utilize a private water source shall be \$75. In the event of a failure, an additional charge of \$75.00 per additional inspection shall be charged.

# BARTON CREEK WATER SUPPLY CORPORATION WATER RATE SCHEDULE

# <u>5/8" x 3/4"</u> METER

Minimum Monthly Fee	\$53.00	
• Volumetric Rates per 1,000 gallons:		
\$2.50 (0-20,000 gallons) \$3.00 (20,001-40,000 gallons) \$3.90 (40,001-60,000 gallons) \$4.85 (60,001-80,000 gallons) \$6.90 (80,001-100,000 gallons) \$9.20 (> 100,001 gallons)		
Meter Test Charge	\$75.00	
Returned Check Service Charge	\$25.00	
Late Payment Penalty Charge	10% of delinquency	
Service Trip Fee		
Service Trip requested prior to 4:00 p.m. Service Trip requested after 4:00 p.m.	\$40.00 \$75.00	
Service Trip requested after 4:00 p.m.	\$75.00	
Service Trip requested after 4:00 p.m.  Tap Fee per connection	\$75.00 \$1,900.00	
Service Trip requested after 4:00 p.m.  Tap Fee per connection  Temporary Water User Service Deposit	\$75.00 \$1,900.00 \$1,000.00	
Service Trip requested after 4:00 p.m.  Tap Fee per connection  Temporary Water User Service Deposit  Inspection Fee Per Inspection or Reinspection	\$75.00 \$1,900.00 \$1,000.00 \$40.00	

#### Chapter 7 - Water Conservation Plan

- <u>Sec. 7.1</u> <u>Emergency Rationing Program</u>: The following water rationing program is adopted for emergency use only during periods of acute water shortage:
- (a) <u>Declaration of Emergency</u>. When a system demand exceeds production or storage capability measured over a twenty-four (24) hour period, and refilling the storage facilities is rendered impossible, OR when the Corporation is notified by its wholesale supplier of a cutback in water to be delivered to such an extent that normal use patterns will no longer be possible, the Corporation may declare an emergency to exist, and thereafter ration water in the following manner.
- (b) <u>Notice Requirements</u>. The Corporation will attempt to provide written notice of the proposed rationing to each affected Member seventy-two (72) hours before the Corporation actually starts the program. The Member notice shall contain the following information:
  - 1. The date rationing shall begin;
  - 2. The date rationing shall end;
  - 3. The stage (level) of rationing to be employed;
  - 4. Affected area to be rationed.
  - (c) <u>Stage Level of Rationing.</u>
  - 1. STAGE I (Mild Rationing Conditions) Alternate usage of water for outdoor purposes such as lawns, gardens, car washing, etc. The provisions for alternate day use shall be specified by the Corporation in the written notice.
  - 2. STAGE I-A (Limited water Usage) The Corporation may limit water usage to a gallonage determined by the water plant's mechanical capability to provide continuous service in direct proportion to the loss of production/re-fill capability at a plant where no back-up facilities are available to remedy the shortage prorated over all Members served by the water plant. Water restrictors may be installed for Members that exceed the limited gallonage determined by the system's mechanical capability. A flow restrictor shall be installed at the Member's expense (not to exceed actual costs or \$50.00).
  - 3. STAGE II (Moderate Rationing Conditions) all outdoor water usage is prohibited.
  - 4. STAGE III (Severe Rationing Conditions) All outdoor water usage is prohibited. All consumption shall be limited to each Member in one of the following ways;
    - (a) A fixed percentage of each Member's average use in the prior month, the percentage to be uniformly applied on a system-wide basis, each Member being notified of this percentage amount, OR,

(b) A maximum number of gallons per meter (Member) per week, with notice to each Member of this number.

Total percentages under item (a) or maximum number of gallons under item (b) above shall be calculated not to exceed 80% of the system's current production/re-fill capability for the area being rationed.

- (d) <u>Exemptions or Variances From Rationing Rules</u>. The Board of Directors may grant any Member an exemption or variance from the uniform rationing program for good cause. The Corporation shall treat all Members equally concerning exemptions and variances, and shall not employ discrimination in such grants.
- (e) <u>Rates</u>. All existing rate schedules shall remain in effect during the rationing period, and no charges may be levied against a Member which are not contained in the Rules of the Corporation.

The purpose of this Emergency Rationing Program is to conserve the total amount of water demanded from the Corporation until supply can be restored to normal levels. This rationing program shall not exceed sixty (60) days without extension by the Board of Directors.

# Chapter 8 - Appeals and Violations

# Sec. 8.1 Appeal to Board of Directors:

(a) Any person aggrieved by the action of the Corporate Representative in administering the provisions of these Rules may appeal to the Board of Directors of the Corporation. The decision of the Board of Directors shall be final.

#### Sec. 8.2 Grievance Procedures:

- (a) Any Member of the Corporation shall have an opportunity to voice concerns or grievances to the Corporation by the following means and procedures:
  - 1. By presentation of concerns to the Corporation's Authorized Representative for discussion and resolution.
  - 2. By presenting a letter of request for a hearing before the Board of Directors. The letter shall state the individual's desired business before the Board and the desired result.
  - 3. The President of the Board of Directors shall review the request and determine the best means by which the complaint shall be resolved.
  - 4. The President shall further determine a reasonable time and place of all hearings, but not beyond forty-five (45) days after the date of receipt of the letter of complaint.
  - 5. The Board of Directors, or any committee thereof, and/or legal counsel shall hear the complaint as directed by the Board.
  - 6. Any hearings by committees or staff delegated to hear complaints shall report its recommendations to the full Board for a decision by the Board.
  - 7. The Board of Directors shall act upon the information available and direct the President or other representative to respond to the complaint by communicating the Board's decision in writing.
  - 8. 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. The Board's decision shall be final.

# <u>Chapter 9 – Online Portal System</u>

#### Sec. 9.1 Applicability:

(a) The rules set forth in this Chapter 9 apply to all use of the Corporation's online portal system and any related phone application (collectively, the "Online Portal System") by any person, corporation, or other entity ("User"). In order to provide Users with the Online Portal System, the Corporation has entered into a Badger Meter Beacon AMA Managed Solution Master Agreement with Badger Meter, Inc. ("Badger").

# Sec. 9.2 Online Portal System Access and Ownership:

- (a) In order to access the Online Portal System, User must be a Corporation customer with an active Corporation water account.
- (b) User shall be required to select and use certain user names, passwords or codes to access and use the Online Portal System.
- (c) By accessing the Online Portal System, User will not obtain any rights, title, or interest in the Online Portal System or any associated intellectual property rights, other than the right to access and use the Online Portal System, subject to the terms and conditions set forth in these rules.
- (d) The Corporation's Board of Directors, in its sole and absolute discretion, may suspend or terminate access to the Online Portal System at any time for any User for violation of these rules or other cause.

#### Sec. 9.3 Restrictions on Right to Use:

- (a) User, including any customer of the Corporation, may not:
  - 1. Sell, license, resell, sublicense, or otherwise permit any third party to access or use the Online Portal System;
  - 2. Remove, patent, copyright, trademark, or otherwise copy intellectual markings from the Online Portal System;
  - 3. Modify, alter, tamper with, repair, or otherwise create derivatives from the Online Portal System;
  - 4. Copy, reverse engineer, disassemble, or decompile the Online Portal System or apply any other process or procedures to derive the source code from any software included in the Online Portal System;
  - 5. Provide User content that infringes on or is in violation of the intellectual property rights of any person or entity including but not limited to the Corporation, Badger, or any of either party's suppliers;

- 6. Use the Online Portal System in a manner that violates any applicable international, federal, state, or local law, rule, or regulation;
- 7. Assert, authorize, or encourage any third party to assert any intellectual property infringement claim against the Corporation or Badger regarding the Online Portal System;
- 8. Transmit content or messages that are illegal, fraudulent, threatening, abusive, defamatory, or obscene;
- 9. Make any unauthorized connection to the Corporation's billing system or any third party's network via the Online Portal System;
- 10. Communicate any unsolicited commercial, voice, SMS, or other message;
- 11. Upload or transmit any "virus," "worm," or malicious code or access, alter, or interfere with the communications of and/or information about another User, Corporation customer, or other person; and
- 12. Take actions related to the Online Portal System that could cause damage to or adversely affect the Corporation, Badger, the Online Portal System, or any of the Corporation's or Badger's third-party consultants or suppliers.

# Sec. 9.4 Customer Content and Responsibilities:

- (a) By accessing and/or utilizing the Online Portal System:
  - 1. User consents to the Corporation and Badger Meter's right to host, access, store, copy, and use necessary customer information, including but not limited to the User's address, meter reading information, water usage history, and account information, as reasonably necessary to provide, maintain, repair, and enhance the Online Portal System;
  - 2. User agrees that it is solely responsible for any actions User may take with regards to the Online Portal System;
  - 3. User agrees to comply with the Badger Terms of Use Policy (https://beaconama.net/tou/termsofuse.html) and the Badger Meter Privacy Policy (https://beaconama.net/privacy/privacy.html), as either may be amended from time to time;
  - 4. User agrees that User shall not access or use the Online Portal System in any manner that violates any applicable international, federal, state, and/or local laws and/or regulations, including but not limited to, all applicable data protection, intellectual property, and privacy laws;
  - 5. USER AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS

- THE CORPORATION, AND ITS OFFICERS, DIRECTORS, CONSULTANTS, AND OTHER REPRESENTATIVES (COLLECTIVELY, THE "CORPORATION PARTIES") FROM AND AGAINST ANY LEGAL PROCEEDINGS FILED AGAINST THE CORPORATION PARTIES BY A THIRD PARTY ARISING OUT OF USER'S NEGLIGENT OR WRONGFUL USE OF THE ONLINE PORTAL SYSTEM; and
- 6. User acknowledges security of transmissions over the internet cannot be guaranteed, and as such, the Corporation is not responsible for: (i) Customer's access to the internet; (ii) interception, unauthorized use or interruptions of communications through the Internet; or (iii) changes or losses of data through the Internet.

# Sec. 9.5 Miscellaneous:

- 1. These rules are in addition to, and not in lieu of, all federal, state, and local laws, rules, and regulations applicable to the Online Portal System, its use, or its contents.
- 2. The provisions of these rules are severable. If any word, phrase, clause, sentence, section, provision, or part of these rules should be held invalid or unconstitutional, it shall not affect the validity of the remaining provisions, and it is hereby declared to be the intent of the Board of Directors that these rules would have been adopted as to the remaining portions, regardless of the invalidity of any part.
- 3. These rules may be amended at any time at the sole discretion of the Board of Directors.
- 4. Use of the Online Portal System shall be at the sole risk of each User. The Corporation accepts no responsibility or liability for any losses or injuries sustained by a User arising out of or in connection with such use.