

CERTIFICATE FOR ORDER

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

I, the undersigned officer of the Board of Directors of Harris County Municipal Utility District No. 367, hereby certify as follows:

1. The Board of Directors of Harris County Municipal Utility District No. 367 convened in regular session on September 12, 2018, outside the boundaries of the District, and the roll was called of the members of the Board:

Christopher Jacob	President
Daryl Austin	Vice President
Lena Lahasky	Secretary
William McEnroe	Assistant Vice President
Eric Neason	Assistant Secretary

and all of said persons were present ~~except Director(s)~~ _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at the meeting: a written

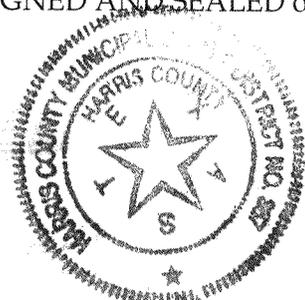
AMENDED RATE ORDER AND REGULATIONS REGARDING
WATER AND SEWER LINES AND CONNECTIONS

was introduced for the consideration of the Board. It was then duly moved and seconded that the Order be adopted, and, after due discussion, the motion, carrying with it the adoption of the Order, prevailed and carried unanimously.

2. A true, full, and correct copy of the aforesaid Order adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; the action approving the Order has been duly recorded in the Board's minutes of the meeting; the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of the Board as indicated therein; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the aforesaid meeting, and that the order would be introduced and considered for adoption at the meeting, and each of the officers and members consented, in advance, to the holding of the meeting for such purpose; the meeting was open to the public as required by law; and public notice of the time, place, and subject of the meeting was given as required by Chapter 551, Texas Government Code, and Section 49.063, Texas Water Code.

SIGNED AND SEALED on September 12, 2018.

(SEAL)



[Signature]
Secretary, Board of Directors

AMENDED RATE ORDER AND REGULATIONS REGARDING
WATER AND SEWER LINES AND CONNECTIONS

WHEREAS, Harris County Municipal Utility District No. 367 (the "District") operates a water, sewer, and drainage system to provide service to residential and commercial establishments within the District; and

WHEREAS, the District has the authority under Section 54.203 of the Texas Water Code to collect garbage; and

WHEREAS, the Board of Directors deems it necessary to amend the rates and charges for receiving water, sewer, drainage, and garbage collection services from the District in order to, among other things, encourage water conservation as recommended by the State of Texas and the Texas Commission on Environmental Quality ("TCEQ"); Now, Therefore,

BE IT ORDERED BY THE BOARD OF DIRECTORS OF HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 367 THAT:

Section 1. Definitions. The following words or phrases shall have the meanings indicated below:

A. "Single Family Residential User" - means a user of the District's water and sewer system which consists of one residence designed for use and occupancy by a single family unit, which includes builder connections.

B. "Non-Single Family Residential User" - means any user of the District's water and sewer system, other than a Single Family Residential or Public Space Water User, including, but not limited to, commercial establishments, multi-family residential units, recreational facilities, clubs and Non-Taxable Users.

C. "Public Space Water User" - means any user of the District's water system for public or homeowner association esplanades, open space recreational areas or green spaces ("Public Spaces").

D. "Non-Taxable User" - means a user of the District's water and sewer system that is not subject to ad valorem taxation by governmental entities under the provisions of the Texas Property Tax Code.

Section 2. Tap and Inspection Fees.

A. Single Family Residential User Water Tap. Prior to connection to the District's water system, a tap fee in the amount shown in Exhibit "A" shall be paid to the District to cover the cost of making said connection and the cost of providing the water meter. Connections to the District's water system shall not be allowed without

the prior written approval of the District, an approved sewer inspection, and all such connections shall be inspected by the District's operator or its subcontractor.

B. Non-Single Family Residential User Connection. Connections to the District's system shall not be allowed prior to receipt by the District's operator of (a) the District's engineer's letter approving the connection and (b) payment of the tap fee. All water system connections shall be made by the District's operator or its subcontractors and all sewer connections shall be inspected by the District's operator or its subcontractors. Prior to any connection being made to the District's water system by a Non-Single Family Residential User, such User shall:

(1) pay a tap fee shown in Exhibit "A"; and

(2) present a written request to the District stating the amount of capacity desired, identifying the tract for which service is desired including a scale plat thereof, and describing the improvements to be constructed thereon, accompanied by schematic drawings and construction prints of the proposed connection lines and connection points to the District's system. The District's engineer will review the plans and note any required revisions. The engineer will then return the plans, as approved, to the User with a notation that he has no objection to the connection(s) being made to the District's system by the District's operator as per the approved (and if appropriate, revised) plans.

C. Public Space Water User Water Tap. Prior to any connection being made to the District's water system by a Public Space Water User, for use in a public area, such User shall pay a tap fee in the amount shown in Exhibit "A". The User must provide the District's operator with drawings of the proposed connection points to the District's system and specifications on required Backflow Prevention Assemblies to be installed.

D. Non-Taxable Users. Non-Taxable users shall pay a tap fee in the amount shown in Exhibit "A". The District will provide and install all meters and taps. All connections to the District's System shall be made by a representative of the District. The Non-Taxable User must present a written request to the District stating the amount of capacity desired, identifying the tract for which service is desired including a scale plat thereof, and describing the improvements to be constructed thereon, accompanied by schematic drawings and construction prints of the proposed connection lines and connection points to the District's system. The District's engineer will review the plans and note any required revisions. The engineer will then return the plans, as approved, to the User with a notation that he has no objection to the connection(s) being made to the District's system by the District's operator as per the approved (and if appropriate, revised) plans.

E. Sewer Connection Inspection. All connections to the District's sewer system shall be made in accordance with the provisions of the Rules and Regulations Governing Sewer House Lines and Sewer Connections. All connections to the

District's sewer system shall be inspected by the District's operator or its subcontractor prior to being covered in the ground. In the event a sewer connection is made and covered without such inspection, water service at such location shall be terminated and shall not be allowed until an approved sewer connection inspection has been performed. An inspection fee shall be paid to the District at the time the tap fee is paid in the amount shown in Exhibit "A". If a sewer connection fails the inspection, an additional inspection at the same inspection fee is to be paid to the District prior to reinspection.

F. Pre-Facility Inspection. All builders or contractors for property owners within the District must contact the operator, prior to starting any work on property within the District, to do an inspection to verify District facilities. If any District facility is either damaged or cannot be located, the operator will make necessary repairs or locate and make visible at the expense of the District. A copy of the inspection will be given to the builder's or contractor's representative. After the inspection and any necessary work is completed, the builder or contractor will then be responsible for paying the costs of all damages, adjustments, relocations and repairs found during the Final Site Survey. The cost for each inspection is shown on Exhibit "A" and is payable with the tap fee.

G. Post Facility Inspection. After construction has been completed on the property, but before service is transferred to a User, the District's operator will conduct a Final Site Survey to reinspect the water tap, meter and all other District facilities on the property for a fee in the amount shown in Exhibit "A". (The fee shall be collected at the time the tap fee is paid.) The property owner, builder or contractor will be held responsible for any damages or adjustments to District facilities and the cost of repairing, adjusting or relocating the facilities (the "Backcharges") before service shall be initiated to a User. If any reinspections of the facilities are required to ensure that the District's facilities are repaired, adjusted or relocated, a fee in the amount shown in Exhibit "A" shall be charged for each such reinspection before service will be transferred to a subsequent User. Payment of the Backcharges, or any inspection or reinspection fees, shall be made on or before the 30th day after the date of the invoice for said charges. The District also may withhold the provision of service to the property or to other property owned by any User, property owner, builder or contractor who has failed to timely pay for the Backcharges or any inspection or reinspection fee, including specifically the provision of additional taps; provided, however, the District shall follow the notification procedures set forth in Section 11 prior to withholding the provision of service.

H. Grease Trap Inspection. For each grease trap installed, there shall be charged a monthly flat rate inspection fee in the amount shown in Exhibit "A". If the operator is required to reinspect the grease trap, such reinspection shall be charged at the same rate.

I. Builder Responsibilities.

(1) Street Cleaning. The builder and developer will be responsible for ensuring that the street in front of their lots stays free from the accumulation of trash, sediment, dirt, and all other debris. Street cleaning will be done by street scraping or by using a vacuum sweeper. Washing sediments into the sewer inlets is prohibited by the District and the EPA.

(2) Concrete Wash-Out Site. Each builder will provide a single, dedicated concrete wash-out site on one of the builder's reserved lots, for use during construction or will use a site designated by the Developer. The site selected will be reviewed with the District and developer, and an identification sign must be erected on the site by the builder prior to use.

The builder will clean and maintain the site as necessary and is responsible for the proper and legal disposal of concrete. Silt fencing must be installed along the curb in front of the wash-out site as well as an access pad.

The builder will inform its subcontractors of the location and purpose of the concrete wash-out site.

(3) Other Builder Responsibilities. The builder is responsible for observing all signs and for enforcing the District's Amended Rate Order and Regulations Regarding Water and Sewer Lines and Connections with all employees, suppliers, and subcontractors. Builders are responsible for conducting regular inspections of their erosion control measures to insure they are functioning properly.

(4) Failure to Comply. Failure of a builder to comply with these builder responsibilities will be considered a violation of this Amended Rate Order and Regulations Regarding Water and Sewer Lines and Connections and will subject the builder to penalties in Section 28. Further, the District, at its sole option, may perform or have performed any of the builder's responsibilities and backcharge the builder for the cost. Failure to timely pay a backcharge or to comply with these responsibilities will subject the builder to termination of service in accordance with Section 11A or withholding of taps in accordance with Section 2G.

Section 3. Platting and Permit Requirements.

A. Permit Requirement. Before any connection is made to the District's water and/or sewer system, the person requesting such connection shall provide to the District a copy of: (1) any necessary development or building permit from Harris County and/or the City of Houston; or (2) a waiver for any development or building permit from Harris County and/or the City of Houston.

B. Platting Requirement. Prior to initially connecting to the District's water and/or sewer system, a User shall submit to the District's operator or engineer proof

that the User's property has been platted in accordance with the subdivision ordinances of the City of Houston. Acceptable proof of platting includes a copy of the recorded plat, or a certificate from the City of Houston that the property has been platted or that the property is legally exempt from the platting process.

Section 4. Water Regulations. The following plumbing regulations apply to all users of the District's potable water distribution system.

Plumbing Material Restrictions. The use of the following plumbing materials are prohibited in any and all improvements connected to the District's water system:

- A. Any pipe or pipe fitting which contains more than a weighted average of 0.25% lead; and
- B. Any solder or flux which contains more than 0.2% lead.

Prior to initiating service to new construction or buildings containing new plumbing fixtures, the User must provide the District's operator with a signed and dated "Customer Service Inspection Certification" in the form attached to this Amended Rate Order as Exhibit "B".

Section 5. Plumbing Regulations; Prohibition Against Cross-Connections and Unacceptable Plumbing Practices; Penalty for Violation.

Pursuant to Chapter 290 of the Texas Administrative Code, the District adopts the following plumbing regulations, which apply to all users of the District's potable water distribution system.

A. Service Agreements. Prior to receiving service from the District to new construction or buildings containing new plumbing fixtures, or prior to having service reconnected to any building after termination of water service, a User must execute a Service Agreement in the form attached to this Amended Rate Order as Exhibit "C" and pay the customer service agreement administration fee shown on Exhibit "A".

B. Plumbing Fixtures. A User is not permitted to install any plumbing fixture which is not in compliance with a state approved plumbing code and the plumbing code, if any, required by the city in whose jurisdiction the District is located.

C. Prohibition Against Water Contamination. No direct connection between the District's potable water distribution system and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the District's potable water distribution system by the installation of an air-gap or an appropriate backflow prevention device in accordance with state plumbing regulations. In addition, all pressure relief valves and thermal expansion devices must be in accordance with state plumbing codes and the plumbing code, if any, required by the city in whose jurisdiction the District is located.

D. Backflow Prevention Assemblies. All sprinkler systems, spas and pools must have backflow prevention assemblies installed by the User at the User's sole cost and expense. In addition, the District, in its sole discretion, may require a Non Single Family Residential User to install a backflow prevention assembly at any meter(s) servicing such a User's property. The District, in its sole discretion, also may require any User to install other backflow prevention assemblies at any fixture in order to prevent contamination of the District's potable water distribution system or if the User's plumbing system poses a high health hazard. A high health hazard is defined by the TCEQ as a "cross-connection, potential cross-connection, or other situation involving any substance that could cause death, illness, spread of disease, or has a high probability of causing such effects if introduced into the potable drinking water supply." If the District determines that a User must install a backflow prevention assembly as a protection against a high health hazard, the backflow prevention assembly used must comply with a state approved plumbing code and the plumbing code, if any, required by the city in whose jurisdiction the District is located, and must be tested and certified at least annually by a recognized backflow prevention assembly tester. A list of certified backflow prevention assembly inspectors can be obtained from the local office of the TCEQ.

The User is responsible for insuring that all backflow prevention assemblies are tested upon installation by a recognized backflow prevention assembly tester. A list of certified backflow prevention assembly inspectors can be obtained from the local office of the TCEQ. The User is solely responsible for the cost of this test. If the District requires the installation of a backflow prevention assembly in order to prevent a serious threat to the District's public water supply, then the District, in its sole discretion, may immediately terminate service to the User. In that event, service will not be restored until the backflow prevention assembly has been installed and tested and a signed and dated original of a "Backflow Prevention Assembly Test and Maintenance Report" in the form attached to this Amended Rate Order as Exhibit "D" has been provided to the District's operator.

If the District determines that a backflow prevention assembly must be installed pursuant to this Amended Rate Order for reasons other than to eliminate a serious threat to the District's public water system, the User must install the backflow prevention assembly within five (5) working days after receipt of notice from the District that such installation is required. In addition, the User must provide the District's operator with a signed and dated original of a "Backflow Prevention Assembly Test and Maintenance Report" in the form attached to this Amended Rate Order as Exhibit "D" within three (3) working days of the installation of the backflow prevention assembly and within three (3) working days of any subsequent repair, maintenance or testing of such assembly. If the User fails to provide the testing certificate within this time, the District, in its discretion, may terminate service to the User pursuant to the terms of this Amended Rate Order. The District's operator will retain such reports for a minimum of three (3) years. The Backflow Prevention Annual

Administration Fee listed in Exhibit "A" will be billed to the User on an annual basis with the monthly District billing.

E. Customer Service Inspections. A customer service inspection is required prior to the time the District (i) provides continuous water service to new construction, (ii) provides water service to private plumbing facilities that have been added to existing construction or materially improved or corrected, or (iii) continues service to a User when the District has reason to believe that cross-connections or other unacceptable plumbing practices exist. The cost of such customer service inspection is shown on Exhibit "A" and is the sole responsibility of the User. For single family residential service, a licensed plumber, a water supply protection specialist licensed by the Texas State Board of Plumbing, or a certified waterworks operator holding an endorsement from the TCEQ may perform this customer service inspection. For all other types of service, a water supply protection specialist licensed by the Texas State Board of Plumbing, or a certified waterworks operator holding an endorsement from the TCEQ may perform the inspection. All fees relating to the customer service inspection shall be paid by the User prior to the inspection, and if the inspection is made in connection with new construction, the fee will be collected with the tap fee.

Prior to initiating service to new construction or buildings containing new plumbing fixtures, the User must provide the District's operator with a signed and dated "Customer Service Inspection Certification" in the form attached to this Amended Rate Order as Exhibit "B". The District's operator will retain such inspection certifications. The District's operator or its subcontractors may, at the discretion of the District and/or the District's operator, periodically inspect a User's plumbing system during normal business hours for the purpose of identifying possible cross-connections and other unacceptable plumbing practices which violate this Amended Rate Order.

F. Prohibition Against Cross-Connections. No cross-connection between the District's potable water distribution system and a private water system is permitted. Where an actual air gap is not maintained between the public water supply and a private water supply, an approved reduced pressure-zone backflow prevention assembly must be properly installed and such assembly must be annually inspected and tested by a certified backflow prevention device tester. A list of certified backflow prevention device testers may be obtained from the local office of the TCEQ. By accepting service from the District, all Users agree to allow such annual inspection and testing of backflow prevention assemblies to take place during normal business hours. If any User refuses to allow such annual inspection and testing, service to such User will be discontinued until such inspection and testing is completed.

No connection which allows water to be returned to the District's potable water distribution system is permitted. This includes, but is not limited to, any device pursuant to which water is removed from the District's potable water distribution system, circulated through a User's system for condensing, cooling and heating of

fluids or industrial processes, including but not limited to a heat exchange system, and routed back to the District's potable water distribution system.

G. Notice of Unacceptable Plumbing Practices. The District shall notify the User in writing of any cross-connection or other unacceptable plumbing practice which has been identified during the customer's service inspection, any periodic reinspection, or any other inspection. At its sole cost and expense, the User shall immediately correct any unacceptable plumbing practice on its premises and properly install, test and maintain any backflow prevention device required by the District within five (5) working days of receipt of notice of the improper cross-connection. The User shall provide copies of all testing and maintenance records on such devices to the District within three (3) working days of the testing or maintenance. If the User fails to correct the noted unacceptable plumbing practice, the District may immediately terminate water service or, at the User's sole cost and expense, eliminate the cross-connection or correct the unacceptable plumbing practice.

H. Penalty for Violation. The failure of a User to comply with the terms of this Section will be considered a violation of this Amended Rate Order and Regulations Regarding Water and Sewer Lines and Connections. If such a violation occurs, or if the District determines the existence of a serious threat to the integrity of the District's water supply or public sanitary sewer system, the District, in its sole option, may, in addition to all other legal remedies available to it, including those remedies set out in this Amended Rate Order, immediately terminate service or, at the User's sole cost and expense, install the plumbing fixtures or assemblies necessary to correct the unacceptable plumbing practice. If the District terminates service in order to preserve the integrity of the District's water supply, service will be restored only when the source of the potential contamination no longer exists or until additional safeguards have been taken. Any and all expenses associated with the enforcement of this Section shall be billed to the User.

Section 6. Sewer Regulations. The following regulations apply to all Users of the District's Sanitary Sewer System.

A. Connection Permit.

(1) Application for Sanitary Sewer Service must be filed prior to construction of the service line and the connection fee should accompany this application. (Application forms are available from the District's operating company). Construction must not begin until authorized by the District.

(2) When the service line is complete, and prior to backfilling the pipe trench, the applicant for sewer service shall request an inspection of the installation. Requests for inspections shall be made to the District's operator twenty-four hours in advance of the inspection.

(3) The physical connection to the District's sewer main will be made by use of an adapter of a type compatible with materials being joined. The connection shall be water-tight. No cement grout materials are permitted.

(4) Backfilling of service lines trench must be accomplished within twenty-four hours of inspection and approval. No debris will be permitted in the trench.

(5) A connection permit will be granted after inspection confirms that all requirements of these Rules and Regulations have been met.

(6) All connections to the District's sewer system shall be made in accordance with the provisions of the Rules and Regulations Governing Sewer House Lines and Sewer Connections. All connections to the District's sewer system shall be inspected by a representative of the District prior to being covered in the ground. In the event a connection is made and covered without inspection by a representative of the District, water service at such location shall be terminated until the line is uncovered and so inspected. Water service shall not commence until the connection has been installed in accordance with such Rules. An inspection fee in the amount shown on Exhibit "A" shall be paid to the District to cover the cost of inspecting each single family residential connection or non-single family residential connection.

B. Quality of Sewage.

(1) Domestic Waste. Only ordinary liquid and water-carried waste from domestic activities that is amenable to biological treatment and that is discharged from sanitary conveniences of buildings connected to a public sanitary sewer system shall be discharged into the District's sanitary sewer lines. Waste resulting from any process of commerce or industry may not be discharged into the District's sanitary sewer lines except as authorized pursuant to subsection (2) below.

(2) Commercial and Industrial Waste. All discharges other than waste described in subsection (1) are prohibited unless the user has applied to and received written authorization from the District for such discharge. The applicant must file a statement with the District containing the following information:

- (a) Name and address of applicant;
- (b) Type of industry, business, activity, or other waste-creative process;
- (c) Quantity of waste to be discharged;
- (d) Typical analysis of the waste;
- (e) Type of pretreatment proposed; and

- (f) Such other information as the District may request in writing.

The District shall have the right to reject any application for discharge of non-domestic waste into the District's sanitary sewer lines if the District determines in its sole discretion that the proposed discharge may be harmful to the District's sanitary sewer system or the environment. The District also shall have the right in approving any application for the discharge of non-domestic waste to impose any limitations on such discharge that the District determines in its sole discretion to be necessary to protect the District's sanitary sewer system or the environment.

(3) Unauthorized and Extraordinary Waste. Customers discharging, whether intentionally or unintentionally, non-domestic waste into the District's system will be assessed additional charges as established by the District based on the volume and concentration of the proposed waste, as well as costs of remediation and/or repairs to the system occasioned as a consequence of such discharge, in addition to any other penalties set forth herein and in any order regulating waste heretofore or hereafter adopted by the District. All Customers of the District's sanitary sewer system shall be subject to the terms and conditions of any order regulating waste heretofore or hereafter adopted by the District, pursuant to the terms of which the District may establish rates and charges to produce revenues to pay such additional costs incurred by the District in connection with such industrial waste.

(4) National Categorical Pretreatment Standard. If a user is subject to a national categorical pretreatment standard pursuant to regulations promulgated by the Environmental Protection Agency under Section 307 of the federal Clean Water Act, the user is prohibited from discharging pollutants into the District's sanitary sewer system in violation of applicable categorical pretreatment standards.

(5) District Testing; Pretreatment. The District shall have the right to sample and test any user's discharge at the discretion of the District's operator, with no limit as to the frequency of the tests, and to charge the user for the District's cost of such sampling and testing. The District also shall have the right to require pretreatment, at the user's expense, of any discharge of non-domestic waste if the District determines in its sole discretion that pretreatment of such waste is necessary to protect the District's sanitary sewer system or the environment, even if pretreatment is not otherwise required pursuant to subsection (3) above.

The District's engineer, operator, or Board of Directors reserves the right to require commercial customers to either install grease traps and/or sampling wells or pretreat their wastewater discharge at their own expense. In addition, the District reserves the right to sample and test such discharges at the discretion of the District's operator, with no limit as to the frequency of the tests, and to require pretreatment of the discharge at any time, based on the result of the discharge tests.

C. Service Lines.

(1) Service line is defined as the sewer line from the foundation of the house or commercial building to the sewer line owned by the District.

(2) Only one service line connection to the District's sanitary sewage collection system is permitted for each residence or commercial building.

(3) Only the following types of pipe and fitting materials are approved for constructing service lines. Pipe and fittings in each individual service line will be of identical material.

(a) Vitrified clay pipe conforming to ASTM Specification C700 with joint coupling conforming to ASTM Specifications C425 or C594 and installed according to ASTM C12.

(b) Cast iron soil pipe, standard weight, conforming to ASTM Specification A74 with rubber gasket joint coupling conforming to ASTM Specification C564.

(c) Poly-vinyl-chloride PSM (SDR26 PVC) pipe conforming to ASTM Specification D3034 and installed according to ASTM D2321.

(d) Ductile-Iron Pipe conforming to ANSI A21.51 with rubber gasket joints ANSI A21.11, and installed according to manufacturer's recommendations AWWA C-151-86 with polyethylene as specified.

(e) Acrylonitrile-butadiene-styrene (ABS) pipe, material conforming to ASTM Specification D2751.

(f) The bedding in field must meet manufacturer's specifications for installation of the pipe.

(4) Minimum sizes of service lines shall be as follows:

(a) Residential -- 4 inches in diameter.

(b) Commercial -- 6 inches in diameter.

(5) Minimum grades for service lines shall be as follows:

(a) 4 inch pipe -- one foot drop per hundred feet (1%).

(b) 6 inch pipe -- six inches drop per hundred feet (0.7%).

(c) 8 inch pipe -- four inches drop per hundred feet (0.44%).

- (6) Maximum grades for service lines shall be as follows:
 - (a) 4 inch pipe -- two and one-half feet drop per hundred feet (2.5%).
 - (b) 6 inch pipe -- one and one-half feet drop per hundred feet (1.5%).
 - (c) 8 inch pipe -- one foot drop per hundred feet (1%).

(7) Construct service lines to true alignment and grade. Warped and sagging lines will not be permitted.

D. Connection of Building Sewer Outlet to Service Lines.

(1) Building tie-on connection will be made directly to the stub-out from the building plumbing at the foundation on all waste outlets.

(2) Water-tight adapters of a type compatible with the materials being joined will be used at the point of connection of the service line to the building plumbing. No cement grout materials are permitted.

(3) Existing "wye" and stack connections must be utilized for connection of the service line to the sewer main unless an exception is permitted by the District's operator.

(4) The physical connection to the sewer main shall be made by use of an adapter of a type compatible with materials being joined. The connection shall be watertight. Portion to be cut out from sewer main shall be circular and available for inspection.

(5) No connection shall be made into a manhole without approval from the District.

(6) No sewer lines shall be laid within nine (9) feet of a water line unless the sewer pipe and its couplings shall have a pressure rating of not less than one hundred fifty (150) pounds per square inch (psi).

E. Fittings and Cleanouts.

(1) No bends or turns at any point will be greater than 45 degrees.

(2) Each horizontal service line will be provided with a cleanout at its upper terminal; and each such run of piping which is more than ninety (90) feet in length will be provided with a cleanout for each ninety (90) feet or fraction thereof, in the length of such piping.

(3) Each cleanout will be installed so that it opens in a direction opposite to the flow of the waste and, except in the case of "wye" branch and end-of-the-line cleanouts, cleanouts will be installed vertically above the flow line of the pipe.

(4) Cleanout will be made with air-tight mechanical plug.

F. Grease, Lint, and Sand Traps and Sampling Wells.

(1) Grease traps will be required for dining establishments where food is prepared and served to customers on premises.

(2) Any customer or owner that has a building or structure with commercial laundry facilities shall install and have in operation lint traps that are approved by the District's operator and engineer.

(3) Air space above the water line must be vented with four-inch soil pipe if the trap is located inside a building.

(4) All shopping centers shall provide a grease trap and a sampling well.

(5) All health care facilities shall provide an acid dilution basin and a sampling well.

(6) Sand traps will be required for all car washing establishments.

(7) All commercial and industrial customers are required to install sampling wells in accordance with City of Houston standards and that are approved by the District's operator and engineer.

(8) All commercial and industrial customers are required to install grease traps in accordance with City of Houston standards and that are approved by the District's operator and engineer. Said customers shall provide the District with a copy of an ongoing contract with a licensed hauler for regular, routine pumping and disposal prior to receiving service from the District and a copy of the cancelled checks evidencing payment for such regular pumping and disposal shall be provided to the operator of the District's facilities on a regular basis.

(9) In order to protect the District's ability to properly treat the waste produced in the District, the District shall have the right to inspect all grease traps, sand traps, lint traps, and sampling wells operated within the District or pursuant to a contract with the District. Inspection shall be performed by the operator monthly. If the operator finds a grease trap, sand trap, lint trap, or sampling well that is not being properly cleaned and monitored, the operator shall give written notice to the consumer or responsible party of failure to maintain the grease trap. If the consumer or responsible party has not cleaned the grease trap within 48 hours of receipt of notice from the operator, the operator may take the necessary action to clean the grease trap

and shall bill the consumer or responsible party for the cost of such service. Charges for grease trap, lint trap, sand trap and sampling well inspections shall be as outlined in Exhibit "A".

G. Excluded Flow and Waste.

(1) No waste material which is not biologically degradable will be permitted to be discharged into the District's sewage facilities, including mud and debris accumulated during service line installation.

(2) The quality of sewage discharged into the District's system must meet all requirements set forth in this Order or any other applicable regulations adopted by the District.

(3) No downspouts, yard or street drains, or gutters will be permitted to be connected into the District's sanitary sewer facilities.

(4) Swimming pool connections will be made in accordance with the City of Houston Plumbing Code requirements.

Section 7. Account Transfer Fee. A fee in the amount shown in Exhibit "A" shall be charged by the District to all Users opening an account to cover the expense to the District for the transfer of service from one User to the subsequent User.

Section 8. Water and Sewer Rates.

A. In-District Users.

After the meter is installed, each Single Family Residential User, Non-Single Family Residential User, Non-Taxable User located within the District shall be charged monthly for water and sewer for each equivalent single family connection ("ESFC") (as determined by the District) in accordance with the following schedule:

(1) Water.

Amount of Payment

\$13.75 Base Fee

Water Usage

Monthly base fee per single family equivalent connection [as determined by the District] regardless of usage

The first 1,000 gallons of metered water usage for each User shall be included in the User's base fee.

\$ 0.80	Water rate per 1,000 gallons metered water for usage between 1,001 and 10,000 gallons
\$ 1.30	Water rate per 1,000 gallons metered water for usage between 10,001 and 20,000 gallons
\$ 2.80	Water rate per 1,000 gallons metered water for usage between 20,001 and 30,000 gallons
\$ 3.80	Water rate per 1,000 gallons metered water for usage over 30,000 gallons

(2) Sewer.

<u>Amount of Payment</u>	<u>Sewer Usage</u>
\$10.50	Per month per single family equivalent connection [as determined by the District]

Irrigation only meters shall not be charged for sewer usage.

B. In-District Public Space Water Users. After a meter has been installed, water service will be provided to Public Space Water Users within the District and such Public Space Water Users shall be charged monthly in accordance with the following rate schedule:

<u>Amount of Payment</u>	<u>Water Usage</u>
\$5.00 (minimum) per meter	First 5,000 gals.
\$0.75 per 1,000 gals.	More than 5,000 gals.

In order to promote conservation of the District's water supply, however, Public Space Water Users shall pay an increased rate to be set by the District if the District determines the Public Space Water User's water usage is excessive, inefficient, and/or wasteful.

C. Out-of-District Single Family Residential Users. Out-of-District single family residential water customers including builders shall be charged monthly for water for each ESFC (as determined by the District) in accordance with the following schedule:

<u>Amount of Payment</u>	<u>Water Usage</u>
\$74.00 Base Fee	Monthly base fee per single family equivalent connection [as determined by the District] regardless of usage
The first 1,000 gallons of metered water usage for each such User shall be included in the User's base fee.	
\$1.30	Water rate per 1,000 gallons metered water for usage between 1,001 and 10,000 gallons
\$1.80	Water rate per 1,000 gallons metered water for usage between 10,001 and 20,000 gallons
\$3.30	Water rate per 1,000 gallons metered water for usage between 20,001 and 30,000 gallons
\$4.30	Water rate per 1,000 gallons metered water for usage over 30,000 gallons

D. All Other Out-of-District Users. All other Users located outside of the District that are not single family residential users or builders shall be charged monthly for water and sewer for each ESFC (as determined by the District) in accordance with the following schedule:

(1) Water.

<u>Amount of Payment</u>	<u>Water Usage</u>
\$21.00 Base Fee	Monthly base fee per single family equivalent connection [as determined by the District] regardless of usage
The first 1,000 gallons of metered water usage for each such User shall be included in the User's base fee.	
\$1.30	Water rate per 1,000 gallons metered water for usage between 1,001 and 10,000 gallons
\$1.55	Water rate per 1,000 gallons metered water for usage between 10,001 and 20,000 gallons

\$3.05 Water rate per 1,000 gallons metered water for usage between 20,001 and 30,000 gallons

\$4.05 Water rate per 1,000 gallons metered water for usage over 30,000 gallons

(2) Sewer.

Amount of Payment

Sewer Usage

\$21.00 Base Fee

Monthly base fee per month per single family equivalent connection [as determined by the District] regardless of usage

The first 1,000 gallons of sewer usage for each such User shall be included in the User's base fee.

\$0.25

Sewer rate per 1,000 gallons of sewer usage over 1,000 gallons

E. North Harris County Regional Water Authority ("NHCRWA"). All Users shall be billed a monthly fee per 1,000 gallons of water used equal to 110% (rounded up to the nearest whole cent) of the charge imposed on the District by the NHCRWA through January 31, 2010. Beginning February 1, 2010, all users shall be billed a monthly fee per 1,000 gallons of water used equal to the surface water charge imposed on the District by the NHCRWA.

Section 9. Garbage and Recycling Service. Each Single Family Residential User shall receive garbage and recycling service. No exceptions will be made.

Section 10. Regulatory Assessment. Pursuant to the Texas Water Code, each user of the District's water and sewer system is hereby assessed a charge of one-half of one percent of the District's charge for water and sewer service. This assessment is included in the rate schedules listed above and will be forwarded to the TCEQ, as required by the Texas Water Code, and used to pay costs and expenses incurred in its regulation of water districts.

Section 11. Monthly Bills and Termination.

A. Charges for all District services shall be billed monthly. All bills shall be payable on the 23rd day after the date of the statement for said charges. Unless payment of the monthly bill is received on or before the 28th day after the date of said statement or payment of any Backcharges is received on or before the 30th day after the date of the invoice, such account shall be considered delinquent and a one-time late

charge equal to ten percent (10%) of the unpaid balance and a fee in the amount set forth in Exhibit "A" for the termination letter shall be charged. The District may, in its discretion, disconnect service for failure to pay all charges and Backcharges, including any late charges, by the 30th day after the due date; provided, however, that prior to disconnecting services, the District shall send written notice by United States first class mail to the User or entity at the appropriate address and provide the User or entity with an opportunity to contest, explain or correct the charges, services, or disconnection, at a meeting of the Board of Directors of the District. The written notice shall inform the User or entity of the amount of the delinquent payment, the date service will be disconnected or additional service withheld if payment is not made, the date, time and place of the next scheduled meeting of the Board of Directors, and of the opportunity to contest, explain or correct the charges, services, or disconnection, by presenting in person or in writing such matter to the Board of Directors at the next scheduled meeting as shown on the notice. The date specified for disconnection shall be ten (10) days after the date of the next scheduled meeting of the Board of Directors as shown in the notice and the date for withholding additional service shall be the date of that Board meeting. The notice shall be deposited, postpaid, in a post office or official depository under the care and custody of the United States Postal Service at least ten (10) days prior to the date of the scheduled meeting of the Board of Directors. A written statement by the District's operator that the notice was so mailed and a certificate of mailing by the United States Postal Service shall be prima facie evidence of delivery of same. If the User or entity appears before the Board in person or in writing, the Board shall hear and consider the matter and inform the User or entity of the Board's determination by posting a door hanger at the appropriate address. Users receiving such door hanger termination notice shall be charged a fee in the amount set forth in Exhibit "A".

B. Any person, corporation or other entity who violates any provision of this Amended Rate Order and Regulations Regarding Water and Sewer Lines and Connections, in addition to being subject to the penalties described in Section 28, shall be subject to having service terminated; provided, however, that prior to disconnecting service for such violations, the District shall give written notice by first class mail or otherwise, to such person, corporation or other entity, of the pending disconnection, and shall give such person, corporation or other entity the opportunity to contest, explain or correct the violation of the Order at a meeting of the Board of Directors of the District. However, if the District determines the violation poses the existence of a serious threat to the integrity of the District's water supply or sanitary sewer system, the District, in its sole option, may immediately terminate service, followed by the notice herein described. Such disconnection shall be in addition to penalties that may be imposed by the District under Section 28. The District will charge a termination letter fee in accordance with Exhibit "A" to each entity receiving such written notice.

C. If service to a User is disconnected for nonpayment of charges or Backcharges or for any cause legally authorized, disconnection and reconnection fees in the amounts shown on Exhibit "A" plus a security deposit in the amount shown on Exhibit "A" payable in accordance with this Amended Rate Order and Regulations

Regarding Water and Sewer Lines and Connections shall be paid prior to service being restored. Payment of fees and charges under this Section must be in the form of cash, cashier's check or money order.

D. In the event that the District's operator removes a User's meter due to unauthorized reconnection of service subsequent to termination of services by the District, a re-installation fee shall be paid in the amount shown in Exhibit "A" prior to service being restored, which fee is in addition to any other fees imposed.

Section 12. Additional Payment Options. Any User may pay the monthly water and sewer bill via the payment options provided through the District and its operator including but not limited to, online check and credit card payments, check and credit card payments processed over the telephone, and payment through various area retail locations. Certain payment options are made available through service providers who may charge Users a convenience fee in connection with some payment options. Such convenience fees are the sole responsibility of the User and are separate from any amount owed by the User to the District. Non-payment of any such convenience fee shall subject the User to termination of service in accordance with this Order. If any User payment is refused or returned by the processing financial institution, the District will charge the User a return item fee in the amount shown on Exhibit "A". Acceptable payment methods for delinquent accounts may be restricted as specified elsewhere in this Order.

Section 13. Security Deposit. Each User shall place with the District one or more deposits, in the amounts shown on Exhibit "A". All such sums shall be held by the District as a deposit to assure prompt payment of all charges for water and sewer service. No interest will be allowed on such deposits. Separate deposits shall be required from all Users for each account. When the User's account is final and not transferred to another location in the District, any funds remaining on deposit for such User, after payment of any amount owing on such account, shall be refunded to the User.

Section 14. Returned Check Fee. The District will charge a fee in the amount shown on Exhibit "A" to any customer for each check given to the District for payment that must be returned for any reason. Payments attempted to be made by a check which is returned shall be considered delinquent unless cash or certified funds are presented to the District for payment within the time period required by this Amended Rate Order.

Section 15. Termination of Service upon Request of Consumer. Whenever a User of the District requests that water and sewer services be temporarily discontinued, such User shall notify the District's operator at least two (2) days prior to the time service is to be discontinued. There is no charge for discontinuing services or restoring services at the request of the User. A User shall not be entitled to use this Section if payment is delinquent at the time of the request.

Section 16. Surcharge for Service. In fairness to all Users within the District, and to honor its contractual obligations and commitments, the District has the right to monitor the use of water and the discharge of sewage to determine if Users are exceeding the amount of capacity committed to serve their land or buildings. As one method of enforcement, the District has determined to reserve the right to impose a surcharge on any User who uses water or discharges sewage in excess of the amount reserved to such User or tract. Accordingly, in addition to the other charges specified herein, the District has the right to impose an additional charge of \$0.05 per gallon of water used in excess of one hundred ten percent (110%) of the amount of capacity reserved to the tract by any utility commitment letter.

Section 17. Utility Commitment Letters. Prior to any connection being made to the District's water system and/or sewer system by a Non-Single Family Residential User (NSFRU), such User shall have complied with the requirements of this Article. Any NSFRU desiring water and sewer service or a commitment for water and sewer service shall present a written request to the Board of Directors stating the amount of capacity desired, identifying the tract for which service is desired including a scale plat thereof, describing the improvements to be constructed thereon, and shall also present schematic drawings of the proposed improvements. In addition, the party requesting the commitment shall pay the District's fees incurred by its attorney, engineer, operator and any other consultant in connection with the request. To secure payment of these fees, the requesting party shall deposit with the District the sum of \$7,500. Any deposit remaining after completion of service to the property shall be refunded, without interest. If the deposit is insufficient to pay all such fees, the District shall not allow service to the property until all such fees have been paid in full.

The Board may approve such request if it determines that allocation of the requested water and sewer capacity is in the best interests of the District, that the District has the amount of capacity requested and which is uncommitted and the allocation of such capacity will not adversely affect the District's ability to provide reasonable amounts of water and sewer capacity to other undeveloped land within the District. If the Board grants the request or a part thereof, the District's commitment shall be reflected in a letter executed by the President or Vice-President of the Board with standard provisions, including a provision that the commitment shall be valid for no longer than one (1) year unless the NSFRU actually commences construction of substantial improvements within said one (1) year period. The letter shall describe the improvements proposed to be constructed.

The Board shall not issue a letter unless it determines that (1) the property has been or will be platted in accordance with the subdivision ordinances of the City of Houston, and (2) all District ad valorem taxes on the tract have been paid in full.

If a party who has received a commitment letter which has expired desires to obtain a new commitment letter or an extension of time, said party must repeat the entire process described herein, including the payment of fees. If a party seeks an

assignment, extension or amendment of a commitment letter, said party must complete the entire process described herein, including the payment of fees.

Any NSFRU who has received a commitment letter shall submit to the District's Engineer a certificate prepared by an engineer or architect describing the proposed improvements and the estimated water and sewer capacity required for such improvements. If the District's Engineer determines that the estimated usage is reasonable, he shall issue a written certificate to that effect. If he finds that the estimate is not reasonable, he shall so state in writing.

Prior to any water tap or sewer connections being made, the District's Operator shall require:

- A. a copy of the commitment letter issued by the Board which has not expired;
- B. a copy of the District Engineer's Certificate stating that the estimated usage is reasonable;
- C. that the estimated usage approved by the District's Engineer does not exceed the amount specified in the commitment letter;
- D. a certificate from the District's Tax Assessor/Collector that all District taxes on the property have been paid; and
- E. a copy of the duly approved and recorded subdivision plat.

The District's Operator shall be responsible for administering the issuance of commitment letters as approved by the Board.

Section 18. Swimming Pool Inspections and Fee. Every User who plans to construct or install a swimming pool within the District shall notify the District's operator in writing prior to commencing construction of the pool. Upon notification by the User of the intention to construct or install a swimming pool, the User shall pay an inspection fee in the amount shown on Exhibit "A." After the notification is received, the District's operator shall ensure that all filter backwash lines and drains from the swimming pool are connected to the District's sanitary sewer system. After the drains have been installed, the User shall notify the District's operator, who shall make an inspection of all swimming pool drains to verify that the proper connection is made, before service is authorized for said swimming pool.

Section 19. Maintenance and Repair. It shall be the responsibility of each User to maintain the water and sewer lines from the point of connection to the District's water and/or sewer system to the building served.

Section 20. No Free Service. No free service shall be provided by the District to any person, organization or institution, including charitable or eleemosynary institutions, political subdivisions, or municipal corporations.

Section 21. Required Service. No service shall be given from the District's water and sewer system unless such users agree to take water and sewer services, except in those instances where the Board in its sole discretion determines that all such services are not necessary for the preservation of the sanitary condition of water within the District.

Section 22. Prohibition of Septic Tanks and Holding Tanks. No septic tanks or holding tanks shall be permitted or used within the District.

Section 23. Sale or Use of Water. It shall be an unauthorized use of District services or facilities for any person, firm or entity to sell or use water from the District's water system without having a direct connection to the District's water system, unless such sale or use of water is to or by Users having common ownership or tenancy of the land being served by the District's water system.

Section 24. Obstruction. After any District facility has been set, the customer shall at all times keep the area in, around and upon the facility and District easements and property under customer's control free from rubbish or obstructions of any kind. Failure to keep the facility and District easements and property under customer's control free from rubbish or obstructions shall result in disconnection of water services and/or the assessment of charges necessary to remove said obstructions.

Section 25. Temporary Water Service.

A. The District's operator shall be authorized to make a temporary connection to any fire hydrant or flushing valve upon receipt of a written request for temporary water service. Such temporary service shall be supplied only through a District meter installed by the District's operator.

B. The person applying for temporary water service shall be required to deposit \$900.00 with the District to secure the payment for water supplied by the District and the safe return of the District's meter. Upon receipt of full payment for temporary water used and return of the meter in good condition, the deposit will be returned; provided, however, any damage to the meter or unpaid balances will be paid from the deposit.

C. The fee for temporary water service shall be \$50.00 for cost of installation plus a per gallon rate calculated according to the rates set forth in this Order. There shall also be a \$2.00 per day rental charge for the use of the meter added to the fees for temporary water service.

Section 26. Pressure of Water. The District agrees to use all reasonable efforts to supply to any User adequate pressure of water. The District does not and will not guarantee to any User a specific quantity or pressure of water for any purpose whatsoever. The District is required only to furnish a connection to its water system and in no case shall the District be liable for the failure or refusal to furnish water or any particular amount or pressure of water; however, the District shall use reasonable efforts to supply water to all Users at an acceptable minimum pressure.

Section 27. Drainage Facilities and Unauthorized Materials. For the purpose of providing drainage capacity and services to drain the land located within its boundaries, the District has constructed, owns and operates a storm sewer and detention system (the "Drainage Facilities"). It is essential that the District maintain the Drainage Facilities and ensure that they are kept clear of any objects or debris that may block them and interfere with their intended purpose. The District's Drainage Facilities are solely allowed to carry storm water rainfall and anything deposited into such system shall be unauthorized. Anyone who disposes, or is responsible for the disposal, of trash, household or other hazardous materials, construction materials or debris, chemicals, other debris, or grass, tree and yard clippings, or anything else prohibited under regulations implemented pursuant to the Federal Water Pollution Control Act or any state equivalent act, or that might potentially impede the free flow of storm water runoff ("Unauthorized Materials") in the Drainage Facilities will be responsible for the cost of removing such Unauthorized Materials and restoring the Drainage Facilities to their prior condition. In addition to or in place of the foregoing, the District may assess a penalty against the violator or disconnect the User's water service to collect such penalty for such violation under Sections 11 and 28 of this Order.

Section 28. Penalties for Violation. Any person, corporation or other entity who:

- A. violates any Section of this Amended Rate Order and Regulations Regarding Water and Sewer Lines and Connections; or
- B. makes unauthorized use of District services or facilities; or
- C. causes damage to District facilities by using such facilities in a manner or for a purpose contrary to the purpose for which such facilities were designed; or
- D. uses or permits the use of any septic tank or holding tank within the District; or
- E. violates the District's Industrial Waste Order, if any; or
- F. constructs facilities or buildings which are not included in the approved plans for development under Section 3 of this Order; or

G. reconnects to the District's system after termination of service by the District without having paid all outstanding charges due to the District; or

H. violates the District's Order Adopting a Drought Contingency Plan, as such plan may exist from time to time; or

I. violates the District's Parks General Use Guidelines and Rules; or

J. swims in any District drainage/detention facility; or

K. purposely enters into or on any District property, improvements, right-of-way, or drainage/detention facilities without authorization; or

L. engages in the unauthorized use of a motorized vehicle or other mechanism potentially destructive of vegetation or other District property in or on any District property, improvements, right-of-way, or drainage/detention facilities; or

M. steals, destroys, or damages any District landscaping, property, improvements, right-of-way, or drainage/detention facilities or commits any act constituting, malicious mischief or vandalism thereof;

shall be subject to a penalty of up to \$5,000.00 for each breach of each one of the foregoing provisions. Each day that a breach of any provision hereof continues shall be considered a separate breach.

This penalty shall be in addition to the other penalties, fees and charges provided by this Order and the laws of the State of Texas and to any other legal rights and remedies of the District as may be allowed by law.

Section 29. Future Adjustments. The District reserves the right to increase rates and fees from time to time when, in the opinion of the Board of Directors, such increases are required to cover the costs of administration, efficient operation and adequate maintenance of the District's water and sewer collection system.

Section 30. Application of this Amended Rate Order and Regulations Regarding Water and Sewer Lines and Connections. This Amended Rate Order and Regulations Regarding Water and Sewer Lines and Connections and all of the provisions herein apply only to utility service to land within the District. The Board of Directors shall determine whether to provide any utility service to areas outside of the District and the terms and conditions for such service.

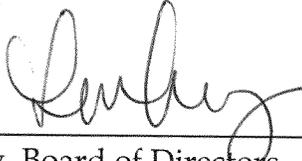
[EXECUTION PAGE FOLLOWS]

ADOPTED on the September 12, 2018.



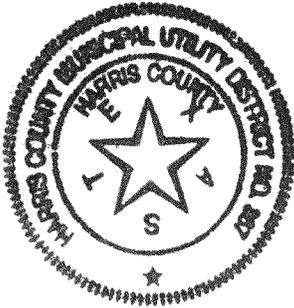
President, Board of Directors

ATTEST:



Secretary, Board of Directors

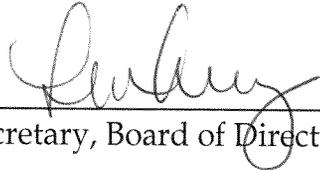
(SEAL)

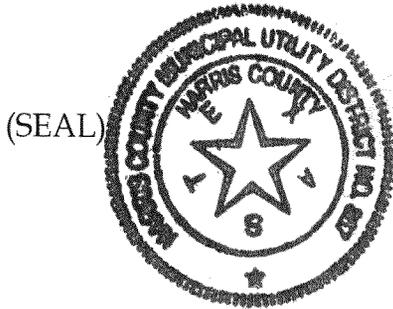


CERTIFICATION

I, the undersigned officer of the Board of Directors of Harris County Municipal Utility District No. 367, do hereby certify that the foregoing is a true and correct copy of the water and sewer rate order approved by the Board of Directors of said District on September 12, 2018, and said rates and rules are currently in effect.

Witness my hand and seal of the District on the September 12, 2018.


Secretary, Board of Directors



LIST OF EXHIBITS

- Exhibit A - Fees
- Exhibit B - Customer Service Inspection Certification
- Exhibit C - Service Agreement
- Exhibit D - Backflow Prevention Assembly Test and Maintenance Report

EXHIBIT A
Fees

1. TAP FEES - IN DISTRICT CUSTOMERS

A. Single Family Residential Users

In the case of a 5/8 or 3/4 inch water meter, the tap fee shall be \$800.00, plus the cost to the District of repairing or restoring any yards, landscaping, property, sidewalks, streets, or other improvements affected by the installation, if any, as determined by the District's operator (the "Restoration Costs").

In the case of a 1 inch water meter (up to 40 feet boring), the tap fee shall be equal to two (2) times the District's actual cost of installing the tap, meter, and necessary service lines, plus the Restoration Costs.

In the case of a water meter larger than 1 inch or over 40 feet of road boring, a tap fee equal to three (3) times the District's actual cost of installing the tap, meter, and necessary service lines shall be paid to the District, plus the Restoration Costs.

B. Non-Single Family Residential User

User shall pay a tap fee equal to three (3) times the District's actual cost of installing the tap, meter, and necessary service lines, plus the Restoration Costs. The District's operator will produce an estimate for the Restoration Costs, which will be sent to the User. The User shall pay the Restoration Costs, plus 20%, prior to the installation of the tap. If the actual Restoration Costs are greater than the estimated Restoration Costs paid by the User, the difference must be paid by the User before the District will provide service to the User. If the actual Restoration Costs are less than the estimated Restoration Costs paid by the User, a refund for the difference shall be issued to the User.

C. Irrigation User

In the case of a 1-1/2 inch and 2 inch water meter, the tap fee shall equal to two (2) times the District's actual cost of installing the tap, meter, and necessary service lines, plus the Restoration Costs.

D. Non-Taxable Users

- (1) Other than political subdivisions, Non-Taxable Users shall pay a tap fee equal to the District's actual cost of installing the tap, meter and any necessary service lines and the cost of repairing or restoring any yards, sidewalks, streets, landscape, property or other improvements affected by the installation (as determined by the District's operator) plus the User's pro rata share of the District's actual cost of the facilities necessary to provide District services to the non-taxable User that are financed or to be fully or partially financed by the District's tax bonds (as determined by the District's consultants and approved by the Board of Directors) (the "Installation Costs").

- (2) The District's operator will produce an estimate of the Installation Costs, which will then be approved by the Board of Directors and be sent to the User. The User shall pay the estimated Installation Costs, plus 20%, prior to installation of the tap. If the actual Installation Costs are greater than the estimated Installation Costs paid by the User, the difference must be paid by the User before the District will provide service to the User. If the actual Installation Costs are less than the estimated Installation Costs paid by the User, a refund for the difference shall be issued to the User.
- (3) Political Subdivisions will pay a tap fee equal to \$5,000 per equivalent single-family connection (to be determined by the District), plus the actual cost of installing the tap, meter and any necessary service lines and the cost of repairing or restoring any yards, sidewalks, streets, landscape, property or other improvements affected by the installation (as determined by the District's operator), so long as the total of such tap does not exceed three (3) times the District's actual cost of service and tap costs.

E. Public Space User

Public Space Users shall pay a tap fee equal to the District's actual cost.

TAP FEES - OUT-OF-DISTRICT CUSTOMERS

A. Single Family Residential User

In the case of a 5/8 or 3/4 inch water meter, the tap fee shall be \$1,125.00, plus the cost to the District of repairing or restoring any yards, landscaping, property, sidewalks, streets, or other improvements affected by the installation, if any, as determined by the District's operator (the "Restoration Costs").

In the case of a 1 inch water meter (up to 40 feet boring), the tap fee shall be equal to two (2) times the District's actual cost of installing the tap, meter, and necessary service lines, plus the Restoration Costs.

In the case of a water meter larger than 1 inch or over 40 feet of road boring, a tap fee equal to three (3) times the District's actual cost of installing the tap, meter, and necessary service lines shall be paid to the District, plus the Restoration Costs.

B. Non-Single Family Residential User

User shall pay a tap fee equal to four (4) times the District's actual cost of installing the tap, meter, and necessary service lines, plus the Restoration Costs. The District's operator will produce an estimate for the Restoration Costs, which will be sent to the User. The User shall pay the Restoration Costs, plus 20%, prior to the installation of the tap. If the actual Restoration Costs are greater than the estimated Restoration Costs paid by the User, the difference must be paid by the User before the District will provide service to the User. If the actual Restoration Costs are less than the estimated Restoration Costs paid by the User, a refund for the difference shall be issued to the User.

C. Irrigation User

In the case of a water meter larger than 1 inch or over 40 feet of road boring, a tap fee equal to three (3) times the District's actual cost of installing the tap, meter, and necessary service lines shall be paid to the District, plus the Restoration Costs.

D. Public Space User

Public Space Users shall pay a tap fee equal to the District's actual cost.

E. All other inspections shall be the same charges as appropriate for in-District customers.

2. **SEWER CONNECTION INSPECTION FEE**

Single Family Residential connection \$50.00

All other connections: \$100.00

A separate charge of the same amount will be made for any re-inspection required.

3. **PRE-FACILITY INSPECTION FEE** \$50.00

4. **POST FACILITY INSPECTION FEE** \$40.00

Reinspection fee \$40.00

5. **GREASE TRAP INSPECTION FEE**

Monthly Rate \$60.00

Reinspection Rate \$60.00

6. **FEE FOR NOTICE OF DELINQUENCY TO USER**

A. Fee to Mail Notice \$22.00

B. Fee for Door Hanger Termination Notice \$22.00

7. **DISCONNECTION FEE** \$30.00

8. **RECONNECTION FEE** \$35.00

9. **SECURITY DEPOSIT (RESIDENTIAL, IN-DISTRICT)**

For Owners:

Each new Single Family Residential User requesting service from the District shall place with the District a \$150.00 deposit before service commences.

For all Single Family Residential Users, if service is terminated pursuant to Section 11 of the District's Amended Rate Order, such User

shall pay an additional deposit of \$100.00 for the first termination following the effective date of this Amended Rate Order and an additional \$50.00 for each subsequent termination until the total amount of the deposit being held is \$600.00.

For Renters:

Each new Single Family Residential User requesting service from the District shall place with the District a \$200.00 deposit before service commences.

For all Single Family Residential Users, if service is terminated pursuant to Section 11 of the District's Amended Rate Order, such User shall pay an additional deposit of \$100.00 for the first termination following the effective date of this Amended Rate Order and an additional \$50.00 for each subsequent termination until the total amount of the deposit being held is \$600.00.

SECURITY DEPOSIT (RESIDENTIAL, OUT-OF-DISTRICT)

For Owners:

Each new Single Family Residential User requesting service from the District shall place with the District a \$300.00 deposit before service commences.

For all Single Family Residential Users, if service is terminated pursuant to Section 11 of the District's Amended Rate Order, such User shall pay an additional deposit of \$100.00 for the first termination following the effective date of this Amended Rate Order and an additional \$75.00 for each subsequent termination until the total amount of the deposit

being held is \$800.00.

For Renters:

Each new Single Family Residential User requesting service from the District shall place with the District a \$300.00 deposit before service commences.

For all Single Family Residential Users, if service is terminated pursuant to Section 11 of the District's Amended Rate Order, such User shall pay an additional deposit of \$100.00 for the first termination following the effective date of this Amended Rate Order and an additional \$75.00 for each subsequent termination until the total amount of the deposit being held is \$800.00.

SECURITY DEPOSIT (COMMERCIAL)

Each new Non-Single Family Residential User requesting service from the District shall place with the District an initial deposit equal to 2 times the average monthly bill per Equivalent Single Family Connection. If service is terminated pursuant to Section 11 of the District's Amended Rate Order such User shall pay an additional \$25 deposit for each termination until the total amount of the deposit being held equals 3 times the average monthly bill per Equivalent Single Family Connection.

10.	<u>REINSTALLATION FEE DUE TO METER REMOVAL</u>	\$60.00
11.	<u>FEE FOR RETURNED CHECK</u>	\$30.00
12.	<u>TRANSFER FEE</u>	\$40.00
13.	<u>SWIMMING POOL INSPECTION FEE</u>	\$85.00
14.	<u>FEE FOR ADMINISTRATION OF CUSTOMER SERVICE AGREEMENT</u>	\$16.00

- | | | |
|-----|--|---------------|
| 15. | <u>BACKFLOW PREVENTION ANNUAL ADMINISTRATION FEE</u> | \$85.00 |
| 16. | <u>RESIDENTIAL CUSTOMER SERVICE INSPECTION</u> | \$50.00 |
| 17. | <u>COMMERCIAL CUSTOMER SERVICE INSPECTION</u> | COST PLUS 25% |

EXHIBIT B
Customer Service Inspection Certification

Name of PWS _____

PWS I.D. # _____

Location of Service _____

I, _____, upon inspection of the private plumbing facilities connected to the aforementioned public water supply do hereby certify that, to the best of my knowledge:

		Compliance	Non-Compliance
(1)	No direct connection between the public water supply and a potential source of contamination exists. Potential sources of contamination are isolated from the public water system by an air gap or an appropriate backflow prevention assembly in accordance with state plumbing regulations. Additionally, all pressure relief valves and thermal expansion devices are in compliance with state plumbing codes.	<input type="checkbox"/>	<input type="checkbox"/>
(2)	No cross-connection between the public drinking water supply and a private water system exists. Where an actual air gap is not maintained between the public water supply and a private water supply, an approved reduced pressure zone backflow prevention assembly is properly installed and a service agreement exists for annual inspection and testing by a certified backflow prevention device tester.	<input type="checkbox"/>	<input type="checkbox"/>
(3)	No connection exists which would allow the return of water used for condensing, cooling or industrial processes back to the public water supply.	<input type="checkbox"/>	<input type="checkbox"/>
(4)	No pipe or pipe fitting which contains more than a weighted average of 0.25% lead exists in private plumbing facilities installed on or after July 1, 1988.	<input type="checkbox"/>	<input type="checkbox"/>
(5)	No solder or flux which contains more than 0.2% lead exists in private plumbing facilities installed on or after July 1, 1988.	<input type="checkbox"/>	<input type="checkbox"/>
(6)	No plumbing fixture is installed which is not in compliance with a state approved plumbing code.	<input type="checkbox"/>	<input type="checkbox"/>

Water service shall not be provided or restored to the private plumbing facilities until the above conditions are determined to be in compliance.

I further certify that the following materials were used in the installation of the plumbing facilities:

Service Lines: Lead Copper PVC Other
Solder: Lead Lead Free Solvent Weld Other

I recognize that this document shall become a permanent record of the aforementioned Public Water System and that I am legally responsible for the validity of the information I have provided.

Signature of Inspector

Registration Number

Title

Type of Registration

Date

License Expiration Date

EXHIBIT C
Service Agreement

1. **PURPOSE. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 367** (the "District") is responsible for protecting the drinking water supply from contamination or pollution which could result from improper plumbing practices. The purpose of this service agreement is to notify each customer of the plumbing restrictions which are in place to provide this protection. The District enforces these restrictions to ensure the public health and welfare. Each customer must sign this agreement before the District will begin service. In addition, when service to an existing connection has been suspended or terminated, the District will not re-establish service unless it has a signed copy of this agreement.

2. **PLUMBING RESTRICTIONS.** The following unacceptable plumbing practices are prohibited by State regulations.

A. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by an air-gap or an appropriate backflow prevention device.

B. No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the installation of an air-gap or a reduced pressure-zone backflow prevention device.

C. No connection which allows water to be returned to the public drinking water supply is permitted.

D. No pipe or pipe fitting which contains more than a weighted average of 0.25% lead may be used for the installation or repair of plumbing at any connection which provides water for human use.

E. No solder or flux which contains more than 0.2 percent lead can be used for the installation or repair of plumbing at any connection which provides water for human use.

3. **SERVICE AGREEMENT.** The following are the terms of the service agreement between **HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 367** (the "District") and _____ (the Customer).

A. The District will maintain a copy of this agreement as long as the Customer and/or the premises is connected to the District's water system.

B. The Customer shall allow his/her property to be inspected for possible cross-connections and other unacceptable plumbing practices. These inspections shall be conducted by the District or its designated agent prior to

initiating new water service; when there is reason to believe that cross-connections or other unacceptable plumbing practices exist; or after any major changes to the private plumbing facilities. The inspections shall be conducted during the District's normal business hours.

C. The District shall notify the Customer in writing of any cross-connection or other unacceptable plumbing practice which has been identified during the initial inspection or the periodic reinspection.

D. The Customer shall immediately correct any unacceptable plumbing practice on his/her premises.

E. The Customer shall, at his/her expense, properly install, test, and maintain any backflow prevention device required by the District. Copies of all testing and maintenance records shall be provided to the District.

F. The Customer understands and agrees that the District does not guarantee any specific quantity or pressure of water for any purpose whatsoever and that the District is not liable to the Customer for failure or refusal to furnish any particular amount or pressure of water to the Customer at any time.

4. **ENFORCEMENT.** If the Customer fails to comply with the terms of the Service Agreement, the District shall, at its option, either terminate service or properly install, test, and maintain an appropriate backflow prevention device at the service connection. Any expenses associated with the enforcement of this Service Agreement shall be billed to the Customer.

CUSTOMER'S SIGNATURE: _____

DATE: _____

ADDRESS: _____

EXHIBIT D
Backflow Prevention Assembly Test and Maintenance Report

The following form must be completed for each assembly tested. A signed and dated original must be submitted to the public water supplier for recordkeeping purposes.

NAME OF PWS: _____

PWS I.D. #: _____

LOCATION OF SERVICE: _____

The backflow prevention assembly detailed below has been tested and maintained as required by TCEQ regulations and is certified to be operating within acceptable parameters.

Not needed at this address

TYPE OF ASSEMBLY

- | | |
|---|--|
| <input type="checkbox"/> Reduced Pressure Principle | <input type="checkbox"/> Pressure Vacuum Breaker |
| <input type="checkbox"/> Double Check Valve | <input type="checkbox"/> Atmosphere Vacuum Breaker |

Manufacturer: _____ Size: _____

Model Number: _____ Located At: _____

Serial Number: _____

	Reduced Pressure Principle Assembly			Pressure Vacuum Breaker	
	Double Check Valve Assembly		Relief Valve	Air Inlet	Check Valve
	1st Check	2nd Check		Opened at _____ psid	_____ psid
Initial Test	DC - Closed Tight <input type="checkbox"/> RF _____ psid Leaked <input type="checkbox"/>	Closed Tight <input type="checkbox"/> Leaked <input type="checkbox"/>	Opened at _____ psid	Did Not Open <input type="checkbox"/>	Leaked <input type="checkbox"/>
Repairs and Materials Used					
Test After Repair	DC - Closed Tight <input type="checkbox"/> RF _____ psid Leaked <input type="checkbox"/>	Closed Tight <input type="checkbox"/>	Opened at _____ psid	Opened at _____ psid	_____ psid

The above is certified to be true.

Firm name: _____

Certified Tester: _____

Firm Address: _____

Cert. Tester No.: _____

Date: _____