

**ORDER ESTABLISHING RATES FOR WATER AND SEWER SERVICE;
PROVIDING FEES FOR CONNECTION AND RECONNECTION;
ESTABLISHING REGULATIONS FOR WATER AND SEWER SERVICE;
AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT.**

WHEREAS, Galveston County Municipal Utility District No. 12, ("the District") operates a water and sewer system designed to serve present and future inhabitants within the District; and

WHEREAS, it is necessary that fees, charges and conditions be established for service from the District's water and sewer system; and

WHEREAS, the Board of Directors has concluded that the following fees, rates, charges and regulations should be established for service from the District's water and sewer plant system, effective September 21, 2015.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 12, that:

All plumbing (water or sewer) shall adhere to the Southern Building Plumbing Code prior to connection to the District's system.

SECTION 1: TAP FEES

A. Prior to connection being made to the District's water system, the following tap fee will apply:

- ¾ inch tap fee of \$450.00
- 1 inch tap fee of \$700.00
- 1½ inch tap fee of \$850.00
- 2 inch tap fee of \$1000.00
- Meter setting fee of \$200.00 for residential meters
- Meter setting fee of \$600.00 for commercial meters

B. Tap fee shall be paid by the property owner requesting such tap to the District to cover the cost of making said connection. The District's Operator or representative shall make all connections to the District's water system.

A contractor shall obtain a water tap for new construction by furnishing a copy of the City building permit to the District and shall follow the rules and regulations governing water and sewer connections of the District.

C. Prior to any connection to the District's sanitary sewer line, the District shall be furnished a copy of the final inspection report from the City of Bayou Vista, Original Bayou Vista Subdivision, and Omega Bay Subdivision, certifying that the Building Ordinance has been complied with. In addition, an Application and Contract for Service shall be completed and signed. These shall be received in the District office together with any required deposit. All rules and regulations as outlined in the District's "Rules and Regulations for Water Sewer Connections to the District's System" shall be complied with.

D. For any connection being made to the District's sewer system, the following tap fee will apply:

- Up to 4" tap fee of \$850.00
- 6" Commercial tap fee of \$1050.00

The tap fee shall cover the cost of the tap and materials shall be paid by the property owner thereof to the District. The District's Operator or representative shall make all connections to the District's sewer system.

SECTION 2: DEPOSITS

- A. A deposit of \$150.00 shall be required from all customers requesting new service or from any customer who has had their service disconnected for non-payment and does not have a deposit on file. This deposit shall be deemed as a security deposit. The interest drawn on customer deposits is returned into the operating budget of the water/sewer fund to help in providing the lowest possible water and sewer rates.

SECTION 3: WATER RATES

The following water rates shall apply once a water meter has been installed:

<u>Usage</u>	<u>Rate</u>
0 - 3,000 gallons	\$20.00 (base rate)
3,001 - 6,000 gallons	\$3.50 per thousand
6,001 - 9,000 gallons	\$4.00 per thousand
9,001 - 12,000 gallons	\$4.50 per thousand
12,001 - 15,000 gallons	\$5.00 per thousand
15,001 - 18,000 gallons	\$6.00 per thousand
18,001 or more gallons	\$7.00 per thousand

- A. **TABLE 1.**
Standard residential, business with a tap less than 1.5” for single service connection to the District’s system shall pay a monthly charge for water service in accordance with the following schedule:
 - A business customer is defined as an office, retail store, or service establishment with no solid waste other than paper or cardboard, or an establishment that does not sell food or beverages.

<u>Water usage</u>	<u>Rate</u>
0 – 3,000 gallons	\$20.00 (base rate)
3,001 gallons or more	See chart above

- B. **TABLE 2.**
Water only – Single Tap less than 1.5” with a separate water meter installed, not used in connection with a structure and the District’s sanitary sewer system, shall not be charged an additional sewer rate for such water meter service; for example, water meters installed for a lawn sprinkler system, boat dock or swimming pool.

<u>Water usage</u>	<u>Rate</u>
0 – 3,000 gallons	\$20.00 (base rate)
3,001 gallons or more	See chart above

- C. **TABLE 3.**
Commercial with a tap less than 1.5” for single service connection to the District’s system shall pay a monthly charge for water service in accordance with the following schedule:
 - A commercial customer is defined herein as a restaurant, convenience store or other establishment which prepares food or beverages for consumption on or off premises, or any establishment handling liquid wastes containing grease, oil, chemicals, or dyes.

<u>Water usage</u>	<u>Rate</u>
0 – 3,000 gallons	\$20.00 (base rate)
3,001 gallons or more	See chart above

- D. **TABLE 4.**
Connections with a 2” tap or larger connection to the District’s system shall pay a monthly charge for water service in accordance with the following schedule:

<u>Water usage</u>	<u>Rate</u>
0 – 3,000 gallons	\$20.00 (base rate)
3,001 gallons or more	See chart above

E. **TABLE 5.**
Multi-Family – Non Applicable

F. **TABLE 6.**
Contractor’s 90 day rate for commencing construction of a new home, for an initial period not to exceed ninety (90) days, shall pay a monthly charge for water service in accordance with the following schedule:

<u>Water usage</u>	<u>Rate</u>
0 – 3,000 gallons	\$20.00 (base rate)
3,001 gallons or more	See chart above

G. **TABLE 7.**
Water Only – Non Applicable (same as Table 2)

H. **TABLE 8.**
Pools Connected To Outflow

<u>Water usage</u>	<u>Rate</u>
0 – 3,000 gallons	\$20.00 (base rate)
3,001 gallons or more	See chart above

I. **TABLE 9.**
No Bill

SECTION 3A: RECLAIMED WATER

Reclaimed Water - Any water that has been used previously or harvested from rain water.

1. Reclaimed water may be used for irrigation and any other non-potable application. Under no circumstances is reclaimed water to be introduced into the public water supply.
2. Any connection allowing reclaimed water into the public water supply will be subject to having service disconnected and the reconnect fee will apply.

SECTION 3B: EMERGENCY WATER RATES

The Board of Directors has decided to implement an Emergency Water Rate when Drought and usage conditions cause the District to go into STAGE THREE of water demand by the District. Stage Three requires the District to reduce consumption by at least 15%.

This will be accomplished by permitting water to be used only for certain hours and under specific conditions. Please see our Drought Contingency Plan for details.

To help reduce water consumption a drought surcharge will be added to the customer’s regular bill. This charge will be in addition to all regular charges and will apply only to those months that the District is in Stage Three or higher. This will show on your bill as DSR.

The following usage rates will be calculated and added:

<u>Usage</u>	<u>Rate</u>
0-3,000 gallons	\$3.33 per thousand
3,001-6,000 gallons	\$2.00 per thousand
6,001-9,000 gallons	\$4.00 per thousand
9,001-12,000 gallons	\$8.00 per thousand
12,001-15,000 gallons	\$16.00 per thousand
15,001 gallons or more	\$25.00 per thousand

SECTION 3C: EMERGENCY WATER RATES – COMPLIANCE

Penalties for non-compliance for emergency water rates or drought contingency plan are as follows:

- 1ST offense will be a written reprimand by the District with a copy of the drought and rate plan
- 2ND offense will be \$50.00 added to the customer’s account
- 3RD offense will be \$200.00 added to the customer’s account
- 4TH offense will be termination of service and a payment of all penalties before service can be restored.

SECTION 3D: FIRE PROTECTION FEE

The following fees for fire protection services, and rules related thereto, shall be in effect within the District from and after the effective date hereof until amended by the Board of the District:

- A. Each Residential or Business Customer or Separate Connection within the District, excluding Omega Bay subdivision, will pay a mandatory fee of \$15.00 per month.
- B. This Fire Protection Fee will be charged against all connections described in this section, active or inactive, regardless of actual water use, provided there is an established customer account for the connection.
- C. This Fire Protection Services Fee will not be charged against Irrigation Connections, or against City facilities connections.
- D. The District shall have the right to disconnect water and sewer service in the event the Fire Protection Fee is not paid in accordance with Section 3C herein.

SECTION 4: WASTE CHARGES (LIQUID AND SOLID)

- A. **TABLE 1.**
Standard residential, with a tap less than 1.5” for single service, normal residential waste with connection to the District’s sewer system shall pay a monthly minimum rate charge of \$20.00 for sewer service up to 3,000 gallons and additional usage fees to apply as follows:

Sewer Service and Garbage Collection Rates: The following monthly rates for the collection and disposal of sewage and the collection and disposal of garbage (only for Residential Connections) shall be in effect for each Separate Connection within the City of Bayou Vista and Original Bayou Vista from the effective date hereof until such time as the Board amends said rates:

The “Prevailing Garbage Charge” shall mean the monthly rate per residence charged to the City of Bayou Vista and Original Bayou Vista for garbage collection services by a third party contractor pursuant to an agreement with such contractor which is in effect during the month that sewer services are provided to the Customer. **The current prevailing garbage charge is \$13.50 per billing cycle.**

<u>Usage</u>	<u>Rate</u>
0-3,000 gallons	\$20.00 (base rate) plus Prevailing Garbage Charge
3,001-6,000 gallons	\$1.00 per thousand
6,001-9,000 gallons	\$1.50 per thousand
9,001-12,000 gallons	\$1.75 per thousand
12,001-15,000 gallons	\$2.00 per thousand
15,001-18,000 gallons	\$2.25 per thousand
18,001 gallons or more	\$3.00 per thousand

- B. **TABLE 2.**
Water Only – No Sewer Tap

C. **TABLE 3.**

Commercial customers, including those connections with more than one rental space per meter.

- A commercial customer is defined herein as a restaurant, convenience store or other establishment which prepares food or beverages for consumption on or off premises, or any establishment handling liquid wastes containing grease, oil, chemicals, or dyes. A monthly minimum rate charge of \$20.00 for sewer service up to 3,000 gallons and additional usage fees will apply as follows:

<u>Usage</u>	<u>Rate</u>
0 – 3,000 gallons	\$20.00 (base rate)
3,001-6,000 gallons	\$1.00 per thousand
6,001-9,000 gallons	\$1.50 per thousand
9,001-12,000 gallons	\$1.75 per thousand
12,001-15,000 gallons	\$2.00 per thousand
15,001-18,000 gallons	\$2.25 per thousand
18,001 gallons or more	\$3.00 per thousand

D. **TABLE 4.**

Connections with 2” Tap – No Sewer

E. **TABLE 5.**

Multi-Family – Not Applicable

F. **TABLE 6.**

Contractor’s - 90 Day Rate

Home building contractors shall not be required to pay any sewer charges during the initial ninety (90) days of such construction.

G. **TABLE 7.**

Water Only – Non Applicable (same as Table 2)

H. **TABLE 8.**

Pools Connected To Outflow

<u>Usage</u>	<u>Rate</u>
0-3,000 gallons	\$40.00 (base rate)
3,001-6,000 gallons	\$1.00 per thousand
6,001-9,000 gallons	\$1.50 per thousand
9,001-12,000 gallons	\$1.75 per thousand
12,001-15,000 gallons	\$2.00 per thousand
15,001-18,000 gallons	\$2.25 per thousand
18,000 gallons or more	\$3.00 per thousand

I. **TABLE 9.**

No Bill

SECTION 5: COVERED METERS

- A. Certain connections may receive water during winter months without monthly meter readings and the customer of such connections shall pay, until the meter is read, a minimum monthly charge for water service, and sewer service for such months. When the meter is read the following spring or upon final reading the customer shall pay the difference between the monthly charge and any water consumed in excess of 3,000 gallons per month as shown by the meter reading.

SECTION 6: RECONNECTION CHARGE

- A. If a connection has been made to the District's water system and is thereafter disconnected, the customer shall pay a reconnection fee of \$50.00 to the District before reconnection to the District's water system in addition to the \$15.00 penalty imposed under Section 8 D. hereinafter.
- B. If the customer agrees to sign up for automatic bank draft in lieu of the \$50.00 reconnect fee, the fee will be waived. The automatic bank draft must remain in place for at least 12 consecutive months without any return items. If, however, the customer chooses to discontinue the automatic bank draft option before the 12 consecutive months, the account will revert back to disconnected status and all fees applicable at the time of initial disconnection will be due immediately.

SECTION 7: TEMPORARY SERVICE

- A. A residential customer who has service and who requests temporary water and sewer for a 7-day period for clean up or repairs, shall be required to pay the flat monthly water and sewer rate herein provided and any additional rate charges for water in excess of 3,000 gallons as set out herein. There will be no reconnection fee.

SECTION 8: BILLING, PAYMENTS, LATE CHARGES AND RETURN ITEMS

- A. No partial payments of water and sewer services shall be accepted by the District's billing clerk.
- B. Charges for water and sewer services shall be billed monthly by the District, on or about the twenty first day of each month, for water and sewer services provided.
- C. The District's billing cycle runs from the 21st day of the month through the 20th day of the following month. The customer's bill covers all metered water consumed for the period prior to the meter reading.
- D. All payments are due in the District's office on or before the 20th of the month; after which date a penalty in the amount of \$15.00 will be imposed -- **without exception**. Failure to receive bill does not void late charges or disconnection.
- E. For a first or final bill, a 30-day proration table is in effect.
- F. In addition to monthly charges for water and sewer services, the District shall assess a \$100.00 penalty for each month that the District is unable to access a customer's water meter due to customer obstruction of access to the meter. Access (right to ingress and egress to and from the meter) is guaranteed under Section 12A of this Rate Order.
- G. Once a customer has had two (2) returned items in a two (2) year payment history, the customer shall be put on a "cash only basis" for water and sewer service and shall remain on such basis thereafter for a period of two (2) years.
- H. The charge for a returned payment item shall be fifty dollars (\$50.00).
- I. As required by law, a regulatory assessment fee of 0.5%, used to pay the costs and expenses incurred by the Texas Commission of Environmental Quality, will be applied to customer charges for water and sewer service and be included on the customer's water bill as a separate line item..
- J. There is a line item charge of .50 cents for a notification fee, which allows the District to notify customers of any interruption of service or of any emergency situations that occur within the District.
- K. There is a customer convenience service fee of \$2.50 for customers who wish to use a credit/debit card.

SECTION 9: DISCONNECTION

- A. A delinquent notice is mailed to past due customers as a courtesy reminder. Customers are allowed five full week days from the date the reminder is mailed before service is disconnected. No disconnects will take place on Fridays or any day that is the day before the MUD 12 office will be closed for a holiday or any other reason. Payments can be made in the locked drive-up payment box seven days a week.
- B. Any customer whose services have been terminated for nonpayment shall be required to pay both the \$15.00 late charge and a \$50.00 reconnect fee, in addition to the full amount of such customer's bill. In the event the account remains unpaid 45 days after the date disconnected, the account will be closed and the deposit will be applied toward payment of the amount due.

SECTION 10: RIGHT TO CONTEST

- A. Any customer has the right to contest disputed charges or services. Any customer may request to be placed on the Agenda to appear in person or by written correspondence at a scheduled meeting of the Board of Directors to contest or dispute, explain or correct the charge, service, or disconnection. The Board will then make a decision on the disputed matter and rule as to the disposition of it. The filing of a written complaint or request to appear before the Board to protest a billing does not excuse payment of the bill. Any resulting relief will be reimbursed to the customer within one week of the decision. An administrative fee of \$50.00 will be charged should the Board of Directors approve the customer's request for an excess water usage adjustment on customer's behalf due to high usage beyond their control occurring on their side of meter.

SECTION 11: MAINTENANCE AND REPAIR

- A. At all times the District shall retain title to all water meters. The District shall be responsible for the installation and maintenance of each water tap and portion of line from the District's water main to the District's water meter, located on the customer's property if such property is within the boundaries of the District; provided that such damage is not caused by willful or malicious action of the property owner or by the customer's negligence. If such water main is obstructed by any of the following: concrete or asphalt, trees, shrubs or flowers, automobile parts, any stationary object placed over said water line, replacement or repair of any of the above coverings or obstructions shall be at the sole expense of the customer. Any grass replacement shall also be at the sole expense of the customer.

Prior to installing a concrete drive or other permanent obstruction in the utility easement, the property owner shall obtain and execute a Consent for Encroachment from the District, as required by Section VI of "Rules and Regulations of the District Governing Water and Sewer Service Line and Connections to District's Systems." The Encroachment fee is \$50.00. The District shall not be responsible for any stationary objects, concrete or asphalt drive and walkways, shrubs, flowers or any other landscaping located within the District's easement or easement or otherwise obstructing a sewer line, and in the event it shall become necessary for the District to repair or replace any water line, the District shall restore the ground in the easement to its original elevation and level the same. The cost of replacing any concrete, asphalt, landscaping or other permanent improvements shall be at the sole expense of the property owner.

- B. The customer shall be responsible for the cost of repairs to above-ground District meters caused by freeze damage or damage caused by the negligence of the customer, his employees or guests. The District shall be responsible for the repair or replacement of all District below-ground meters, due to normal wear or freeze. Any other damage will be the responsibility of the customer.

It shall be the responsibility of each customer to maintain sewer lines from the point of connection at the District's sewer system to the building served. Any and all repairs to the sewer line from the District's sewer main to the customer's building, performed by the District, will be charged to the property owner at the District's cost, plus 10%.

- C. The customer shall be responsible for costs associated with moving a water meter to provide unimpeded access (ingress and egress to and from the meter) for the District. Such costs shall be charged to the property owner at the District's cost, plus 10%.

- D. The customer shall be responsible for costs associated with moving a water meter to provide unimpeded access (ingress and egress to and from the meter) for the District. Such costs shall be charged to the property owner at the District's cost, plus 10%.

SECTION 12: EASEMENT

- A. Before service is begun to any property owner, or once begun but before reconnection is made, the property owner shall grant an easement of ingress and egress to and from the water meter for such maintenance and repairs as the District, in its judgment, may deem necessary. Placement or location of all water and sewer lines on the property owner's property shall be at the direction of the District. Should access to the water meter be impeded for any reason, the District, at its sole discretion, may relocate the water meter. Penalties associated with violation of this easement requirement are imposed in Section 8F of this Rate Order. Costs and responsibilities for relocating water meters in violation of this easement requirement are imposed in Section 11C of this Rate Order.
- B. The District shall not be responsible for any stationary objects, concrete or asphalt drives and walkways, shrubs, flowers or any other landscaping located within the District's easement or otherwise obstructing a sewer line, and in the event it shall become necessary for the District to repair or replace any water line or sewer line, the District shall restore the ground in the easement to its original elevation and level the same. The cost of replacing any concrete, asphalt, landscaping or other permanent improvements shall be at the sole expense of the customer.

SECTION 13: NO FREE SERVICE

- A. No free service shall be granted to any customer for services furnished by the District's water and sewer system including any property owner which is a charitable or eleemosynary institution, a political subdivision or a municipal corporation, save and except the Bayou Vista Volunteer Fire Department. All charges for water and sewer service shall be made as required herein.
- B. Customers shall pay for all water, which passes through and is registered by the customer's water meter. In the event a customer disputes a water bill, the District's operator will check the meter to determine if the meter is properly operating. If the customer continues to dispute the bill after inspection by the District's operator, the District will follow the following procedure:
- a. The District's operator will pull the customer's meter in question and install a replacement meter.
 - b. The original meter pulled will then be sent to a laboratory for testing.
 - If the meter tested is found not to be within manufacturer's specifications; all disputed excessive charges will be removed from the customer's bill and the District will pay for the cost of the laboratory testing.
 - If however, the test finds that the original meter was correctly registering the water passed through such meter within manufacturers specifications; the customer shall be responsible for the cost of testing in addition to the cost of the disputed service bill.

SECTION 14: REQUIRED SERVICE

- A. No sewer service shall be provided to customers within the District's boundaries by the District except to customers of the District's water system.

SECTION 15: QUALITY OF WASTE

- A. Only ordinary liquid waste water and domestic sanitary sewage carried or discharged into the district's sewage system, including properly shredded garbage (i.e., garbage that has been shredded to such a degree that all particles will be carried freely from the flow conditions normally provided in public sanitary sewers with no particle larger than one-half ½ inch in diameter) will be discharged into the sewer lines. Discharge of industrial waste, sewage in septic conditions or any other waste which is other than ordinary domestic sewage is hereby prohibited, save and except such waste disposal permitted by "Rules and Regulations and Policy Governing Commercial and Industrial Waste" heretofore adopted by the District.

SECTION 16: SEWER REGULATIONS

A. The District reserves the right to adopt and establish rules and regulations governing sewer house lines and sewer connections and to amend same from time to time. Upon such adoption, all connections to the District's sewer system shall be made in accordance with said "Rules and Regulations Governing Water and Sewer Service Line and Connections to District's System," as may be amended from time to time.

B. **RULES AND REGULATIONS GOVERNING DUMPING OF SEWAGE FROM TRAVEL TRAILERS AND MOTOR HOMES**

a. **Dumping sewage in customer clean-outs is prohibited.**

It shall be unlawful for any person, firm or corporation to induce liquid waste water or waste solids from travel trailers or from motor homes into residential customer clean-outs located on residential lots within the District, or into sewage manholes utilized by the District.

b. **Catastrophic Variance.**

In the event of a catastrophe, such as a hurricane, fire, etc.; a customer must request a variance in writing from the MUD 12 Board of Directors'. This variance will allow travel trailers, motor homes or FEMA trailers to hook up to the District's utilities services for a period up to six (6) months. The possibility of an extension at the end of six (6) months may be reviewed by the Board of Directors' upon written request.

c. **Cumulative Provisions.**

The provisions of these rules and regulations shall be cumulative and in addition to and not in lieu of all other rules and regulations heretofore adopted by the District.

d. **Penalty.**

The penalty for any person, firm or corporation for each violation of these Rules and Regulations shall be by a fine of \$200.00 for such violation.

SECTION 17: CIVIL PENALTY

A. Any person, firm or corporation planning to excavate ground within District boundaries, who fails to notify the District's Operator at least two (2) days before such excavation, shall be subject to a civil penalty of \$250.00, in addition to the cost of labor, parts and equipment used by the District for repair of water or sewer lines. In the event water lines are broken additional charges shall be incurred for water lost.

This Order shall supersede and replace previous orders establishing rates and policies and shall remain in effect until replaced by any Rate Orders passed by the Board of Directors of Galveston County Municipal Utility District No. 12 at a later date.

Passed as revised and approved the 21st day of September, 2015.

GALVESTON COUNTY MUNICIPAL UTILITY
DISTRICT NO. 12



Bill Alcorn, President

ATTEST:


Robert Bassett, Secretary Treasurer

(SEAL)



