

CERTIFICATE FOR ORDER SETTING WATER AND SEWER SERVICE RATES,
ESTABLISHING TAP FEES, ADOPTING RULES AND
REGULATIONS CONCERNING DISTRICT'S WATERWORKS AND
SANITARY SEWER SYSTEM, AND ESTABLISHING POLICIES

THE STATE OF TEXAS
COUNTY OF HARRIS
HARRIS COUNTY WATER CONTROL AND IMPROVEMENT
DISTRICT NO. 156

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We, the undersigned officers of the Board of Directors (the "Board") of Harris County Water Control and Improvement District No. 156 (the "District"), hereby certify as follows:

1. The Board convened in regular session, open to the public, on July 17, 2025, at the Clear Lake City Water Authority, 900 Bay Area Blvd., Houston, Texas 77058, and the roll was called of the members of the Board, to-wit:

Mr. Pete Nagamani, President
Mr. Joe Matthews, Vice President
Mr. Brian Akins, Secretary
Mr. Arnold Mallett, Treasurer
Ms. Susan Lindamood, Assistant Secretary

All members of the Board were present, except Director(s) Susan Lindamood, thus constituting a quorum. Whereupon among other business, the following was transacted at such Meeting: A written

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was duly introduced for the consideration of the Board and read in full. It was then duly moved and seconded that such Order be adopted; and, after due discussion, such motion, carrying with it the adoption of such Order, prevailed and carried by the following votes:

AYES: 4 NOES: 0

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; such Order has been duly recorded in the Board's minutes of such Meeting; the above and foregoing paragraph is a true, full, and correct excerpt from the Board's minutes of such Meeting pertaining to the adoption of such Order; 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 such Meeting, and that such Order would be introduced and considered for adoption at such Meeting and each of such officers and members consented, in advance, to the holding of such Meeting for such purpose; and such Meeting was open to the public, and public notice of the time, place, and purpose of such Meeting was given, all as required by Chapter 551, Texas Government Code, and Section 49.063, Texas Water Code, both as amended.

SIGNED AND SEALED this 17th day of July, 2025.

HARRIS COUNTY WATER CONTROL AND
IMPROVEMENT DISTRICT NO. 156



President, Board of Directors

ATTEST:



Secretary, Board of Directors



ORDER SETTING WATER AND SEWER SERVICE RATES,
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THE STATE OF TEXAS §
COUNTY OF HARRIS §
HARRIS COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 156 §

WHEREAS, the Board of Directors (the “*Board*”) of Harris County Water Control & Improvement District No. 156 (the “*District*”), having entered into that certain Service Agreement (the “*Service Agreement*”) with the Clear Lake City Water Authority (the “*Authority*”) must (1) set water and sewer rates sufficient to pay for operation and maintenance of the District’s water supply and sanitary sewer system; (2) provide for connections into its water and sanitary sewer collection systems; (3) adopt rules to maintain a safe and adequate sanitary sewer system, protect the sanitary condition of the District’s water supply, and prevent waste or unauthorized use of its water supply; and (4) establish policies for operation of its water supply and sanitary sewer system;

IT IS, THEREFORE, ORDERED BY THE BOARD OF DIRECTORS OF HARRIS COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 156 THAT:

I. Connections to District’s Waterworks, Sanitary Sewer, and Storm Sewer Systems.

A. Connections Inspected by Service Personnel. All water taps, sanitary sewer taps, and storm sewer connections shall be inspected by the Service Personnel (as defined in the Service Agreement, the “*Service Personnel*”) of the Authority.

Notwithstanding anything herein to the contrary, the Service Personnel shall make no connection to the District’s water or sanitary sewer collection system unless either

1. the tract, parcel, or lot of land to be served by such connection is part of an area covered by a development plat duly approved, and the operator has been presented with or otherwise holds a certificate applicable to such tract, parcel, or lot of land issued by or on behalf of the Planning Commission or City Council of the City of Houston, Texas, meeting the requirements of section 212.012(a), Texas Government Code, or
2. such tract, parcel, or lot is exempt from such certification requirement under one or more provisions of section 212.012(c), Texas Government code.

B. Payment of Fees. Anyone desiring a connection to the District’s waterworks, sanitary sewer, or storm sewer systems must pay the water tap fee, sanitary sewer tap and inspection fees, or storm sewer inspection fee, as applicable, prior to receiving the connection. The Service Personnel shall make no connection into the District’s system until the applicable fees are paid.

C. Fees. No fee shall be greater than three times the cost to the District. Subject to such proviso, the fees are as follows:

	<u>Water tap fees</u>
3/4-inch residential tap including meter and box	\$1399
1-inch residential tap including meter and box	\$1423

Larger taps shall be installed by the District at a cost to the District from the Authority of installing the tap.

Commercial	Cost to the District from the Authority of installing the tap
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Sanitary Sewer tap fees

Residential(standard 4” tap)	\$959
Commercial and non-standard Residential	Cost to the District from the Authority of installing the tap

Each sewer tap location will be identified by a marked stake. If the stake is removed and the tap location must be restaked, the District will charge the customer \$25.

D. Temporary Meters. The District will install at the request of any builder, contractor, or similar commercial customer a special meter attached to any flushing valve within the District to provide a temporary supply of water for construction purposes. Such meter shall be installed upon application and deposit of \$300, plus a \$25 user fee. Water will be metered and the customer billed at the regular rate for commercial service. Upon receipt of final payment, the \$300 deposit will be returned to such customer. No builder, contractor, or similar customer shall otherwise draw water from any flushing valve within the District.

E. Deposits. Each customer requesting water and sewer service from the District must make a written application to the Authority and place with the Authority (on behalf of the District) a deposit before service is commenced. The deposit amount will depend upon the classification of service requested:

Residential:	\$200.00
Commercial	Two times the estimated monthly service charge, as estimated by Service Personnel, in accordance with Authority Policy R&S-120

Deposits are subject to review by the General Manager of the Authority (the “*General Manager*”) for the purpose of reducing or increasing the amount of the deposit for reasonable cause.

Excluded from deposits are (1) nonprofit tax-exempt religious associations used solely for the purpose of religious services; (2) federal, state, and local government buildings; (3) public schools; and (4) community associations.

Transfer of deposits between addresses within the District may be made by telephone. Deposits will not accrue interest and will be held by the District until such time as the customer’s account is closed. At that time, the deposit will be refunded.

Builders and realtors may elect to place a \$250 floating deposit in lieu of a deposit for each account and are not required to file a written application.

II. Plumbing Permits; Requirements of Master Plumbers and Sewer Layers.

A. Plumbing Permits. Any person engaged in laying of storm and sanitary sewers, or in plumbing work of any kind, and desiring to open any street, alley, easement or sidewalk within the limits of the District or make any connection with the District’s sanitary sewer or water lines shall first obtain a permit authorizing the making of such excavation or connections from the Authority on behalf of the District.

The homeowner that does remodeling or repair that requires plumbing work to be done shall obtain a permit from only the city in which the property is located; any such homeowner does not need a permit from the District for any such remodeling or repair work. All irrigation systems and swimming pools shall be permitted by the Authority on behalf of the District. Permits are issued only to licensed and bonded master plumbers, licensed irrigators, and sewer layers. No person may transfer any plumbing permit issued to him and no person may do any plumbing work except under a permit issued to the person doing the work. Any transfer of said permit is illegal and void.

Permits for projects that have not had an inspection within the last 180 days are considered abandoned. A new permit must be taken out before any work may be continued or started. The fee is one-half the amount required for a new permit for such work, provided no changes have been made or will be made in the original plans and specifications for such work, and provided further that such suspension or abandonment has not exceeded one year.

B. Permit Fees

Water Line :	\$30.00
Sewer Line:	\$30.00
Swimming Pool:	\$30.00
Residential Lawn Irrigation System:	\$30.00

Commercial Lawn Irrigation System	\$60.00
Storm Sewer Tie-In to Main Storm Drainage	\$50.00

C. Plumbing Inspections. Plumbing inspections will be made by the Service Personnel at the request of the Plumbing Contractor to the Service Personnel. Inspection requests will include:

- (1) Permit number;
- (2) Address where inspection is required; and
- (3) Type of inspection required.

No fee is charged for the initial inspection. If subsequent inspections (second trip inspections) are required, a \$25.00 fee will be charged for each subsequent inspection.

D. Deposit. Before any master plumber or sewer layer shall obtain permits from the Service Personnel for doing work in the District, the master plumber or sewer layer is required to first post with the Authority on the District's behalf a \$2,500 cash bond, or other bond with a good and sufficient corporate surety, or provide a certificate of insurance indicating coverage in lieu of such bond, with the bond or coverage providing that the master plumber or sewer layer shall repair, replace or make the District whole for any damage, loss, or other interference with the property of the District promptly after any such damage, loss, or interference caused by the master plumber or sewer layer.

III. Customer Rates, Deposits, and Service Agreements.

A. Rates. The following charges for water and sewage collection and disposal are hereinafter in effect. The District's water and sewer rates as set forth in this Rate Order include the regulatory assessment the District is required to charge each customer and to pay the Commission.

BI-MONTHLY WATER SERVICE RATES

	<u>Gallons</u>	<u>Amount</u>
Residential and Commercial	Minimum 0	\$7.25
	0 to 10,000	\$0.725 per 1000
	Above 10,000	\$4.64 per 1000

BI-MONTHLY SEWER SERVICE RATE

There shall be a \$7.25 charge each two-month billing period for each customer connected to the District's water system where there is also a connection to the District's sanitary sewer system, regardless of the volume of usage of sewer services, if any, through such connection. In addition, there shall be charged to each connection the base sewer rate of \$3.915 per 1000 gallons of metered sewage flow. When there is no metered sewage flow, the following return flow factors will be applied to the metered water usage:

Metered Water Usage

Percentage Returned to Sewer

Single Family Residential

0 to 20,000 gallons	85%
Next 10,000 gallons	40%
More than 30,000 gallons	25%

B. Commencement of Service. Water rates and sewer rates will be charged from the time of connection to the District's system. All builders in the District will be responsible for water and sewer charges until such time as notice has been given to the Service Personnel on behalf of the District that service in the name of the builder is to be terminated. If the builder does not notify the District that service is to be terminated and the homeowner has not made application for service, even the homeowner is living in the house, the builder will be responsible for the bills until such notice is give and application is made. Notice and application must be made at the office of the Authority at least two days prior to the date service to the builder is to terminate.

C. Proration. Bills will be prorated for customers moving in or out of the District as follows:

Water charges will be not less than the monthly minimum charge.

The per connection fee for sewer service will be prorated based on the number of days of occupancy in the month for which the charge is made.

IV. Billing and Collection; Delinquent Accounts.

A. Commercial Accounts. Commercial Accounts are read monthly and billed monthly. The meter is read in the middle of the month and the bill is mailed on the last working day of the month. The bill must be paid in full and received in the Authority's office by the 15th of the following month. If payment is not received by the Authority on or before such date, a late payment charge will be added to the amount due and the bill will be considered delinquent on the following day. If the bill (including late charge) is not paid by the next billing date, the next bill is indicated as PAST DUE and a disconnect card is sent to the customer. In accordance with the notification provided in the disconnect card, if all delinquent charges are not paid in full at the Authority on or before the 15th day of the month succeeding the month in which the disconnect card is sent, water service will be terminated.

B. Residential Accounts. Residential accounts are read bi-monthly and billed bi-monthly. The meter is read in the middle of the month and the bill is mailed on the last working day of the month. The bill must be paid in full and received in the Authority's office by the last working day of the following month. If payment for the bill is not received by the Authority on or before such date, a late payment charge will be added to the amount due and the bill will be considered delinquent on the following day. If the bill (including late charge) is not paid by the next billing date, the next bill is indicated at PAST DUE and a disconnect card is sent to the customer. In accordance with the notification provided in the disconnect card, if all delinquent charges are not paid in full at the Authority on or before the 15th day of the month succeeding the month in which the disconnect card is sent, water service will be terminated.

C. Partial Payment. Unless a bill is paid in full and all arrears cleared, a late charge will be added to each succeeding bill until the arrearage is paid in full.

D. Disconnect Charge. \$25.00 will be charged to each customer to resume service after service has been disconnected.

E. Procedures Related to Extreme Weather Emergency. Notwithstanding any provisions of this Rate Order to the contrary, a customer may not be charged late fees nor have service disconnected for nonpayment of a bill that is due during an extreme weather emergency until after the emergency is over. An "extreme weather emergency" means a period when the previous day's highest temperature in the area of the District did not exceed 28 degrees Fahrenheit and the temperature is predicted to remain at or below that level for the next 24 hours according to the nearest National Weather Service reports for that area. An "extreme weather emergency" is over on the second business day the temperature exceeds 28 degrees Fahrenheit.

A customer may, within thirty (30) days from the date the extreme weather emergency is over, request from the District a payment schedule for any unpaid bill that was due during an extreme weather emergency. Upon receipt of a timely request, the District shall provide a written payment schedule and a deadline for accepting the payment schedule. The District or the District's operator may, at the discretion of the District and/or the District's operator, determine the terms of the payment schedule described in this paragraph in accordance with applicable laws and regulations.

If a customer requests a payment schedule, the District shall not disconnect the customer from service for nonpayment of bills that were due during an extreme weather emergency unless the customer does not accept a payment schedule offered by the District in a timely manner or the customer violates the terms of the payment schedule. Any preexisting disconnection notices issued to a customer for nonpayment of bills due during an extreme weather emergency are suspended upon the timely request for a payment schedule; provided, however, a suspended disconnection may be reinstated if the customer does not accept a payment schedule offered by the District in a timely manner or violates the terms of the payment schedule. A customer who violates the terms of a payment schedule shall be subject to disconnection from service pursuant to the provisions of this Rate Order.

V. Rules and Regulations Governing Waterworks and Sanitary Sewer System.

A. Infiltration. If excessive infiltration or improper service is discovered contributing flow to the District's sewer collection system, the Service Personnel will issue written notice describing the cause and nature of the problem(s) to each suspected contributing property owner for which sewer service is provided. Each such owner shall have 30 days from the date of receipt of notice to correct the problem(s) indicated. If the problem remains uncorrected after 30 days, the District will assess and collect an infiltration surcharge, in addition to the sewer charge. The infiltration surcharge will normally be two times the sewer rate based on metered water usage and shall continue until the reported problem(s) is corrected and such correction has been verified by the Service Personnel.

The Service Personnel and the District will assume excessive infiltration when any physical evidence is discovered indicating substandard, defective or deteriorating sewer lines, clean outs, etc., for privately owned lines.

Improper service will be any flow being contributed to the sanitary sewer system other than sanitary sewage. Examples of improper service include connections to yard drains or roof drains.

If a customer objects a notice of excessive infiltration or improper service, it will be such customer's responsibility to show that such conditions do not exist.

VI. General Policies.

A. All Services Charged. The District shall not provide free water or sewer service to any person, firm, corporation, or organization.

B. Other Utilities. Prior to installing underground cables in the area of District water supply and sanitary sewer collection lines, representatives of utility companies shall contact the Service Personnel to file such companies' construction plan and schedule and to review the engineering plans illustrating the location of District lines.

C. Implementation of Order. This Order will be effective from and after its passage and the execution by the Authority of the Service Agreement. The President or Vice President or Secretary or Acting Secretary of the Board are authorized to do all things necessary and proper to evidence the Board's adoption of this Order and to carry out the intent hereof.

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