

Crown Mountain Water Supply Corporation
Board of Directors Meeting
Minutes

Posted for Public view at the Camp Wood City Hall, front door and on Corporation Facebook page.

Date: 9-30-2021_____ Time: 11:26am_____

(In compliance to the Texas Opens Meetings Act this notice is to be posted at least 72 hours in advance of the scheduled meeting time. Unless it is an emergency meeting which is outlined in the statute which then requires posting at least 1 hour prior to meeting time.)

Date of Meeting: 4, October 2021

Time: 7:00pm

Place: Miller Residence: 789 Lazy Hills Loop, Camp Wood

Board Members Present

| | | |
|---------------------|----------------|-----|
| President: | Lee Gruver | X__ |
| Vice President: | John Klebenow | X__ |
| Treasurer: | Tim Brackin | X__ |
| Secretary: | Yvonne Miller | X__ |
| Assistant Secretary | Patricia Isham | X__ |

CMWSC contractors

| | | |
|------------------------------|----------------|-----|
| Well Operator: | Chano Falcon | X__ |
| Customer Account Specialist: | Patricia Isham | X__ |

Other Water Corporation Members:

Member that signed in: Bill Meredith, Shawn Meredith, Leonora Brackin, Nora Falcon, Brenda Askew, Diana Klebenow, Jeff Lane, Kerry Miller

Agenda for meeting:

I. Call to Order – 7:00pm

II. Statement of the Board of Directors

Statement from President – Welcome Effective October 4, 2021, the 6-month temporary Treasurer position filled at the departure of Sam and Linda Ferguson is now transferred to our new Treasurer Tim Brackin.

Tim’s previous position as Assistant Secretary will go to Patricia Isham.

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III. Approval of Minutes from previous two meetings (note previous meeting minutes are not required to be read aloud, but must be made available to members upon request.)

A. Minutes from the August 14, 2021 – Quarterly Meeting

Accepted by John, Seconded by Patricia, ayes: 5

B. Minutes from the September 20, 2021 – Special Meeting

Accepted by Tim, Seconded by John, ayes: 5

IV. Old Business

A. Operational Committee and IT Committee - Lap top and billing software for the Corp

Yvonne,

I looked around a bit at the laptops on the market. There are a lot of them out there and it was hard to find a clear winner in my mind.

I looked at ASUS, ACER, DELL, LENOVO, HP, and MSI. All these companies make great laptop computers. Based on the fact that Dell is a Texas based company, has a reputation for excellent customer support. I am recommending the Dell Vostro 7510 15 inch computer.

It is priced at 1099 directly from Dell which meets or exceeds the requirements to run the new software. The version I have attached is from the ready to ship configurations. Other configurations can be ordered but will take additional time to get them. They have their service contracts marked down quite a bit and recommend getting the 4 year for 123 bucks extra. This way we will have a solid "go to" for service if we ever run in to issues with the machine in the future.

Sincerely,

Bill Meredith

Old Business – Billing Specialist Oct. 4, 2021

At the request of the Water Board, this is information on upgrading our water billing software to a newer version, and acquiring a laptop that can run it sufficiently. This recommendation was gathered during several phone conferences with the existing water billing software company and a similar rural water billing software company.

Software – According to the current billing software company, after looking up our purchase records, the water billing software we now use was bought in 2008, so it's 13 years old. A Windows 8 upgrade was purchased from the water billing software company in 2014.

Newer version of the existing water billing software is \$699.00, but being an existing customer, we would only be charged \$599.00, and it comes on a flash drive for installation. There is software support with this.

The newer version of the billing software needs a TPM2 module to run efficiently. Current 5 year old laptop has a processing speed of 1.6 gigahertz which translates to 1600 megahertz. They

recommend 4,000 megahertz to run the software. They also recommend 8 ram and our current laptop has 4 ram. An IT evaluation was conducted by Bill Meredith and Kerry Miller. Laptop was defragged and updated where necessary. I so appreciate their time and their suggestions.

I did talk to another rural water billing software company, "Quick Water", because I could not get hold of our current billing software company, and their recommendations were the same as our current billing software company. They sent me some screen shots of how their billing pages look, and they are very similar to ours. Their price for similar billing software was \$595.00 with 4 hours of training.

There are improvements and streamlines in the newer version of the water software, as well as new and customer requested features, such as:

- Aging Report – shows length of time an invoice has been outstanding.

- Emailed Invoices – I've recently had requests for emailed invoices, rather than paper invoices. This software will give the water customer a choice to receive billings by email, thus saving paper, envelopes and stamps as well as getting their water invoice earlier than the mailed ones. Because I've had a business account with Wells Fargo before, I've received a notice that the United States Postal Service will be changing certain first class mail delivery times to 5-7 days as of October 1, 2021 and that may affect the delivery time on our invoice billing mailouts. Taking that into consideration may help the water customer with their decision to receive mailed bills or emailed bills. A notice will go out in billing asking water customers how they would like to receive their bill, and how to notify me of any changes.

- Reminder Feature – will give alerts when things are due

- Text Alerts – Can alert all water customers in emergency, such as "Boil Water" notice.

- Global Message/Customer Message – Can give all customers a message, or a specific customer a message on bill

- Credit memo – Is separate from Invoice and can be mailed/emailed separately

Both water billing companies are very similar in things they offer, but Quick Water did have a few more things.

Both had the ability to take credit and debit cards, but at a cost of \$25-\$30 a month as well as a swipe fee every swipe. It would be our decision to absorb the cost or pass it on to the customer. This service does seem a little costly.

Those are just a few of the newer functions on the latest version of rural water billing software. Some additional functions are more geared to larger utilities like sewage reports and billing.

Laptop – current laptop has shown some glitches in billing functionality. Sometimes report buttons haven't worked and once bill printing didn't function and I had to hand write invoices a few months ago. I did go to 2 different printing companies in Uvalde to see if they could somehow get that month's bills printed from the laptop, but neither could get the invoices printed. I had no choice but to come back home and stay up handwriting the water invoices in order to get them out on time. I had a copier, so I just copied a blank invoice I had from a previous billing, made about 66 copies, and hand wrote information from each individual water customer page in the billing system, onto each blank invoice and got them out on time. I did not charge CMWSC for printing those particular invoices.

One report that I do every month has not worked multiple times, so I created a word document and started putting that information on the word document. That document is updated every month.

Battery life is lower than it used to be, so I pretty much keep the laptop plugged in when I'm working on it.

For the newer software, A TPM module is required on the laptop. TPM is a Trusted Platform Module and has been around since 2014. It is a hardware chip and a support for Microsoft. It is based on source code from Microsoft. It contains files to safely complete implementation to a secure environment for anything installed, and it protects the hard drive. Some software will not allow you to load/install or run without a TPM.

Originally a TPM was for large corporations to secure their data, but now TPM modules are becoming a requirement to run newer software. The water software company recommends Window 10 Professional with dual core AMD chip, which will give a free update to Windows 11 when it may become available later this year. You will not be able to run Windows 11 nor the software without a TPM.

TPM is a security feature which goes above individual software security and prevents failures in software function, as well as keeps the laptop running well. It is becoming a required industry standard for new software programs.

When we send unencrypted emails, data, invoices in plain text, TPM uses a mix of software and hardware to protect the data we are sending in the unencrypted form.

If TPM senses the system integrity has been compromised, it will contain the intruder and quarantine to keep it from spreading to the rest of the data and software programs that are in use.

Current laptop does not have the requirements to operate the newer water billing software version.

**** I have started taking precautions and keeping an extra hard copy of current water invoices which contain property owner's addresses, last meter readings and current amounts owed in case something fails completely. That at least gives me a point of recovery to work from.

When new software is acquired, I will send out a notice in the billing asking for those who would like to transition from mailed billings to emailed billings, which will save a lot of paper, envelopes and stamps, but it will be a customer choice.

I will print all current customer billing histories when transitioning to new software and keep as hard copies and scan to digital for future reference.

Thank you and I appreciate your time.

B. Yvonne – For the Dell Computer outlined by Bill and Kerry of the IT Committee (Dell Vostro 7510 15-inch computer) the board will be looking at a cost between \$1500 and \$1800.

C. Discussion from the members:

██████████ advised that the Account Specialist is required to have all items to do her job.

Lee advised the corporation will have all items that deal with money on a computer owned by the corporation.

██████████ advised the billing software will document, so no need for duplicate software.

Lee asked Kerry to take the question.

Kerry advised having the latest software with updates including the windows suite makes it more efficient.

██████████ advised that we don't need two forms of software doing the same thing.

Kerry advised the computer and software are tools.

Bill advised that the current laptop and the current software are outdated and for the corporation to run smoothly both need all the updates or tools required.

██████████ asked if a separate email account would be needed for billing

Patricia advised we may need one with the new software, but until it is installed and operational, we will not have an answer to that question.

Lee advised he believed we would need a generic billing email.

Motion to purchase the recommended computer laptop, Dell Vostro 7510 15-inch computer setting a purchase cap at \$1800. by Tim, Seconded by Yvonne, ayes: 5

Motion to purchase the newer version of the billing software recommended. by Patricia, Seconded by Yvonne, ayes: 5

B. August 30, 2021 submitted Well Operating Renewal Documentation to Real Co – Chano advised done and submitted

C. Collected, completed and delivered Lead/Copper samples to San Antonio Lab. - Chano advised done, submitted and good for 3 years.

D. Well Improvement Committee

- Update on progress with wellsite improvements

Discussion on improvements to the well site: proposed storage tank of 10,000 gallons. And generator; 35 KW LP.

John advised that John Byrum with NRA had sent a proposal for those and him and Chano have requested him to work up a proposal to go with the plan that was originally written up and approved by TCEQ in 2002 by the developer but never completed.

We are currently waiting on John Byrum to get back with us on this.

John Byron has also sent a letter to TCEQ requesting another year as we are addressing the issues. Nothing has yet come in on this request.

John Byrum is going to attempt to get us funding but it may include some cost sharing.

██████████ asked if this would fix the fact that he only gets 20 psi at his house. Chano explained that the 35psi required is at the meter. Lee asked if the committee consider checking each meter to see what the psi reading are. Chano explained the process of this includes digging up the meter and disconnecting it to get a reading at the meter. John advised we should check first at the members meters that were complaining of low water pressure. Chano advised that would be a contract job and he would not do it. Lee and John agreed that the members that had hose bibs close or at the meter could be checked first using John's testing equipment as Lee's was defective. This would be done as time allows at Lee Carpenter's, Jeff Lane's, Chano Falcon's and Brenda Askew. At Brenda Askew's house she is also concerned about poor water quality, her water comes out of the tap brown. John advised he would look into this as well as the psi when he got to her home.

E. Update on Water Mix Study Update – strike for now. If decision is made to go that route in a later meeting it will be added to the agenda.

V. New Business

A. Operational Committee

1. Current Tariff with verbiage changes

Yvonne asked if everyone on the board had a chance to look over the changes to the current Tariff? Everyone on the board agreed they had. Lee advised that before the Tariff was applied it needed to be sent to Trent for review as well as the application and service agreement.

Yvonne made a motion to accept the new Tariff with the changes. Seconded by John, all ayes

██████ advised that the revised Tariff has to be sent to every member. Yvonne advised that was not correct, the current By-Laws state that the revised Tariff only has to be seen out if there is a rate change. This revision does not include rate changes. ██████ advised he wanted a copy.

Current By-Law as pertain to Tariff:

Section 5. Schedule of Rates (Tariff). The Corporation’s Tariff will be reviewed annually and revised as needed to ensure that the terms of Section 4 are met. Members shall be notified in writing at least two months in advance of any change in the Tariff which effects rates.

CROWN MOUNTAIN WATER SUPPLY CORPORATION WATER UTILITY TARIFF

Revised: October 4, 2021

Effective Date: _____

CCN: 13005

P.O. Box 305
Camp Wood, Texas 78833
(281) 630-4396

This tariff is effective for utility operations under the following Certificate of Convenience and Necessity: This tariff is effective in the following subdivisions:
Oak Meadows I, Crown Mountain and Oak Meadows II

TABLE OF CONTENTS

The above utility lists the following sections of its tariff

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CROWN MOUNTAIN WATER SUPPLY CORPORATION

SECTION 1.0 -- RATE SCHEDULE

WATER CONNECTION

A non-refundable Membership Fee \$700.00 and a non-refundable impact fee of \$800.00, totaling \$1500.00 paid at the time a property is first purchased authorizes the property owner to a single connection to the water system. The single connection provides water solely for the use of the member owning the property. Any use of the water at the connection by another property owner/member constitutes unauthorized usage and may cause disconnection of the service to the member supplying the water.

The type of meter i.e., standard (3/4 inch) or non-standard (1 inch) is determined at the time a property owner requests a connection to the water system. All properties will have a single connection to the water system (tap) unless additional tap fees are paid for each additional connection to the water system.

Monthly Maintenance Charge

Monthly maintenance is charged on a per membership basis to all property owners whether or not they have a meter.

MAINTENANCE CHARGE

Monthly charge \$35.00

Monthly Usage Rates

Usage is determined by water volume in gallons as measured through the water meter.

A minimum flat rate is applied to all meters. This rate includes the maintenance charge and up to 2,000 gallons of water usage.

RATE PER 1,000 GALLONS

USAGE ¾" METER

Monthly Minimum

0 – 2,000 Gallons \$35.00 Maintenance +
\$30.00 Minimum = \$65.00

Next 4,000 Gallons \$ 4.50

Next 4,000 Gallons \$ 8.00

Next 5,000 Gallons \$12.00

Remainder \$16.00

FORM OF PAYMENT: The utility will accept the following forms of payment:

Cash, Check, Money Order

THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.

REGULATORY ASSESSMENT

1.0% PUC

RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL AND REMIT THE FEE TO THE TCEQ.

Section 1.02 - Miscellaneous Fee

TAP FEE

\$1,300.00 TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD 3/4" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

TAP FEE (Large Meter) \$1,600.00 TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A 1" NON-STANDARD METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

TAP FEE (Unique Costs)

A ROAD BORE – Actual cost

METER RELOCATION FEE Actual Relocation Cost, Not to Exceed Tap Fee THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS THAT AN EXISTING METER BE RELOCATED

METER TEST FEE \$25 THIS FEE WHICH SHOULD REFLECT THE UTILITY'S COST MAY BE CHARGED IF A CUSTOMER REQUESTS A SECOND METER TEST WITHIN A TWO-YEAR PERIOD AND THE TEST INDICATES THAT THE METER IS RECORDING ACCURATELY.

DISCONNECT FEE THE DISCONNECT FEE MUST BE PAID BEFORE SERVICE CAN BE RESTORED TO A CUSTOMER WHO HAS BEEN DISCONNECTED FOR THE FOLLOWING REASONS (OR OTHER REASONS LISTED UNDER SECTION 2.0 OF THIS TARIFF):

- a) Nonpayment of bill (Maximum \$25.00) \$25.00
- b) Customer's request that service be disconnected \$50.00
- c) Customer's request to return to maintenance only, pull meter charge \$500.00
- d) Customer's request to return to maintenance only, lock out meter charge \$50.00
- e) Replacing a meter that has been previously pulled \$500.00

RECONNECTION FEE THE RECONNECT FEE MUST BE PAID BEFORE SERVICE CAN BE RESTORED TO A CUSTOMER WHO HAS BEEN DISCONNECTED FOR THE FOLLOWING REASONS (OR OTHER REASONS LISTED UNDER SECTION 2.0 OF THIS TARIFF):

- a) Nonpayment of bill (Maximum \$25.00) \$25.00
- b) Customer's request that service be disconnected \$50.00
- c) Customers requested to return to maintenance only, replace meter charge \$500.00
- d) Customers requested to return to maintenance only, unlock meter charge \$50.00
- e) Replacing a meter that has been previously puled \$500.00

TRANSFER FEE \$25.00__ THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE LOCATION WHEN THE SERVICE IS NOT DISCONNECTED.

LATE CHARGE 10% OF THE BILL

RETURNED CHECK CHARGE \$35.00

LINE EXTENSION AND CONSTRUCTION CHARGES: REFER TO SECTION 3.0--EXTENSION POLICY FOR TERMS, CONDITIONS, AND CHARGES WHEN NEW CONSTRUCTION IS NECESSARY TO PROVIDE SERVICE.

SECTION 2.0 -- SERVICE RULES AND POLICIES

The utility will have the most current Public Utility Commission of Texas (PUC) or commission rules relating to Water and Wastewater Utility regulations, available for reference purposes. The Rules and this tariff shall be available for public inspection and reproduction at a reasonable cost. The latest Rules or commission approved changes to the Rules supersede any rules or requirements in this tariff.

Section 2.01 - Application for Water Service

All applications for service will be made on the utility's standard application or contract form (attached in the Appendix to this tariff), will be signed by the applicant, any required fees (deposits, reconnect, tap, extension fees, etc. as applicable) will be paid and easements, if required, will be granted before service is provided by the utility. A separate application or contract will be made for each service location.

Section 2.02 - Refusal of Service

The utility may decline to serve an applicant until the applicant has complied with the regulations of the regulatory agencies (state and municipal regulations) and for the reasons outlined in the PUC Rules. In the event that the utility refuses to serve an applicant, the utility will inform the applicant in writing of the basis of its refusal. The utility is also required to inform the applicant that a complaint may be filed with the commission.

Section 2.03 - Fees and Charges & Easements Required Before Service Can Be Connected

(A) Customer Deposits

If a residential applicant cannot establish credit to the satisfaction of the utility, the applicant may be required to pay a deposit as provided for in Section 1.02 - Miscellaneous Fees of this tariff. The utility will keep records of the deposit and credit interest in accordance with PUC Rules.

Residential applicants 65 years of age or older may not be required to pay deposits unless the applicant has an outstanding account balance with the utility or another water or sewer utility which accrued within the last two years.

Nonresidential applicants who cannot establish credit to the satisfaction of the utility may be required to make a deposit that does not exceed an amount equivalent to one-sixth of the estimated annual billings.

Refund of deposit - If service is not connected, or after disconnection of service, the utility will promptly refund the customer's deposit plus accrued interest or the balance, if any, in excess of the unpaid bills for service furnished. The utility may refund the deposit at any time prior to termination of utility service but must refund the deposit plus interest for any standard customer who has paid 18 consecutive billings without being delinquent.

(B) Tap or Reconnect Fees

A new customer requesting service at a location where service has not previously been provided must pay a tap fee as provided in Section 1. A customer requesting service where service has previously been provided must pay a reconnect fee as provided in Section 1. Any applicant or existing customer required to pay for any costs not specifically set forth in the rate schedule pages of this tariff shall be given a written explanation of such costs prior to request for payment and/or commencement of construction. If the applicant or existing customer does not believe that these costs are reasonable or necessary, the applicant or existing customer shall be informed of their right to appeal such costs to the PUC or such other regulatory authority having jurisdiction over the utility's rates in that portion of the utility's service area in which the applicant's or existing customer's property(ies) is located. Fees in addition to the regular tap fee may be charged if listed specifically in Section 1 to cover unique costs not normally incurred as permitted by P.U.C. SUBST. R. 24.86(a)(1)(C). For example, a road bore.

(C) Easement Requirement

Where recorded public utility easements on the service applicant's property do not exist or public road right-of-way easements are not available to access the applicant's property, the utility may require the applicant to provide it with a permanent recorded public utility easement on and across the applicant's real property sufficient to provide service to that applicant. Such easement(s) shall not be used for the construction of production, storage, transmission or pressure facilities unless they are needed for adequate service to that applicant.

Section 2.05 - Customer Responsibility

The customer will be responsible for furnishing and laying the necessary customer service pipe from the meter location to the place of consumption. Customers will not be allowed to use the utility's cutoff valve on the utility's side of the meter. Existing customers may install cutoff valves on their side of the meter and are encouraged to do so. All new customers may be required to install and maintain a cutoff valve on their side of the meter. No direct connection between a public water supply system and any potential source of contamination or between a public water supply system and a private water source (ex. private well) will be allowed. A customer shall not connect, or allow any other person or party to connect, onto any water lines on his premises.

Section 2.06 - Customer Service Inspections

Applicants for new service connections or facilities which have undergone extensive plumbing modifications are required to furnish the utility a completed customer service inspection certificate if applicable. The inspection certificate shall certify that the establishment is in compliance with the Texas Commission on Environmental Quality (TCEQ) Rules and Regulations for Public Water Systems, Section 290.46(j). The utility is not required to perform these inspections for the applicant/customer.

Section 2.07 - Back Flow Prevention Devices

No water connection shall be allowed to any residence or establishment where an actual or potential contamination hazard exists unless the public water facilities are protected from contamination by either an approved air gap, backflow prevention assembly, or other approved device. The type of device or backflow prevention assembly required shall be determined by the specific potential hazard identified in Title 30 Texas Administrative Code (TAC) §290.47(i) Appendix I, Assessment of Hazards and Selection of Assemblies of the TCEQ Rules and Regulations for Public Water Systems.

The use of a backflow prevention assembly at the service connection shall be considered as additional backflow protection and shall not negate the use of backflow protection on internal hazards as outlined and enforced by local plumbing codes. When a customer service inspection certificate is required by local plumbing codes and indicates that an adequate internal cross-connection control program is in effect, backflow protection at the water service entrance or meter is not required.

Section 2.08 - Access to Customer's Premises

The utility will have the right of access to the customer's premises at all reasonable times for the purpose of installing, testing, inspecting or repairing water mains or other equipment used in connection with its provision of water service, or for the purpose of removing its property and disconnecting lines, and for all other purposes necessary to the operation of the utility system including inspecting the customer's plumbing for code, plumbing or tariff violations. The customer shall allow the utility and its personnel access to the customer's property to conduct any water quality tests or inspections required by law. Unless necessary to respond to equipment failure, leak or other condition creating an immediate threat to public health and safety or the continued provision of adequate utility service to others, such entry upon the customer's property shall be during normal business hours and the utility personnel will attempt to notify the customer that they will be working on the customer's property. The customer may require any utility representative, employee, contractor, or agent seeking to make such entry identify themselves, their affiliation with the utility, and the purpose of their entry.

All customers or service applicants shall provide access to meters and utility cutoff valves at all times reasonably necessary to conduct ordinary utility business and after normal business hours as needed to protect and preserve the integrity of the public drinking water supply.

Section 2.09 - Meter Requirements,

Readings, and Testing One meter is required for each property whether standard or non-standard connection. All water sold by the utility will be billed based on meter measurements. The utility will provide, install, own and maintain meters to measure amounts of water consumed by its customers. Meters will be read at monthly intervals and as nearly as possible on the corresponding day of each monthly meter reading period unless otherwise authorized by the Commission.

Meter tests. The utility will, upon the request of a customer, and, if the customer so desires, in his or her presence or in that of his or her authorized representative, make without charge a test of the accuracy of the customer's meter. If the customer asks to observe the test, the test will be made during the utility's normal working hours at a time convenient to the customer. Whenever possible, the test will be made on the customer's premises, but may, at the utility's discretion, be made at the utility's testing facility. If within a period of two years the customer requests a new test, the utility will make the test, but if the meter is found to be within the accuracy standards established by the American Water Works Association, the utility will charge the customer a fee which reflects the cost to test the meter up to a maximum \$25 for a residential customer. Following the completion of any requested test, the utility will promptly advise the customer of the date of removal of the meter, the date of the test, the result of the test, and who made the test.

Section 2.10 - Billing

(A) Regular Billing Bills from the utility will be mailed monthly unless otherwise authorized by the Commission. The due date of bills for utility service will be at least sixteen (16) days from the date of issuance. The postmark on the bill or, if there is no postmark on the bill, the recorded date of mailing by the utility will constitute proof of the date of issuance. Payment for utility service is delinquent if full payment, including late fees and the regulatory assessment, is not received at the utility or the utility's authorized payment agency by 5:00 p.m. on the due date. If the due date falls on a holiday or weekend, the due date for payment purposes will be the next workday after the due date.

(B) Late Fees

A late penalty of 10.0% will be charged on bills received after the due date. The penalty on delinquent bills will not be applied to any balance to which the penalty was applied in a previous billing. The utility must maintain a record of the date of mailing to charge the late penalty.

(C) Information on Bill

Each bill will provide all information required by the PUC Rules. For each of the systems it operates, the utility will maintain and note on the monthly bill a local or toll-free telephone number (or numbers) to which customers can direct questions about their utility service.

Section 2.11- Payments

All payments for utility service shall be delivered or mailed to the utility's business office. If the business office fails to receive payment prior to the time of noticed disconnection for non-payment of a delinquent account, service will be terminated as scheduled. Utility service crews

shall not be allowed to collect payments on customer accounts in the field. Payment of an account by any means that has been dishonored and returned by the payer or payee's bank, shall be deemed to be delinquent. All returned payments must be redeemed with cash or valid money order. If a customer has two returned payments within a twelve-month period, the customer may be required to pay a deposit if one has not already been paid.

Section 2.12 - Service Disconnection

(A) With Notice

Utility service may be disconnected if the bill has not been paid in full by the date listed on the termination notice. The termination date must be at least 10 days after the notice is mailed or hand delivered.

The utility is encouraged to offer a deferred payment plan to a customer who cannot pay an outstanding bill in full and is willing to pay the balance in reasonable installments. However, a customer's utility service may be disconnected if a bill has not been paid or a deferred payment agreement entered into within 26 days from the date of issuance of a bill and if proper notice of termination has been given.

Notice of termination must be a separate mailing or hand delivery in accordance with the PUC Rules.

B) Without Notice

Utility service may also be disconnected without notice for reasons as described in the PUC Rules.

Section 2.13 - Reconnection of Service

Utility personnel must be available during normal business hours to accept payments on the day service is disconnected and the following day unless service was disconnected at the customer's request or due to a hazardous condition. Service will be reconnected within 36 hours after the past due bill, reconnect fees and any other outstanding charges are paid or the conditions which caused service to be disconnected are corrected.

Section 2.14 - Service Interruptions The utility will make all reasonable efforts to prevent interruptions of service. If interruptions occur, the utility will re-establish service within the shortest possible time. Except for momentary interruptions due to automatic equipment operations, the utility will keep a complete record of all interruptions, both emergency and scheduled and will notify the commission in writing of any service interruptions affecting the entire system or any major division of the system lasting more than four hours. The notice will explain the cause of the interruptions.

Section 2.15 - Quality of Service

The utility will plan, furnish, and maintain production, treatment, storage, transmission, and distribution facilities of sufficient size and capacity to provide a continuous and adequate supply of water for all reasonable consumer uses. Unless otherwise authorized by the TCEQ, the utility will maintain facilities as described in the TCEQ Rules and Regulations for Public Water Systems.

Section 2.16 - Customer Complaints and Disputes

If a customer or applicant for service lodges a complaint, the utility will promptly make a suitable investigation and advise the complainant of the results. Service will not be disconnected pending completion of the investigation. If the complainant is dissatisfied with the utility's response, the utility must advise the complainant that he has recourse through either the TCEQ or PUC complaint process, depending on the nature of the complaint. Pending resolution of a complaint, the commission may require continuation or restoration of service.

The utility will maintain a record of all complaints which shows the name and address of the complainant, the date and nature of the complaint and the adjustment or disposition thereof, for a period of two years after the final settlement of the complaint.

In the event of a dispute between a customer and a utility regarding any bill for utility service, the utility will conduct an investigation and report the results to the customer. If the dispute is not resolved, the utility will inform the customer that a complaint may be filed with the commission.

Section 2.17 - Customer Liability

Customer shall be liable for any damage or injury to utility-owned property shown to be caused by the customer.

SECTION 3.0--EXTENSION POLICY

Section 3.01 - Standard Extension Requirements

LINE EXTENSION AND CONSTRUCTION CHARGES: NO CONTRIBUTION IN AID OF CONSTRUCTION MAY BE REQUIRED OF ANY CUSTOMER EXCEPT AS PROVIDED FOR IN THIS APPROVED EXTENSION POLICY.

The utility is not required to extend service to any applicant outside of its certified service area and will only do so under terms and conditions mutually agreeable to the utility and the applicant, in compliance with PUC rules and policies, and upon extension of the utility's certified service area boundaries by the PUC.

The applicant for service will be given an itemized statement of the costs, options such as rebates to the customer, sharing of construction costs between the utility and the customer, or sharing of costs between the customer and other applicants prior to beginning construction.

The utility is not required to extend service to any applicant outside of its certificated service area and will only do so under terms and conditions mutually agreeable to the utility and the applicant, in compliance with PUC rules and policies, and upon extension of the utility's certificated service area boundaries by the PUC.

Section 3.02 - Costs Utilities and Service Applicants Shall Bear

Within its certified area, the utility will pay the cost of the first 200 feet of any water main or distribution line necessary to extend service to an individual residential customer within a platted subdivision. However, if the residential customer requesting service purchased the property after the developer was notified in writing of the need to provide facilities to the utility, the utility may charge for the first 200 feet.

The utility must also be able to document that the developer of the subdivision refused to provide facilities compatible with the utility's facilities in accordance with the utility's approved extension policy after receiving a written request from the utility.

Residential customers will be charged the equivalent of the costs of extending service to their property from the nearest transmission or distribution line even if that line does not have adequate capacity to serve the customer. However, if the customer places unique, non-standard service demands upon the system, the customer may be charged the additional cost of extending service to and throughout their property, including the cost of all necessary transmission and storage facilities necessary to meet the service demands anticipated to be created by that property.

Unless an exception is granted by the TCEQ, the standard service applicant shall not be required to pay for costs of main extensions greater than 2" in diameter for water distribution and pressure wastewater collection lines and 6" in diameter for gravity wastewater lines.

Exceptions may be granted by the TCEQ if:

- adequate service cannot be provided to the applicant using the maximum line sizes listed due to distance or elevation, in which case, it shall be the utility's burden to justify that a larger diameter pipe is required for adequate service;
- or larger minimum line sizes are required under subdivision platting requirements or building codes of municipalities within whose corporate limits or extraterritorial jurisdiction the point of use is located; or the residential service applicant is located outside the CCN service area.

If an exception is granted by the TCEQ, the utility shall establish a proportional cost plan for the specific extension or a rebate plan which may be limited to seven years to return the portion of the applicant's costs for oversizing as new customers are added to ensure that future applicants for service on the line pay at least as much as the initial service applicant.

For purposes of determining the costs that service applicants shall pay, non-standard customers with service demands greater than standard customer demands in the certified area, industrial, and wholesale customers shall be treated as developers. A service applicant requesting a one-inch meter for a lawn sprinkler system to service a standard lot is not considered nonstandard service.

If an applicant requires service other than the standard service provided by the utility, such applicant will be required to pay all expenses incurred by the utility in excess of the expenses that

would be incurred in providing the standard service and connection beyond 200 feet and throughout his property including the cost of all necessary transmission facilities.

The utility will bear the full cost of any over-sizing of water mains necessary to serve other customers in the immediate area. The individual standard customer shall not be charged for any additional production, storage, or treatment facilities. Contributions in aid of construction may not be required of individual standard customers for production, storage, treatment or transmission facilities unless otherwise approved by the Commission under this specific extension policy.

Section 3.03 - Contributions in Aid of Construction

Developers may be required to provide contributions in aid of construction in amounts sufficient to furnish the development with all facilities necessary to provide for reasonable local demand requirements and to comply with TCEQ minimum design criteria for facilities used in the production, transmission, pumping, or treatment of water or TCEQ minimum requirements. For purposes of this subsection, a developer is one who subdivides or requests more than two meters on a piece of property. Non-standard, industrial, and wholesale customers will be treated as developers.

Any applicant who places unique or non-standard service demands on the system may be required to provide contributions in aid of construction for the actual costs of any additional facilities required to maintain compliance with the TCEQ minimum design criteria for water production, treatment, pumping, storage and transmission.

Any service extension to a subdivision (recorded or unrecorded) may be subject to the provisions and restrictions of P.U.C. SUBST. R. 24.86(d). When a developer wishes to extend the system to prepare to service multiple new connections, the charge shall be the cost of such extension, plus a pro-rata charge for facilities which must be committed to such extension compliant with the TCEQ minimum design criteria. As provided by P.U.C. SUBST. R. 24.85(e)(3), for purposes of this section, non-standard, industrial, and wholesale customers shall be treated as developers.

A utility may only charge a developer standby fee for unrecovered costs of facilities committed to a developer's property under the following circumstances:

- Under a contract and only in accordance with the terms of the contract; or
- if service is not being provided to a lot or lots within two years after installation of facilities necessary to provide service to the lots has been completed and if the standby fees are included on the utilities approved tariff after a rate change application has been filed. The fees cannot be billed to the developer or collected until the standby fees have been approved by the commission or executive director. for purposes of this section, a manufactured housing rental community can

only be charged standby fees under a contract or if the utility installs the facilities necessary to provide individually metered service to each of the rental lots or spaces in the community.

Section 3.04 - Appealing Connection Costs

The imposition of additional extension costs or charges as provided by Sections 3.0 - Extension Policy of this tariff shall be subject to appeal as provided in this tariff, PUC rules, or the rules of such other regulatory authority as may have jurisdiction over the utility's rates and services. Any applicant required to pay for any costs not specifically set forth in the rate schedule pages of this tariff shall be given a written explanation of such costs prior to payment and/or commencement of construction. If the applicant does not believe that these costs are reasonable or necessary, the applicant shall be informed of the right to appeal such costs to the PUC or such other regulatory authority having jurisdiction over the utility's rates in that portion of the utility's service area in which the applicant's property(ies) is located.

Section 3.05 - Applying for Service

The utility will provide a written service application form to the applicant for each request for service received by the utility. A separate application shall be required for each potential service location if more than one service connection is desired by any individual applicant. Service application forms will be available at the utility's business office during normal weekday business hours. Service applications will be sent by prepaid first-class United States mail to the address provided by the applicant upon request. Completed applications should be returned by hand delivery in case there are questions which might delay fulfilling the service request. Completed service applications may be submitted by mail if hand delivery is not possible.

Where a new tap or service connection is required, the service applicant shall be required to submit a written service application and request that a tap be made. A diagram, map, plat, or written metes and bounds description of precisely where the applicant desires each tap or service connection is to be made and, if necessary, where the meter is to be installed, along the applicant's property line may also be required with the tap request. The actual point of connection and meter installation must be readily accessible to utility personnel for inspection, servicing, and meter reading while being reasonably secure from damage by vehicles and mowers. If the utility has more than one main adjacent to the service applicant's property, the tap or service connection will be made to the utility's nearest service main with adequate capacity to service the applicant's full potential service demand. Beyond the initial 200 feet, the customer shall bear only the equivalent cost of extending from the nearest main. If the tap or service connection cannot be made at the applicant's desired location, it will be made at another location mutually acceptable to the applicant and the utility.

Section 3.06 - Qualified Service Applicant

A "qualified service applicant" is an applicant who has: (1) met all of the utility's requirements for service contained in this tariff, (2) has made payment or made arrangement for payment of tap

fees, (3) has provided all easements and rights-of-way required to provide service to the requested location, (4) delivered an executed customer service inspection certificate to the utility, if applicable, and (5) has executed a customer service application for each location to which service is being requested.

The utility shall serve each qualified service applicant within its certified service area as soon as practical after receiving a completed service application. All service requests will be fulfilled within the time limits prescribed by PUC rules once the applicant has met all conditions precedent to achieving "qualified service applicant" status. If a service request cannot be fulfilled within the required period, the applicant shall be notified in writing of the delay, its cause and the anticipated date that service will be available. The PUC service dates shall not become applicable until the service applicant has met all conditions precedent to becoming a qualified service applicant as defined by PUC rules.

Section 3.07 - Developer Requirements

As a condition of service to a new subdivision, the utility shall require a developer (as defined by PUC rule) to provide permanent recorded public utility easements as a condition of service to any location within the developer's property.

Notice: this tariff complies with PUCT Water Tariff (Previous TCEQ Form 10330)

2. Appendix to the Tariff – Yvonne asked the board if everyone has a chance for reviewed the Application and Service Agreement. All board members advised they had.

a. Application – Appendix A

Tariff Appendix A:

Crown Mountain
Water Supply Corporation
Application for Water Service

Customer Information (Please use blue or black ink)

Application Date: _____

Applicants Name: (Please Print) _____

Mailing Address: (Please Print) _____

Service Address: (Please Print) _____

Applicant's Driver's License # _____ State: _____

Applicant's Date of Birth: _____ Home Phone: _____

Cell Phone: _____ Work Phone: _____

E-Mail Address: (Please Print) _____

Co-Applicant's Name: (Please Print) _____

Co-Applicant's Driver's License # _____ State: _____

Co-Applicant's Date of Birth: _____ Home Phone: _____

Cell Phone: _____ Work Phone: _____

E-Mail Address: (Please Print) _____

This section for CMWSC

Preference for Billing: _____ Email _____ Mailed

Meter information: _____

Meter Location: _____

b. Service Agreement – Appendix B

Tariff Appendix B:

SERVICE AGREEMENT

1. **PURPOSE:** Crown Mountain Water Supply Corporation is responsible for protecting the drinking water supply form contamination or pollution which could result from improper private water distribution system construction or configuration. The purpose of the service agreement is to notify each customer of the restrictions which are in place to provide this protection. The utility enforces these restrictions to ensure the public's health and welfare. Each customer must sign this agreement before the Crown Mountain Water Supply Corporation will begin service. In addition, when service to an existing connection has been suspended, transferred or terminated, the water system will not re-establish service unless it has a signed copy of this agreement and all fees have been collected.

When your property was purchased, you signed and agreed to deed restrictions. Part of those deed restrictions included becoming a member of Crown Mountain Water Supply Corporation:

1. **PROPERTY DEED RESTRICTIONS:** Member/Customer agrees to comply with all applicable property deed restrictions pertaining to membership, water usage and consumption, rates and fees, special assessments, debt and collections, discontinuation of service, easements, and all other restrictions that pertain to the herein requested water service.

The complete document of deed restrictions for each subdivision in the service area is listed below and can be located with the member/customer's conveyance documents or at the land records department within the Real County Clerk's Office.

- a. Crown Mountain subdivision – Restrictions, Covenants and Reservation of Crown Mountain Ranch, Unit I. Recorded in Volume 60, page 579.
- b. Oak Meadows Ranch Unit 1 subdivision – Exhibit A. Recorded in Volume 34, page 655.
- c. Oak Meadows Ranch Unit 2 subdivision – Covenants, Conditions, Easements and Restrictions of Oak Meadows Ranch Unit II. Recorded in Volume 87, page 715.

2. STATE RESTRICTIONS: The following unacceptable 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 drink water supply shall be eliminated at the service connection by the installation of an air gap or 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 piping fitting which contain more than 8.0% lead may be used for the installation or repair of plumbing at any connection which provides water for human use.
- E. Only lead-free piping and fittings are permitted. No solder or flux which contains more than 0.2% 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 Crown Mountain Water Supply Corporation (THE WATER SYSTEM) and (print out on line) _____ (THE CUSTOMER).

- A. The Water System will maintain a copy (digital or hard copy) of this agreement as long as the Customer/ Member and/or the premises are connected to the Water System.
- B. The customer shall allow his property to be inspected for possible cross-connections and other potential contamination hazards. These inspections shall be conducted by the Water System or its designated agent when there is reason to believe that cross-connections or other potential contamination hazards exist and the Customer/Member has been notified in writing.
- C. The Water System shall notify the Customer/Member in writing of any cross-connection or other potential contamination hazard which has been identified.
- D. The Customer/Member shall immediately remove or adequately isolate any potential cross-connections or other potential contamination hazards on his/her premises.

4. RATE SHEET AND TARIFF: A digital copy will be provided to the Customer/Member. These are periodically reviewed by the board of Crown Mountain Water Supply and it is the Custom/Member's responsibility to obtain the current Rate Sheet and Tariff for their records.

5. BY-LAWS: A digital copy will be provided to the Customer/Member. These are periodically reviewed by the members of Crown Mountain Water Supply and it is the Custom/Member's responsibility to obtain the current By-Laws for their records.

6. ENFORCEMENT: If the customer/member fails to comply with the terms of the Service Agreement, the Water System shall, at its option, terminate service. Any expenses associated with the enforcement of the agreement shall be billed to the Customer/Member.

CUSTOMER/MEMBER SIGNATURE: _____

DATE: _____

Motion to accept Member Application and Service Agreement by Yvonne, Seconded by Patricia, 5 ayes

B. By-Laws – Tabled for the November 8th meeting that will only address the By-Laws

1. Sent to Operational Committee to review - done
2. Attorney for review
3. Member vote

C. Operational Committee

Emergency Response Plan is due by March and has to be implemented by July per the State.

1. Yvonne advised she had started to look into this process and most of it is above her understanding. Chano advised he would help John and the well improvement committee do this as they had the answers between them.
2. John agreed the Well Improvement committee will take the emergency Response Plan.
3. John gave Yvonne to deliver to the EOC (Real County Sherriff's office) the letter from Crown Mountain Water Supply Corporation re: Critical Infrastructure as per the November, 1 2021 dead line.

Office of Emergency Management
Real County Courthouse
Leakey, TX 78873

Re: Crown Mountain Water Supply Corporation - Critical Infrastructure

The Crown Mountain Water Supply Corporation owns and maintains a well, ground storage tanks, a reverse osmosis treatment system, distribution pumps and ancillary equipment at 500 E 2nd Camp Wood, Tx 78833 (electric service address.) The site is accessed from Ranch Road 337 W, just east of Camp Wood, Tx. The site is 100 meters ESE of the City of Camp Wood water tower, at coordinates 29o 40' 07"N, 100o 00' 15" W. This facility qualifies for Critical Load Status.

This letter is submitted to the Real County Office of Emergency Management to comply with Senate Bill 3, 87th Legislature - Texas Water Code (TWC) §13.1396

ESID: 10032789441391418

Electric Utility: AEP 1-866-223-8508

Retail electric provider: Green Mountain Energy 1-866-280-3603

Crown Mountain Water Supply Corporation contacts:

Lee Gruver

Mobile: 281-630-4396

John Klebenow

Mobile: 979-848-7507

Mailing address: PO Box 305 Camp Wood, Tx. 78833

VI. Any Comments from the board/members (note: any member may address the meeting a 2-minute time limit will apply. Any discussion of subject matter will have to be placed on agenda for a future meeting. To place a topic on the agenda please contact Patricia Isham @ (713) 444-3475 or any board member.)

██████████ addressed the board:

Mr. White advised in the last meeting that the By-Laws could not be enforced because they were under review.

How much does it cost to review?

Two minutes is not enough time for comments.

Lee responded with he sets the time for comments and there is no cost for attorney review.

██████████ addressed the board:

Where is all the money going every month? Can I get a copy of that.

Lee responded: no

██████████ advised: The bottom line is I want it.

Lee advised we are not required to give that to you.

██████████ advised: I don't care. I can get it with the open records act.

Lee advised that would be denied.

John advised an item can only be discussed if it is put on the agenda.

██████████ advised she has tried and has been turned down.

Lee advised Special meetings are set for now as soon as the immediate problems have been fixed the agendas will open up, maybe December.

██████████ Stated: What are you people trying to hide.

VII. Adjourn – Motion to adjourn was made by Tim, seconded by Yvonne, 5 ayes.

Adjourn at 8:04pm