



SAN ANTONIO

RIVER AUTHORITY

Utility Service Regulations

Adopted by Board of Directors: May 20, 2020
Updated: November 9, 2020

NOVEMBER 9, 2020 UPDATE (BY GENERAL MANAGER)

- Addition of definition for “Site Plan” at 1.05 (kk).
- Addition of reference to “Site Plan” at 1.05 (nn).
- Updated language at 2.03 to require “Site Plan” rather than “Engineering Report” to be submitted prior to execution of Utility Service Agreement and additional edits to allow for updates to Site Plans.
- Addition at sentence at end of 2.07 requiring all Project ROW to be completed prior to start of construction.
- Addition of sentence at 3.02 “If Customer does not receive retail water service from a retail water utility (for example Customer is on a private well), Customer may make application directly to River Authority.”
- Addition of reference to “retail” and new sentence at 3.02 “If there is no retail public water service provider, billing will be made directly by River Authority.”
- Addition of sentence at 3.06 “For Customers not served by a retail water service provider, Service disconnections and reconnections will be made by River Authority subject to these Utility Service Regulations and other applicable rules and ordinances of River Authority.”

1.0 General Provisions and Definitions

1.01 Introduction

These Utility Service Regulations implement the San Antonio River Authority's continuing commitment to safe, clean, and enjoyable creeks and rivers; and to the provision of award winning service at its Wastewater treatment plants as well as providing Wastewater assistance to the smaller communities within its Service Areas.

1.02 Intent

It is the intent of these Regulations to establish the policies governing Service extension to River Authority Customers for Wastewater and Reuse services. This includes providing mechanisms for the extension of Service to new Customers and for the funding of the extensions by the new Customer. All utility extensions must conform to the River Authority's Technical Specifications for Utility Construction, Wastewater System Design Standards, and to these Regulations. The Regulations are adopted to promote the general health, safety, and welfare of River Authority Customers.

1.03 Authority

These Regulations are enacted pursuant to the laws and regulations of the State of Texas, including the authority granted by Article XVI, § 59 of the Texas Constitution, the River Authority's enabling legislation at Vernon's Civ.St.Art. 8280-119, other relevant law and ordinances adopted by the River Authority Board of Directors.

1.04 Revision of Regulations, Technical Specifications, and Design Standards

From time to time, it may be necessary to revise these Regulations. The River Authority's General Manager, in consultation with the Utilities Manager, may amend these Regulations, as necessary in their discretion to make minor technical modifications and non-substantive corrections if such amendment will better assist the River Authority's provision of Service to its Customers.

Revisions to these Regulations that require the expenditure of River Authority funds or that substantively change any Regulation require approval by the River Authority Board of Directors. Revisions to the River Authority's Technical Specifications for Utility Construction and Wastewater System Design Standards that are appendices to these Regulations may be made administratively, pursuant to procedures established by the Utilities Manager, and up to date versions shall be maintained on the River Authority's website.

1.05 Definitions

For the purposes of these Regulations, each term shall have the following meaning indicated:

- (a) Applicant – any Person seeking approval of a Wastewater service connection; any Person or entity seeking a Utility Service Agreement; or

- any Person seeking another type of approval from the River Authority including but not limited to a Developer.
- (b) Capacity Reservation – capacity reserved in the River Authority System for the Tract in accordance with the terms of a Utility Service Agreement with the River Authority, expressed as EDUs for planning and tracking purposes and in the amount specified in the Utility Service Agreement.
 - (c) CCN – certificate of convenience and necessity.
 - (d) Connection Fee – a charge or fee that is imposed by the River Authority for construction, installation, or inspection of a tap or connection to the River Authority’s water or Wastewater facilities, including all necessary service lines and meters, or for wholesale facilities that serve such water or Wastewater facilities if the charge or fee does not exceed three times the actual cost to the River Authority for such tap or connection; or if made to a nontaxable entity for retail or wholesale service, does not exceed the actual costs to the River Authority for such work and for all facilities that are necessary to provide Services to such entity and that are financed or are to be financed in whole or in part by rates or revenue bonds of the River Authority; or is made by the River Authority for retail or wholesale service on land that at the time of platting was not being provided with Wastewater service by the River Authority.
 - (e) Customer – a Person to whom the River Authority provides Retail Service in accordance with these Regulations.
 - (f) Developer – any Person who, with respect to land located within the River Authority’s Service Area: (i) has divided or proposes to divide the land into two or more parts for the purpose of laying out a Subdivision or other Development; (ii) is planning a Development on a single large Plat; or (iii) is developing over ten residential lots whether previously platted or not.
 - (g) Development – construction of single-family residences, apartment units, condominiums, garden homes, assisted living centers, schools, churches, commercial centers, office parks, buildings, roads, and other structures; construction, excavation, mining, dredging, grading, filling, clearing, or removing vegetation; and/or the deposit of refuse, waste, or fill. Lawn and yard care, including mowing of tall weeds and grass, gardening, tree care and maintenance, removal of trees or other vegetation damaged by natural forces, and ranching and farming shall not constitute Development within the meaning of these Regulations. Utility, drainage, street repair, maintenance, and installation which does not require land disturbance or result in additional Impervious Cover shall also not constitute Development.
 - (h) Domestic Wastewater – waterborne human waste and waste from domestic activities, such as washing, bathing, and food preparation.
 - (i) Dwelling or Dwelling Unit – a home, house, or Mobile Home, manufactured home, apartment unit, or any unit in a multi-unit residential structure.
 - (j) Engineering Report – signed and sealed report prepared for a Developer by a registered professional engineer identifying the Tract, providing details of the proposed Development and phasing on the Tract, identifying the number

of EDUs to be served for each phase, the proposed assignment of Capacity Reservation to each phase, if applicable; the sequence and timetable for build-out; and specifying the On-Site and Off-Site Facilities to be constructed for each phase that would allow the Development on the Tract to receive Services from the River Authority System.

- (k) Equivalent Dwelling Unit (“EDU”) – a standardized measure of the consumption, use, generation, or discharge of water or Wastewater attributable to a single-family residence, calculated in accordance with generally accepted engineering and planning standards for capital improvements and facilities expansion to serve new Development, as defined as 240 gallons per day for Wastewater.
- (l) General Manager – the chief executive officer of River Authority as appointed by the River Authority Board of Directors or their designated representative.
- (m) Impact Fee – a charge or assessment imposed by the River Authority against new Development in order to generate revenue for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to such new Development and does not include any fee or charge that is a Connection Fee.
- (n) Impervious Cover – roads, sidewalks, parking areas, buildings, swimming pools, and other impermeable Development covering the natural land surface, which shall include, but not be limited to, all streets, buildings, and pavement within a Development within the River Authority’s boundaries or jurisdiction.
- (o) Industrial Waste – the solid and liquid wastes from industrial processes, as distinct from domestic or sanitary wastes that may be introduced into the River Authority System upon review and approval by the Utilities Manager. Typically, waterborne liquid, gaseous, or solid substances that result from any process of industry, manufacturing, trade, or business.
- (p) Joint Venture – a commercial enterprise undertaken jointly by two or more parties that otherwise retain their distinct identities.
- (q) Mobile Home – a structure transportable in one or more sections which, in the traveling mode, is eight body feet or more in width or 40 body feet or more in length, or, when erected on site is 320 or more square feet, and which is built on a permanent chassis and designed to be used as a Dwelling with or without a permanent foundation when connected to the required utilities. This term shall include any structure defined as a Mobile Home, HUD-code manufactured home, or manufactured home by the Texas Occupations Code, Chapter 1201.
- (r) New Development Service Application – form submitted to the River Authority by an Applicant for the purpose of providing the River Authority with identifying information, along with mapping and phasing information for a proposed Development.
- (s) Non-Domestic Waste – any waste other than normal Domestic Wastewater, including, but not limited to: waste from Mobile Homes, Recreational Vehicles, and portable toilet facilities, Industrial Waste, waste from

restaurants, commercial waste, and water from swimming pools that may be introduced into the River Authority System upon review and approval by the Utilities Manager.

- (t) Off-Site Facilities – the structures, facilities, and equipment to be constructed and located on property other than the Tract necessary to collect, convey, treat, and dispose of Wastewater generated by Development on the Tract by the River Authority System.
- (u) On-Site Facilities – the structures, facilities and equipment to be constructed and located on the Tract necessary to collect and convey Wastewater generated by Development on the Tract to the Off-Site Facilities and ultimately to the River Authority System.
- (v) Person – any individual, association, non-profit corporation, professional association, joint-stock company, corporation, proprietorship, partnership, Joint Venture, or other legal entity.
- (w) Plat – a complete and exact map representing the Tract, showing the boundaries and location of individual lots, easements, and streets which will be approved by the local city or county.
- (x) Project – the collection of efforts by a Developer or Applicant for which such Developer or Applicant needs the Services of the River Authority.
- (y) Project ROW – right of way needed for the Off-Site Facilities and On-Site Facilities to be provided by the Developer in a form and manner acceptable to the River Authority as provided in the Utility Service Agreement.
- (z) PUC – Public Utility Commission of Texas.
- (aa) Record Drawing Request – form submitted to the River Authority by an Applicant to request mapping information to assist the Applicant with obtaining water and Wastewater utilities-related maps and record drawings.
- (bb) Recreational Vehicle – a vehicle, which is: built on a single chassis; 400 square feet or less when measured at the largest horizontal projections; 102 inches or less in width; self-propelled or permanently towable by a light-duty truck; and designed primarily not for use as a permanent Dwelling but as temporary living quarters for recreational, camping, travel, or seasonal use.
- (cc) Retail Service – the collection, treatment, and disposal of Wastewater directly from the end user with a direct connection into the River Authority System.
- (dd) Reuse – practices, techniques, and technologies for the beneficial recycling of commercial, industrial, and/or municipal wastewater so that a water supply is made available for future or alternative uses.
- (ee) River Authority – the San Antonio River Authority, established on May 5, 1937 by the 45th Legislature of Texas.
- (ff) River Authority System – the central Wastewater collection, treatment, and disposal system owned and operated by the River Authority.
- (gg) River Authority Technical Specifications for Utility Construction – technical specifications established by the River Authority management for the On-Site Facilities and Off-Site Facilities, including but not limited to, specifications of material type, sizing, and installation requirements.

- (hh) Service Application Acceptance – letter from the River Authority to the Applicant confirming that the River Authority has the ability and capacity to serve the Tract.
- (ii) Service Area – the area to which the River Authority may lawfully provide Wastewater service, including the Upper Martinez Service Area, the Martinez II Service Area, the Martinez IV Service Area, the First Responders Academy Service Area, and the Salitrillo Service Area. Unless a specific Service Area is indicated, this term refers to all Service Areas generally or collectively.
- (jj) Services – Wastewater collection, transportation, treatment, and disposal.
- (kk) Site Plan – plan prepared by Developer’s engineer depicting the Tract, phases of development, the number of EDUs planned for each development phase, and the planned Off-Site Facilities and On-Site Facilities needed to serve the Tract and proposed development.
- (ll) Subdivision – the division of any lot, Tract, or parcel of land into two or more lots or sites for the purpose of sale of Development, whether immediate or future, including re-subdivision of land for which a Plat has been filed and recorded.
- (mm) TCEQ – Texas Commission on Environmental Quality or its successor agency.
- (nn) Tract – a lot or plot of land to be developed by the Developer. Boundaries are defined per the Plat submitted by the Developer and identified in the Site Plan and Engineering Report.
- (oo) TxDOT – Texas Department of Transportation.
- (pp) Uniform Plumbing Code – The Uniform Plumbing Code, with the River Authority’s amendments.
- (qq) Utilities Manager – the Manager of the San Antonio the River Authority Utilities Department or their designated representative.
- (rr) Utility Service Agreement – a written agreement between the River Authority and a Developer pursuant to which the Developer agrees to finance the construction of On-Site Facilities and Off-Site Facilities needed to provide Retail Service within a Development and the River Authority agrees to a Capacity Reservation in the River Authority System for the benefit of the Development, among other terms and conditions.
- (ss) Wastewater – the water-borne waste stream for which the River Authority System is designed for the purposes of collection, treatment, and disposal made up primarily of Domestic Wastewater and limited amounts of Non-Domestic Waste and Industrial Waste as regulated by the River Authority and as approved by the Utilities Manager.
- (tt) Wastewater System Design Standards - guidelines for the design of utilities to be dedicated to the River Authority and/or operated by the River Authority.
- (uu) Wastewater System Field Acceptance Checklist – form used by River Authority to confirm items needed for final acceptance of Off-Site or On-Site Utilities.

- (vv) Wholesale Contract – written agreement between the River Authority and a third party pursuant to which the River Authority accepts, treats, and disposes of Wastewater generated in the third party’s Retail Service Area by the third party’s Retail Service Customers on a wholesale basis.
- (ww) Wholesale Customer – a Person to whom the River Authority provides Service pursuant to a Wholesale Contract.

1.06 Service Areas and CCNs

The River Authority shall provide Retail Service within areas covered by its CCNs, in accordance with PUC and TCEQ regulations. Boundaries of the River Authority’s CCNs are kept on file at the PUC.

Any extensions of Retail Service to areas located outside of the River Authority’s CCNs may be made at the River Authority’s discretion, and may only be made if such areas are not within the CCNs of any other retail public utility, except by agreement of such retail public utility. The River Authority may require the inclusion of an area within its CCN as a condition of service.

The River Authority’s Service Areas include the Upper Martinez Service Area, the Martinez II Service Area, the Martinez IV Service Area, the First Responders Academy Service Area, and the Salitrillo Service Area. The boundaries of the River Authority’s Service Areas may change over time, and up-to-date maps are available on the River Authority’s website.

1.07 Types of Service

(a) Service Extension to New Developments

Service extension to a new Development entails a first-time connection to the River Authority System. The River Authority may require that any property within the River Authority’s CCN receive service.

Before a Retail Service connection can be established, the Developer must follow the service extension process as outlined in Section 2.0 of these Regulations. No application for service in a Subdivision may be approved unless the Developer has fully complied with all of the requirements of these Regulations, including full and timely payments of all required fees and charges as set out in the River Authority’s current ordinance(s).

(b) Retail Service

After the completion of the Development process and the River Authority’s acceptance of the On-Site and Off-Site Facilities, individual Retail Service connections may be established under Section 3.0 of these Regulations.

Full compliance with these Regulations is required to obtain and maintain Retail Service. Compliance includes full and timely payments of all required fees and charges.

(c) Wholesale Service

The River Authority provides wholesale service to third parties pursuant to its Wholesale Contracts. Section 4.0 of these Regulations provides further clarification of the River Authority's provision of wholesale service in addition to the terms and provisions of its Wholesale Contracts.

Full compliance with these Regulations is required to obtain and maintain wholesale service. Compliance includes full and timely payments of all required fees and charges.

1.08 Variances

Variance requests made in accordance with this section must comply with application requirements established by the Utilities Manager and may be approved by the appropriate River Authority representative specified in this section if such representative determines that the proposed variance: (a) does not damage or diminish the operational integrity of the River Authority System; (b) does not damage or diminish the legal rights of other Persons; and (c) complies with all other applicable laws and regulations.

The Utilities Manager may make recommendations to the General Manager regarding requests for variances to the Technical Specifications for Utility Construction and Wastewater System Design Standards; and the General Manager shall make decisions on such requests which shall be final and not appealable.

The General Manager may grant variances to these Regulations. The decision of the General Manager on variances to these Regulations may be appealed to the Board of Directors.

2.0 Service Extension to New Developments

2.01 Record Drawing Request

The first step in the Development process is to submit a Record Drawing Request to utilitiesdevelopment@sariverauthority.org. A Developer may submit a Record Drawing Request to request mapping information and to obtain Reuse water and Wastewater utilities-related maps and record drawings.

The Record Drawing Request form contains an agreement that the Applicant will not transfer, sell, disseminate, or publish the mapping information received pursuant to the Record Drawing Request without the River Authority's written consent. The River Authority will review the Record Drawing Request within the timeframe published on the River Authority's website.

The River Authority may review and respond to other informal requests for information concerning the feasibility of service outside of the application process, but no such response by the River Authority creates a binding obligation or commitment to service.

2.02 Application for Service to New Development

(a) New Development Service Application

The New Development Service Application is the second step in the Development process following the Record Drawing Request. The New Development Service Application requires identifying information, along with a map of the Tract, detailed phasing information, and documentation of the Developer's authority to develop the Tract. The River Authority will review the New Development Service Application within the timeframe published on the River Authority's website.

(b) Service Application Acceptance

If the New Development Service Application is approved, the River Authority will issue a Service Application Acceptance to the Developer. The Service Application Acceptance indicates the number of EDUs for which the River Authority has the ability and capacity to service, and outlines: (1) the plans and documentation required to be submitted and approved by the River Authority before any Wastewater construction may commence; and (2) documentation required to secure Connection Fees and Impact Fees. This document does not give rise to a binding obligation for either party.

The Service Application Acceptance also lists the requirements with which the Developer must comply in the future, including the requirement to enter into a Utility Service Agreement with the River Authority. Receipt of the Service Application Acceptance triggers deadlines relating to Wastewater construction plans and Fees.

2.03 Design Plans, Site Plan, and Engineering Report Review

Following the Service Application Acceptance, the Developer must submit design plans and the Engineering Report, compliant with the Wastewater System Developer Design Standards, for review; and the River Authority will commence the plan review process. An approved Site Plan will be required to execute the Utility Service Agreement. Design of On-Site Facilities and Off-Site Facilities to be dedicated to the River Authority shall comply with the Wastewater System Design Standards and River Authority Technical Specifications for Utility Construction. If the River Authority deems revisions necessary, and following the River Authority's issuance of the proposed revisions, the Developer may resubmit plans, the Site Plan, and/or Engineering Report for review within the timeframe published on the River Authority's website.

If the Developer resubmits plans, the Site Plan, and/or an Engineering Report timely and with adequate revisions, the review process will proceed. The duration of the review period and resubmittal review is as published on the River Authority's website.

Following review of plans and the Engineering Report submitted by the Developer, the River Authority will assess a Connection Fee. The River Authority will issue a letter acknowledging receipt of Wastewater plans, profiles, and a copy of the Plat, and will indicate whether the documentation is in general compliance with the River Authority Technical Specifications for Utility Construction. Such letter will indicate the amount of Connection Fees.

2.04 Density and Master Plans

Unless the River Authority approves a master plan indicating a different density, a maximum of 4.5 EDUs per acre is permitted.

2.05 Connection Fees

Connection Fees will be assessed at the rates in effect at the time the Developer files its application for service. The Developer will pay Connection Fees before commencing construction on Wastewater infrastructure on each unit or phase of the Development. Only the River Authority Board of Directors may consider and approve requests to waive all or a part of Connection Fees in cases where it is determined by the Board of Directors to be in the best interests of River Authority.

Connection Fees are required to be submitted to the River Authority's finance department, along with the Development name, Plat number, and a copy of the letter issued to the Developer. River Authority shall have the discretion to refund Connection Fees for EDUs for which Impact Fees have been refunded if such fees have not been used, and a connection to the River Authority System has not yet been established.

2.06 Impact Fees

The River Authority may impose Impact Fees against new Development to fund or recoup costs of capital improvements or facility expansions. Developers must pay Impact Fees timely and in full. The River Authority will approve new Impact Fees in accordance with State law.

2.07 Real Estate Requirements

The Developer must use best efforts to provide all services necessary to acquire title to the Project ROW needed for the Off-Site Facilities and On-Site Facilities in a form and substance acceptable to the River Authority, in its sole discretion, in the name of the River Authority. The River Authority requires utility easements to be 30 feet in width unless otherwise approved by the General Manager. The Developer shall acquire all Project ROWs in accordance with State and federal law and the practices, guidelines, procedures, and methods as required by the River Authority. The acquisition of all Project ROW shall be completed prior to starting construction.

If the Developer is unable to acquire the necessary Project ROW, and thereby fails to obtain the needed conveyance in a form acceptable to the River Authority, the River Authority staff may initiate acquisition efforts. The River Authority's use of eminent domain requires approval by the River Authority's Board of Directors, and such decision is in the Board's sole discretion. If the River Authority staff is engaged for acquisition efforts, the Developer will reimburse the River Authority for all costs incurred by the River Authority in the acquisition of the Project ROW, including but not limited to land acquisition costs, survey costs, appraisal costs, staff time, and legal costs.

Developer shall be responsible for the full and timely payment of any fees and charges imposed by a city for returning the Project ROW to the condition as it existed prior to the construction, installation, repair, replacement, upgrade, or removal of any Off-Site or On-Site Facilities needed to serve the new Development.

2.08 Lift Station Review, Agreement, and Fees

Lift stations and force mains are only allowed by prior written agreement to be incorporated into the Utility Service Agreement with the River Authority. Applicable fees, as set out in the agreement, must be paid in full prior to commencement of construction. Whenever a lift station is proposed, a present value analysis of the lift station versus gravity solutions must be included in the Engineering Report in conformance with the requirements of the River Authority's Wastewater System Design Standards, Technical Specifications for Utility Construction, and in compliance with the TCEQ regulations.

2.09 Utility Service Agreement

After completing any necessary real estate coordination, the Developer must enter into a Utility Service Agreement with the River Authority. The Utility Service Agreement outlines requirements regarding capacity, engineering, design, construction, payments and fees, and financial obligations.

2.10 Construction

Developer's construction of Wastewater infrastructure on each unit or phase of the Development may not commence until Developer has paid to River Authority all fees due and Developer and River Authority have approved and fully executed a complete Utility Service Agreement.

(a) Preconstruction meeting

The Developer must arrange for a preconstruction meeting to occur one to three weeks prior to the commencement of construction with designated members of the River Authority staff or management. At this meeting, the Developer, along with any other necessary personnel, such as the general contractor or architect, will present plans and timelines to ensure all elements of the Project are compliant with the River Authority's

requirements, including the River Authority Technical Specifications for Utility Construction and Wastewater System Design Standards.

(b) Inspections, TCEQ Approval, and Final Walkthrough

The River Authority reserves the right to conduct inspections and testing, along with a final walkthrough before construction is finalized. At or after the final walkthrough, the River Authority will provide comments regarding construction and record drawings. The River Authority may conduct inspections more frequently if elements or processes relating to the construction give rise to safety concerns or if they suggest potential noncompliance with the River Authority's requirements.

The Developer is responsible for obtaining all required TCEQ approvals, without which construction may not be finalized.

(c) Field Acceptance

The River Authority will field verify the items and/or systems listed on the River Authority's Wastewater System Field Acceptance Checklist published on the River Authority's website. Upon receipt of an executed Field Acceptance Letter, the Developer may begin to introduce Wastewater into the System.

(d) Record Drawings and Geographic Information System Acceptance

In order to receive final acceptance of a Project, the Developer must deliver a set of final record drawings and geographic information system files, including revisions per the River Authority's comments made during the review. The River Authority will not accept this information unless it is in compliance with the River Authority's requirements.

(e) Final Acceptance and Commencement of Retail Service

If all aspects of the construction process satisfy the River Authority's requirements, including the River Authority Technical Specifications for Utility Construction and Wastewater System Design Standards, the River Authority will issue a letter to the Developer indicating that the River Authority accepts the public Wastewater collection system for operation and maintenance.

The Developer shall assist the River Authority in coordinating with the retail water service provider for the Project. The establishment of retail water service and an executed billing agreement between the retail water service provider and the River Authority are conditions precedent to the commencement of Service.

2.11 River Authority Technical Specifications for Utility Construction

River Authority Technical Specifications for Utility Construction are included in these Regulations as **Appendix A** and are the current version as of the time of adoption of these

Regulations. The General Manager, in consultation with the Utilities Manager, may from time to time amend the Specifications. Modifications to the Specifications shall be reported to the Board, or the appropriate Board committee, on an annual basis and updated on the River Authority's website.

2.12 Wastewater System Design Standards

Wastewater System Design Standards are included in these Regulations as **Appendix B** and are the current version as of the time of adoption of these Regulations. The General Manager, in consultation with the Utilities Manager, may from time to time, amend these Standards. Modifications to the Standards shall be reported to the Board, or the appropriate Board committee, on an annual basis and updated on the River Authority's website

2.13 Dormant Projects

Vested rights attach to a Project with the filing of a qualifying document under Texas Local Government Code § 245.002(a-1). Permits or Projects that become dormant shall not be entitled to vested rights under Chapter 245, Texas Local Government Code. A Project becomes dormant under any of the following circumstances:

- (a) For permits approved prior to May 11, 2000: If the permit has no expiration date, the permit expired on May 11, 2004 unless progress towards completion has occurred under Texas Local Government Code § 245.005(c).
- (b) For permits approved after May 11, 2000: If the permit has no expiration date, the permit expires two years from the date of issuance unless progress towards completion has occurred under Texas Local Government Code § 245.005(c).
- (c) The entire Project will expire on the fifth anniversary of the date the first permit application was filed for the Project unless progress towards completion has occurred under Texas Local Government Code § 245.005(c).

3.0 Retail Service

3.01 Retail Service Application

Retail Service to a Customer is established by the Customer's request for service to the applicable third party retail water service provider. If Customer does not receive retail water service from a retail water utility (for example Customer is on a private well), Customer may make application directly to River Authority. The Customer must notify the River Authority of the number of EDUs to be connected. After the River Authority confirms receipt of all applicable fees and payments, the River Authority will issue a permit allowing for the physical connection.

3.02 Billing by Water Service Provider

Retail Service is billed through the retail water service provider. If there is no retail public water service provider, billing will be made directly by River Authority.

3.03 Temporary Service During Construction

In some instances, it may be necessary to provide temporary Wastewater service for construction or other purposes. In these cases, the River Authority will arrange for temporary facilities at the site for use during the Project. Charges for this service will be as set by the River Authority's Board of Directors from time to time. No Impact Fee will be charged for this temporary service.

3.04 Refusal of Service

The River Authority shall decline to serve an Applicant until such Applicant has complied with federal, state, county, and municipal law, along with these Utility Service Regulations. In addition, Service may be denied to an Applicant for the following reasons:

- (a) The Applicant's installation of Wastewater service laterals and/or plumbing is known to be inadequate, or of such character that satisfactory Service may not be provided;
- (b) The Applicant fails or refuses to pay fees or deposits, as applicable; and
- (c) The Applicant fails or refuses to have a Customer service inspection performed or fails or refuses to submit a properly completed Customer service inspection certification form as required by TCEQ.

3.05 Service Interruptions

The River Authority will make reasonable efforts to prevent interruptions of Service. If interruptions occur, the River Authority will reestablish Service consistent with applicable laws and regulations as soon as possible.

3.06 Service Disconnection and Reconnection

Service disconnections and reconnections are managed by the applicable retail water service provider. A Customer should contact the Customer's retail water service provider regarding any needs relating to Service disconnections and reconnections. For Customers not served by a retail water service provider, Service disconnections and reconnections will be made by River Authority subject to these Utility Service Regulations and other applicable rules and ordinances of River Authority.

In accordance with Section 3.07(d), a fee or penalty may apply if Service is connected or disconnected in a way that is not permitted.

3.07 Rates, Fees, Charges, and Penalties

Rates, fees, charges, and penalties will be assessed as provided in the River Authority's applicable ordinances, as may be amended from time to time.

3.08 Customer Complaints

In the event of a dispute between a Customer and the River Authority regarding any bill or Service, the Customer shall be given the opportunity to meet with River Authority personnel to attempt to resolve the dispute. Anyone objecting to the actions or decisions of such River Authority personnel may informally appeal to the Utilities Manager. Anyone dissatisfied with the determination of the Utilities Manager may appeal to the General Manager.

3.09 Discharge Limitations and Pretreatment Requirements

The River Authority reserves the right to require the use of specific pretreatment practices or devices and to specify the degree of pretreatment of any Wastewater as prescribed by its Industrial Waste ordinance, as may be amended from time to time.

3.10 Adoption of Plumbing Code

For areas within the River Authority's jurisdiction and outside the boundaries of any city, the River Authority reserves the right to adopt, amend, and enforce the then-current Uniform Plumbing Code, which includes revisions by the River Authority.

4.0 Wholesale Service

4.01 Wholesale Contract Minimum Terms and Conditions

The Applicant must request wholesale Service from the River Authority. In order for the Applicant's request for wholesale Service to be granted, the Applicant must agree to comply with certain minimum terms and conditions for Service as articulated in a Wholesale Contract with the River Authority.

The River Authority and the Applicant will agree to terms in the Wholesale Contract relating to responsibility for and construction, maintenance, and financing of any facilities necessary for the provision of wholesale Service. The River Authority will provide Services at points of entry and in quantities mutually agreed to by the River Authority and the Applicant in the Wholesale Contract. Title to all water and Wastewater put into the River Authority System pursuant to the Wholesale Contract shall pass to the River Authority at the designated points of entry.

4.02 Easements

The River Authority may use, without compensation, the easements, Project ROWs or property held by the Wholesale Customer, to the extent physically feasible, legally authorized, and reasonably practicable, and further provided that the River Authority's use shall not significantly adversely impact the operations of the Applicant, so that the River Authority's facilities and required equipment may be appropriately provided. River Authority's use will require prior written notice to and approval by the Wholesale Customer, which approval shall not be unreasonably withheld.

4.03 Pretreatment

Wholesale Customers are required to comply with the pretreatment requirements as outlined in the Wholesale Contract and in Section 3.09 of these Utility Service Regulations.

The Wholesale Contract may require that the Wholesale Customer limit its discharges into the River Authority System to those that are defined as admissible discharges under the River Authority's then applicable Industrial Waste ordinance and to curtail the discharge of any Wastewater that has the characteristics of prohibited discharges under said ordinance, and all future amendments or modifications to said ordinance.

4.04 Wholesale Customer Payments and Fees

Wholesale Customers are required to remit the proper Connection Fees and Impact Fees to the River Authority in accordance with these Utility Service Regulations.

Within 60 days of the close of each calendar month, a statement of water consumption, listing of connections served by address, and the payments called for in the Wholesale Contract must be forwarded to the River Authority. The River Authority shall have the

right to verify and audit reported connections. Delinquent payments may incur a penalty of the max interest rate provided by law based on State of Texas Prompt Payment Act.

4.05 Budget Preparation and Wholesale Rates

The River Authority shall determine rates annually by establishing a revenue base from information gathered from Wholesale Customers for anticipated charges and fees collected by the River Authority for the River Authority System. The River Authority will calculate all projected expenses incurred by the operation and maintenance, to include but not be limited to, operating expenditures, renewal and replacement of assets of the River Authority System, future capital improvement projects, adequate operating reserve, debt service requirements, and other River Authority System obligations. The annual rate will be set to fairly cover the River Authority's cost of operation and maintenance, capital improvement projects, and debt service requirements and overhead, and shall consist of both variable and fixed components designed to collect revenues that cover the expected cost of River Authority System expenditures.

(a) Process for Modification of Rates

The annual rate and associated charges for Service are subject to adjustment. The River Authority Board of Directors will establish the adopted rates and charges. Comments or objections received by River Authority will be conveyed to the River Authority Board of Directors for consideration.

On or before April 15th of each year, the River Authority shall furnish to the Wholesale Customer its financial summary for the immediate prior fiscal year, including a comparison of revenue and costs, its projected budget for the upcoming fiscal year, and its proposed adjustments to the Wholesale Customer's charge schedules.

By May 15th of each year, the Wholesale Customer shall notify the River Authority, in writing, of its comments, objections to, or agreement with the proposed charges. In the absence of any written response, agreement will be assumed by the River Authority.

The River Authority sets rates through ordinance and adjust its charges for Wastewater transportation, treatment, and disposal annually, on or before July 1st of each calendar year.

Appendix A

Technical Specifications for Utility Construction

Appendix B

Wastewater System Design Standards