

RULES, REGULATIONS, AND INFORMATION SHEET

Effective June 15, 2011

The Lavon Water Supply Corporation is a non-profit cooperative established and operated by and for its members under the jurisdiction of the Farmers Home Administration, the Texas Department of Health, the Texas Commission on Environmental Quality and the United States Environmental Protection Agency.

The Corporation is overseen by the Board of Directors, elected by you, its members, during the Annual Business meeting held during the first quarter of the year; normally the second Tuesday of March. The current Directors are:

| | | <u>Term Expires</u> |
|-----------------------------|--------------|---------------------|
| Herman Stork, President | 972-843-2103 | 2013 |
| Billy Roden, Vice President | 972-853-0939 | 2012 |
| Aubrey Mayfield, Treasurer | 214-215-1888 | 2013 |
| Michael Cook, Secretary | 972-843-2214 | 2012 |
| David Adcock, Director | 972-843-2873 | 2014 |
| Cheryl Crowder, Director | 972-809-3333 | 2014 |
| John H. Horton, Director | 972-787-8149 | 2013 |

Office Location: 16881 C. R. 541, Lavon, TX 972-843-2101

Employees: Gary Fox – General Manager
Camille Reagan – Office Manager
Samantha Brooks – Office Assistant

Sam Nunez – Crew Lead
Johnny Boles - Operator

Web page – www.lavonwater.com Online Bill Pay # (877)879-1570 - \$2.95

To obtain service from the Lavon Water Supply Corporation requires payment of a membership fee of \$200.00, a meter installation fee of \$900.00, an Aid to Construction fee of \$2,250.00 and a Customer Service Inspection Fee of \$50.00 (total \$3,400.00). This fee covers 3/4" X 3/4" meters; all over-size (1" and up) meters will require additional monies to cover the extra costs of and installing of a larger meter. An additional fee of a road bore may be required to provide service to a particular location. The road bore will be completed by a designated

representative of Lavon Water Supply Corporation and charged at the rate established by that representative. Exception will be in instances where the membership/meter has been abandoned, in which case, the cost to reconnect will be as follows: Reconnect fee of \$70 (to unlock the meter); \$200.00 Membership fee; plus Minimum payment (in effect at time of application) times number of months of Inactive status; not to exceed Membership fee plus Aid to Construction in effect at time of application. In all cases the meter, itself, remains the property of the Corporation and may be connected, disconnected, or reconnected as directed by the Corporation's Board of Directors. The right to use the meter in accordance with the Rules and Regulations of the Corporation belongs to the member-patron and is transferable to any person who meets the requirements for membership plus a \$20.00 transfer fee and requires water service with the Corporation's service area. Any time a meter is vacated or transferred to another party, the Lavon Water Supply Corporation must be notified.

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|----------------------------|------------------------|---|----------------|
| MINIMUM MONTHLY RATES ARE: | 3/4" Meter | - | \$ 20.00/month |
| | 1" Meter | - | \$ 40.00/month |
| | 2" Meter | - | \$ 80.00/month |
| | 3" Meter | - | \$160.00/month |
| | 4" Meter | - | \$320.00/month |
| | 6" Meter | - | \$640.00/month |
| | Fire Suppression Meter | - | \$200.00/month |

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| WATER RATES: | \$3.50/1,000 GALS FOR 0 TO 5,000 GALLONS |
| | \$3.75/1,000 GALS FOR 5,001 TO 10,000 GALLONS |
| | \$4.50/1,000 GALS FOR 10,001 TO 15,000 GALLONS |
| | \$5.75/1,000 GALS FOR 15,001 TO 25,000 GALLONS |
| | \$6.50/1,000 GALS FOR OVER 25,001 GALLONS |

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| CONSTRUCTION WATER RATES: |
| \$5.00/1,000 GALS |
| \$150.00 Connection Fee to Fire Hydrant |

All construction customers will be charged \$1,100.00 for a deposit of a fire hydrant meter with a backflow device. The deposit will be returned to the customer within 7-10 days after the meter is picked up by the LWSC operator. If the meter or backflow device is damaged or altered in any way other than normal water flow use, the deposit will be forfeited and an additional deposit will be required for a new meter.

Penalties will be imposed, as substantiated in the LWSC Tariff, when **Meter Tampering** or **Theft of Service** has been indicated.

System Tampering: Any damage caused due to neglect, destruction of or tampering with the property by an unauthorized individual.

Theft of Service: Taking of water without water being properly metered by the Corporation's meter.

Water Leaks: The member shall be responsible for ownership, maintenance and repair of all water facilities between the water meter and the point of use and shall promptly repair any leaks on the member's side of the meter. Any repairs shall comply with the Corporation's Rules and Regulations applicable plumbing codes. Upon written notice from the Corporation, the member shall be required to repair a leak on the member's side of the meter within 30 days. If the member fails to make repairs within 30 days, the Corporation may notify the member that the meter will be locked if the leak is not repaired within 30 days of the second notice. If the meter is locked, reconnection fees as provided in the Corporation's Rules and Regulations shall apply.

Meters will be read by an authorized representative of the corporation as nearly as practical, on the same date each month between the 20th and the 25th.

Monthly bills will be prepared and mailed as soon as practical after the meters have been read. The full amount of the associated account is due and payable upon receipt of the bill. The Corporation holds the member-patron responsible for payment. Any member, renting or leasing property to other parties, is responsible for all charges due the Corporation. The Corporation may bill the renter or lessee for water service (at the member's request) as a third party, but the member is fully responsible for any and all unpaid bills left by the renter/lessee. The member shall be required to sign an Alternate Billing Agreement if bills are to be sent to a renter/lessee. The member shall take responsibility for any necessary deposits from the renter/lessee to ensure payment of a past due bill. The Corporation will notify the member of the renter's past due payment status; service shall be discontinued and shall not be reconnected until all amounts due have been paid. Member/landlords be aware that, regardless of the "Lessee" billing service, the membership remains subject to the Inactive status provisions above which could result in up to a \$2,450 expense.

Monthly bills may be paid at the office, 16881 C. R. 541, or mailed to P. O. Box 188, Lavon, TX 75166. Appointments to the conduct of business may be made by calling the office (972) 843-2101 or any member of the Board of Directors (numbers listed above). A late charge of \$20.00 will be added to the account if bill payment is not received by the Corporation by the

10th of the current month. On the 11th, all delinquent accounts will be re-billed stating the delinquent status and the meter will be locked on or, as soon as reasonable, after the 26th. If the account is not settled in full by the end of business day on 26th, a reconnect fee of \$70.00 plus account balance, will be required to reinstall/unlock any service that has been disconnected due to account delinquency. If a member requests for service to be reconnected after business hours, there will be a trip charge of \$100 payable at the office on the next business day before 11:30AM. If account delinquency continues, the account will be placed in Inactive status and will then be subject to all fees as listed above. \$35.00 dollars will be assessed for all returned checks. These fees are non-negotiable nor subject to waiver.

Before any new service installations are made, they must be approved:

- A. By the Corporation's operator, or
- B. In cases where the operator doubts the capacity of the system to service the new customer without impairing service to existing member-patrons, then by the Board of Directors, who may require input by system engineer.

The Board of Directors are only required to meet as necessary for the proper conduct of business, but have scheduled meetings to be held the second Tuesday of each month except when that date falls on a legal holiday. If a holiday preempts a meeting date, the meeting will be automatically rescheduled for the succeeding Tuesday at the same time and place. All board meetings will normally begin at 7:00 PM in the Office located at 16881 C. R. 541. Special meetings can be requested by any director and will be announced to all directors who can be contacted and to parties deemed to have proper interest in the subject of the meeting.

Any new line additions made to the Lavon Water Supply Corporation System for any user's personal benefit will be IAW specifications of LWSC and paid for by that user(s) and become the property of the LWSC at the time of connection to the distribution system. Furthermore, the line installer must guarantee and maintain the line for a period of one (1) year. At the time of the initial connection and after one (1) year, the line will be inspected for acceptance by the Lavon Water Supply Corporation. At any connection where a backflow prevention device is installed, the backflow prevention device shall be tested at least once

annually by a backflow prevention assembly tester recognized by the Texas Commission on Environmental Quality and registered with Lavon Water Supply Corporation and a copy of the test report provided to the Corporation.

Only one (1) residence will be served by a meter. No combination of two (2) residences or more or one (1) residence and one (1) business on a single meter will be allowed. The minimum meter size for a commercial building with up to five units is a 1” meter. Additional units would require a larger meter determined by the engineered building requirements.

From time to time, the water system does experience leaks caused by events such as soil shifts, erosion, accidents, and poorly managed excavations. When leaks occur, the water supply may be shut off for a short time. To report leaks or failures, or to obtain information, call: (day or night). (972) 843-2101.

When system repairs are made, air is often times trapped in lines causing bubbles (cloudiness) to appear in the water drawn from the system. Please allow the system time to be cleared of trapped air before reporting this type of problem.

The Board of Directors encourages all members to attend and participate in the Annual Business meeting so that the system may continue to function for and better serve each member. The membership will be notified of the dates and places of such meetings.

BOARD OF DIRECTORS

LAVON WATER SUPPLY CORPORATION

THIS INFORMATION/FACT SHEET SUPERSEDES ALL PREVIOUS RULES AND REGULATIONS

“In accordance with Federal Law and the U. S. Department of Agriculture’s policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability (not all prohibited bases apply to all programs.) To file a complaint of discrimination, write to: USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (800)795-3272 voice, or (202)720-6382 (TDD)